



**WORKING PAPER**

Working Paper No.57

Contract Labour in  
Rourkela Steel Plant

by

Nirmal Sengupta

**MADRAS INSTITUTE OF DEVELOPMENT STUDIES**

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## Perspective: Disorganisation of the Organised Sector

Sometimes through their struggles at Dalli-Rahara mines, sometimes because of the inhuman conditions they faced in the construction of Asiad stadia, the contract labour in different parts of the country have often come to limelight in the more recent period. Reports about the textile strike described a large section of the participants as contract labourers. Besides, new items like agitations in a stone quarry or brick kilns or a barbaric act such as drowning his labourers in a river by a contractor, have appeared regularly in the media and have drawn public attention to this section of workers. The special Act meant for contract labour has come into effect since 1970. Though not to the same extent as the Act for bonded labour, the Contract Labour Act has created some general awareness about this category of labour. However, in most cases, the familiarity does not extend beyond a vague notion. Therefore, it is necessary at the outset to introduce who are these people.

Contract labour are by definition, labour employed by contractors. But there are varieties of contract arrangements between the principal employers and their contractors/sub-contractors. Some studies by I.L.O. make a four-fold categorisation:

- (i) contracting arrangements between undertakings in the same country
- (ii) international sub-contracting between undertakings
- (iii) subcontracts performed as home-works, and
- (iv) labour-only sub-contracting whereby a recruiting agent or an intermediary supplies an undertaking with labour, generally for the performance of a specific job.

Here in this report we shall be concerned with the fourth category alone, with labour-only sub-contracting. It may be noted that in the first three categories of contracts the work is performed outside the premises of the contracting agency ('putting-out') while in labour only sub-contracting the work is done by the sub-contractor in the premises of the user firm. Certain contemporary studies have termed the latter as 'ambulatory labour' [viz. I.L.O., 1980:197]. Historical studies have often lumped these two categories of contract while discussing 'putting out' system. But some historians [e.g. Buttrick, 1952; Clawson, 1978] have made a distinction between 'putting-out' and 'inside contracting' systems. We shall discuss later why it is important to make such a distinction. For the time being let us note that we prefer the term 'inside contracting' to the term 'labour only contracting' for, the former is a more tell-tale term.

The term 'labour-only contracting' and its definition as that 'a system whereby a recruiting agent or intermediary supplies an undertaking with labour' leaves a scope of confusion with temporary employment agencies. Indeed, the confusion is general - contract labour is often misexplained as labour supplied on contract by recruiting contractors. In order to qualify as contract labour the contract, even in labour-only contracts, should be centered on the task performed (job contracts) just as it is in cases of 'putting out' systems. The tasks of temporary employment agencies do not extend beyond recruitment, selection and supply of labour (labour contracts) and such labour, once employed, need not be considered as contract labour. But in all job contracts, including 'labour-only contracts', the contractors are themselves responsible for the management and organisation of the work. Just as in putting-out contracts in labour-only contracts too the contracting firm receives the finished goods and services while the management of the work remains mostly out of its purview.

To put it in another way, the consequence of labour-only or inside contracting is manifested in individual employers performing several jobs by their own workers within the premise of the contracting factory; the management of the factory remaining ignorant of details of many activities going on within the factory premise, thousands of workers working regularly within the factory about whom there is no record in the plant offices. Surprising though it may seem this is what goes on even inside the modern steel plants. Nor is it a new system. In the past the system was widely prevalent. In fact the contract systems (putting out and inside contracts) were the ways of production during the early phase of capitalism. The archaic systems have not only survived but have made a come-back in the more recent period.

Popularly known as 'buttying', 'charter mastering', etc. in Britain, the inside contract system was in vogue till the late nineteenth century. A term frequently used for these contractors was 'jobber'. In India the incidence of sardari, mukaddam or maistry system have been widely discussed [e.g. India, 1929; Morris, 1965]. All these jobbers used to combine in one person a formidable series of functions, including chagemanship and supervision of work at the factory, apart from recruitment. As Braverman [1974] explained, the contracting system was the only possible answer to capitalist production during the earliest phases of capitalist development. From their mercantile days the capitalists had inherited only financial and marketing knowledges but had no previous experience of production. Therefore they could not but depend on others, mostly experienced workers acting as contractors, for management of actual process of production. It is only from around the close of the nineteenth century that the employers begun to study the labour process and were ultimately able to control it. This was the beginning of the so called scientific management. In the West the change had already set in from around the beginning of the present century. In countries like India, as we shall discuss later, the change had not yet begun till the nineteen thirties.

However, Marglin's interesting study [Marglin, 1974] brings out another aspect of control on production process which had occurred even earlier to scientific management. The introduction of factory system itself was an innovation. To begin with, capitalist production could not have happened but through putting-out system. The first step in the control of production process was made, as Marglin suggests, through the introduction of the factory system. Factory production introduced an additional form of contracting, the inside-contracting. Putting out system still continued but capitalist were showing marked preference for factory production, which, at this stage was synonymous to inside contracting. The preference for the latter system was because of certain advantages. Under both systems of contract the production process remained under the control of the workers and the contractors, who were mostly experienced workers. But unlike in putting out system, inside contracting in factory production enabled the capitalist employers to exert control over labour-time disposition of the workers. Besides, there were certain other advantages like possibilities of exercising control over embezzlement of materials supplied to contractors [Clawson, 1978: 86-110]. From the point of class organization and class struggles however, the introduction of the factory system made a radical difference. The concentration of workers in the factories as against their dispersed existence under traditional putting-out systems, was conducive to the formation of organization. On the demand side too, the control over labour-time disposition necessitated regulation on working hours; such famous struggles like that of eight-hour working day would not have occurred under the putting-out system. But these distinctions are not merely of historical interest. In the question of organisation those remain even to this date as important as earlier. The contract labour employed inside factories and those employed in dispersed small sectors and households differ in their opportunities for getting organised. Indeed, this is the reason why we prefer to make a distinction

between inside contracting and putting-out systems<sup>1</sup> though both systems describe contracts and contract labour. It is not surprising that the struggles of contract labour reported are generally from steel plants or from textile industries, from mines or quarries that is mostly of workers under inside contracting. Although they account for a small section, the workers employed under inside contracts (labour-only contracts) are the ones among the contract labour, in fact among all unorganised labourers, who enjoy the most favourable condition for development of class organisations. This is where lies the importance of studying this particular section of unorganised workers.

In the West, the decline of the inside contracting system had begun from around the end of the nineteenth century [Buttrick, 1952; Clawson, 1978: 333-370] and by the early twentieth century there were only traces left. In India however, several studies [India, 1929; Morris, 1965; Dasgupta, 1981; Joshi, 1981; Simmons, 1976 etc.] indicate that the system had shown little sign of decline till 1930's. As for its reason recruitment difficulty is the one reason generally advanced. But non-availability of labour requiring engagement of contractors for recruitment had ceased to be a problem in India long before [India, 1929; Morris, 1965]. It was not the shortage of supply but the reluctance of the capitalist owners to learn the production process and enforce direct management which indeed, had helped perpetuation of the practice of engaging inside contractors. The desire for a change came only as late as the 'thirties owing to various reasons. One of these was the rising tide of working class movements in the country, which effected, from various direction, the ultimate dissolution of inside contract system. As we have already noted, the inside contracting system was fertile ground for the development of working class organisations. Besides there were demands like regulation of working hours which had spearheaded the movements against the factory owners as against the jobbers. But the factory owners were often unable to



take any preventive or retaliatory action for they had no knowledge about who were the workers, the agitators or the leaders. Often the jobbers would lead the workers in such struggles and indeed, Kumar [1971] suggests that they did so in the famous strike of Bombay in 1919. This too is not surprising because many jobbers were actually better-off workers and the oppression of the factory system of production had equally affected them.

In Bombay at least, winds of change had set in following the strike. The Bombay Mill owners' association began a campaign for undermining the jobbers and his powers and for having better records about the workers. This had led to the introduction of labour officers' office and registration of badli workers (known later as Muster Register) in the early 'thirties in Bombay. Both of these systems served as the first steps in undermining the inside contract system [Kooiman, 1981]. The same set of changes were introduced in other parts of India at a later date, e.g. in Calcutta jute mills after the strike in 1937 [Basgupta, 1981: 1793] and Kanpur textile industry only after the serious strike in 1937-8 [Joshi, 1981: 1831]. However, it took several more years to replace the system in entirety.

This may lead some to consider that the jobbers enjoyed the confidence of their workers. But there is little ground to support that. Indeed, in the 'diarchic' set up the workers waged struggles sometimes against the principal employers sometimes against the jobbers. Just as the jobbers had rallied the workers against the factory owners the factory owners, particularly through their labour officers, had championed the workers' cause by exposing the exploitation and oppression by the jobbers [e.g. Kooiman, 1981]. Probably the organisation of the workers too were gradually being rid of the jobbers and raising objections of actual workers against the jobber system. The Indian Tariff Board in 1926 had recorded several objections raised by workers representatives against the jobber system

in industry. Among the decisions approved in the famous annual session of the Congress party in Calcutta in January 1929, included was the demand for abolition of sardari system in factories, mills and other industrial centres [Mitra, 1981:184] Simmons too has cited [1976: 472] several evidences given by different trade unions to Bihar Labour Enquiry Committee, 1938-40 unanimously pleading for the statutory prohibition of the inside contracting (jobber) system and favouring departmentalisation of labour.

Another reason had also played an important part in the decay of the inside contracting system since the 'thirties. The Great Depression had necessitated the introduction of rationalisation schemes in Indian industries [Morris, 1965; Kociman, 1981; Simmons, 1976]. This had led to the introduction of scientific management in India when the management revolution was already a few decades old in Europe and America. Along with the necessity of fighting working class movement the need for rationalisation of production began to sound death bell for the inside contracting system since the 'forties of this century.

Little systematic research has been done for the following period and it is difficult to indicate precisely how the transition had occurred. The introduction of Muster Registers (registration of badli workers) gradually eliminated the jobbers as recruiting agents. It is doubtful whether they were eliminated altogether at the very initial stage, for, employers must have taken some time to learn the production process and undertake direct supervision works. But the process of acquaintance which had started with the take-over of recruitments had helped in gradual elimination of the jobbers even from supervisory roles. The scheme of rationalisation of production too had encouraged the take-over of labour management for that was the pre-requisite for implementation of any economy measures. In different industries and units the process of transition must

have occurred at different paces. The final blow came with the introduction of decasualization schemes which was indeed, the culmination of the rationalization process and the introduction of scientific management. Since contracts are by nature temporary, the whole of the labour force which were engaged so long under inside contract arrangements were working as temporary workers with its concomitant evils - high turn-over rates and absenteeism. The take-over of the recruitment process from the jobbers handed over to employers a very large contingent of temporarily but directly employed workforce or 'casual labour'. The inherited work organisation too was accommodative to such temporary labour as it had developed (and continued partly even after the take-over of recruitment process) under the supervision of the jobbers. Since the late 'forties therefore, the evils of temporary labour - high turnover rate, absenteeism, commitment to work etc. - had become the current concern among the employers [Viz., James, 1960].<sup>2</sup> In Western countries the same phase had occurred in the early twentieth century, in the helm of management revolution. In Bombay, the Textile Employment (Decasualization) Scheme was introduced in 1950 which was emulated by factory owners in other regions. It was the final blow to the temporary arrangements like inside contracting.

Thereafter the method of direct recruitment has been improved. The labour-recruitment efforts of War time gradually developed into Employment Exchange programme lending further strength to the direct recruitment method. Decasualization measures had already triggered a whole lot of changes in production process and labour force composition. Such Acts like Industrial Employment (standing orders) Act, 1946, Industrial Disputes Act, 1947, Factories Act, 1948, Mines Act, 1952, Employees' Provident Funds Act, 1952 etc. outlined the new type of work organisation, with security of services, rules of game in collective bargaining, benefits for long service etc. At individual levels, employers introduced

internal promotion schemes e.g. Tata Iron and Steel Co. in 1956. Thus, since around the early 'fifties the outlines of the 'organised sector' in India became clearly visible. Some others may prefer to call it the 'formal sector' or 'primary labour market'. We are not concerned here with the many limitations of each of these characterisations - the purpose of ours is to bring out that the origin of all such divisions in industrial organisation in India lay in this juncture of history.

The question is whether the inside contracting system had collapsed completely during this period. The answer certainly is no. Only at the very initial stages of campaign against inside contracting the system was condemned outright. But very soon, with accumulating experience, the employers and their representatives felt that a prudential attitude would be better. Thus there was a gradual shift from unequivocal condemnation of the system in the 'twenties to guarded statements of later period. The Royal Commission as well as the different provincial enquiry committees instituted in the late 'thirties had recommended abolition of the system except in exceptional cases, e.g. for industries in remote areas where labour supply may not be sufficient, or for temporary and seasonal activities. The Labour Investigations Committee, 1946 however, altered the emphasis between abolition and regulation recommending abolition of the system wherever possible and regulation of the practice in all other cases. The period immediately after independence saw mushrooming of regulatory measures. In fact, it is the voluntary efforts - the consequence of the decasualization measures adopted by employers - which in the main led to the decay of the inside contracting system in the 'fifties. The government had taken stringent measures only for a couple of public sector organisations, e.g. railway collieries and CPWD, where the practice was banned by order. The Second Plan declared, as a comprehensive policy, a set of measures where regulation received clear priority over abolition. Only in

exceptional cases, to be notified by the government from time to time, the system was to be progressively eliminated. A few such prohibitive orders have been issued but only since 1975.

The extreme leniency shown by the government restricted the transition practically to voluntary efforts. The rationalisation measures undertaken during this period as well as the establishment of several modern industries during the post-independence period undermined the jobber and casual/contract labour system to a great extent. However, it is interesting to note that the public sector organisations seem to have been less inclined to adopt the new system. During the Depression the private collieries had found it economical to shift to direct management. But in the government-owned railway collieries there was general reluctance against assumption of such responsibilities since 'a convenient alternative was at hand'. Nor did those government collieries who had made the change, performed well. Thus the Railway Board in 1937 had directed Giridih collieries to fully resume the contractual working, which had been in the process of phasing out, because of its success in other railway collieries. [Simmons, 1976: 481-27.

Reports available for the later period repeat more than mere remnant of the system. The Labour Investigations Committee noted that the contract labour system was firmly entrenched, even accentuating in some industries [India, 1946: 837. The National Commission of Labour noted that the size of contract labour has expanded significantly in the post-independence period [India, 1969: 4127. Interestingly, neither of them were ready to accept these even as a persistent tendency. Thus the Rege Committee suggested that the increase was because of the exigencies of War while the National Commission thought it was because of construction activities. This is in spite of the fact that both the

committees had noted that employers have several advantages, like escaping most of the provisions of Labour Acts, sweating labour and paying low wages to them, if they employ contract labour [India, 1946: 83-4; India, 1969: 418]. The implications of such advantages are obvious in an economy where number of beneficial labour Acts as well as the wages of organised labour have been increasing steadily over the years. Yet there was almost total hesitation in facing the facts squarely - it requires great courage to admit such a disturbing conclusion. In a very hesitant statement the National Labour Commission opined [India, 1969: 420], 'we believe that the percentages (of contract labour) obtaining currently (in different industries) may not have gone up because of the pressure that has been building up against engaging labour in this manner'. The popular views are not even guarded as much. Thus, a text book declares flatly, 'on the whole, the old exploitative and unscientific methods of recruitment (through contractors) have withered away...' [Mongia, 1980: 27]. Far from that, the observations made by Rega Committee and National Labour Commission about the incidences of the system would rather favour an opinion that it has not lost much ground since the late 'forties. Indeed, a study by Vaid [1966] for the 'sixties shows that there was no general trend, - in certain industries like in textiles and sugar mills the new units had proportionately less contract labour while the case was the reverse for certain other industries like engineering industries. The National Labour Commission [India, 1969 : 419-420] had made a compilation of data available from different surveys undertaken by the Labour Bureau between 1959 and 1963 and the Annual Survey of Industries, 1963. The proportion of contract labour (most of which would be inside contracting because of the nature of the industry and survey definitions) in total labour force in some of these high-incidence industries were as below:

1.Metal works (e.g.extraction,refining, founding,rolling etc.)	20-27	per cent
2.Fire bricks	24	11
3.Limestone quarries	37	11
4.Manganese Ore	66	11
5.Rice and Dal mills	22-26	11
6.Salt	49	11
7.Cotton ginning, cleaning and processing	22	11
8.Jute pressing	74	11
9.Toy manufacturing	34	11

The Contract Labour Act, 1970 is applicable only for inside contracts. Statutory returns submitted under the Act shows that only in the central sphere of activities in 1979 there were 7.22 lakh contract labourers [India, 1982: 274] employed by the registered contractors. The aggregate figures for the state sphere of activities are not available. Besides, there are several loopholes in the Act which excludes many contractors from the jurisdiction of the Act. From these, the extensive practice of inside contracting even at present can be easily agreed upon.

But a far more alarming aspect of the problem is that by all indication the incidence of inside contracting is rising steadily since the 'seventies. In the light of the advantages for the employers discussed earlier this should not come as a surprise. While the organised sector took shape in the 'fifties the organised working class could secure several advantages in course of intense struggles in 'fifties and 'sixties. In consequence, the relative advantage in employing contract labour compared to departmental employment has increased manyfolds during the last two decades.<sup>3</sup> However, necessary information for such a comparison is not easily available and we cannot produce anything better than mere fragmentary evidences collected in connection with

a case study described later in this report. The employment figures of Rourkela Steel Plant shows that in fifteen years, between 1968 and 1983 the number of directly employed labour has increased by a meagre 12.6 per cent, from 34.8 to 39.2 thousands. The number of contract labour however has increased by 100 per cent during the same period, from 4.2 thousand to about 8.4 thousand in 1983.<sup>4</sup> The modern steel plant, which had only a nominal proportion of contract labour (and decreasing till 1968) has, by now, become substantial employer of contract labour. The picture does not change much even if the steel industry as a whole is considered including the mines which were employing substantial number of contract labour even in 1968. An estimate made by CITU on the eve of an All India strike of contract labour in steel industry claim that their number has increased from around 30 thousand in 1970 to about 75 thousand in 1981. This will come to about 23 per cent of total labour force in the industry if we remember that the departmental and casual workers in steel industry number about two and a half lakh at present. Rourkela is not an exception - evident from the above figures, the change is occurring in all parts of the steel industry, in each plant and mines. It was reported for example, in IISCO (Burnpur) that the public sector management has surreptitiously introduced contract labour system in its captive coal mines [Roy, 1977]. IISCO too has taken a similar step but with a variation. The Company has closed its mines one after another since 1968. Already some of these mines have been reopened by private lessees [Mahapatra, 1978:581] and are supplying the ore to the same old user. In effect the Company has successfully replaced departmental production by putting out system without calling much attention.

Many different observers have noted increasing incidences of contractual production in big and small industries [e.g. Nagaraj, 1984; Harriss, 1982] all over the country. We want to draw attention to two aspects of this trend which are not yet well-known: (i) contractual production is increasing



steadily even in the most organised sectors, in the most modern industries, in public sector which boast for being a 'model employer', (ii) parallel to putting-out systems, inside contracting or engaging contract labour and private supervisors within the factories is developing at a fast rate. It is certainly a surprising information to many that even in the steel industry such reversal to archaic production organisation (leave alone recruitment) is taking place. Outside the industrial setting such phenomena are little known while those who are familiar with it treat it as a localised phenomenon. Far from that, it is part of a general tendency and in likelihood, is present in all parts of organised sector. In fact, it is possible that the trend is more prominent in the industries where the workers are most well-organised, where the trade union movements have been very strong and where, in consequence, the organised workers have been able to receive several benefits. In all these units, it seems, efforts towards disorganisation has become a systematic strategy of the management.

While the policy of the government till the 'sixties can be characterised as lenient, for the later period it has been definitely favourable to the growth of the archaic employment system. Of course, what else can be expected when the public sector itself is involved in the practice, probably as a major participant. The Supreme Court had hit hard the system in one of its decision in 1959. In its judgement in a famous case (STANVAC vs. their workmen) the Court went as much as to indicate the nature of jobs<sup>5</sup> where contractual production should be outlawed. It may be remembered that till then the government had retained the prerogative and in absence of any binding principle prohibited the practice only in a few cases. The Supreme Court Award made the task imperative. The Award was so stringent that it would have made many traditional incidences of inside contracting illegal; reversal to contractual production from an already existing departmental production process almost impossible. But the government has tacitly

by-passed it. The Award was discussed in the Indian Labour Conference in 1959 and following its recommendations the Ministry concerned drafted a Bill. Several years were lost in considerations and revision and it was finally passed in 1970 as Contract Labour (Regulation and Abolition) Act, 1970. In matters concerning regulation of the practice, the Contract Labour Act, 1970 simply reaffirmed, but extended little, the rights already granted to them in different existing Acts. In fact, most parts of the C.L. Act is word by word repetition of the Factories Act, which earlier had a definition of 'worker' and 'employer' broad enough to include contract labour. But now, because of a special Act for them the contract labourers are not able to share the same council and the same awards along with their counterparts in permanent services. Indeed, such cases were reported after the Act came into effect [Basu, 1977]. The loopholes in the earlier regulations like the exclusion of smaller contractors from the purview of the Acts are still maintained in C.L. Act. For compulsory abolition, the Act suggested a lengthy procedure. Firstly, Statutory Advisory Boards need to be set up in the Centre and in each State. The specific jobs where abolition is sought would be referred to the concerned Advisory Board who would then decide about abolition keeping in consideration whether the nature of the job meets any of the undesirability criteria fixed up by the Supreme Court Award and later included in the Act. It was revealed in Parliament that till 1982 such Advisory Boards were not yet set up in 7 States and 3 Union Territories while in 3 States and 3 Union Territories the Boards had not met for a long time. Sometimes the Board met and decisions were taken but those were not implemented or could not be implemented because of the opposition by the employers including the public sector management [Chakaravarty, 1982].

Thus in a legitimized and lenient set up inside contract system is currently flourishing in the most organized sector including the public sector. In several units such labour

have already come to account for a significant proportion of the total labour force. All those familiar with the trade union movement in the large-scale industries today have not failed to notice that this section is the most disgruntled and the most militant section. The established trade unions face more hardship while working among them. Any attempt by a trade union to enter into an industry therefore, starts with works among this section. Militant activities are almost always confined to agitations by this section of workers. And this is true even outside the trade union front. Since they are the most well-organised among the depressed workers and consist predominately of depressed sections of the society the populist movements in the regions often find good support from amongst such workers. From all these considerations the contract labour in large-scale sector occupy a very important position. No wonder therefore that the problem of this section was the first topic suggested to us by workers and trade union activists when we were asked to undertake a study for the working class.

## INTRODUCTION TO A CASE STUDY

The present study is based on a research project<sup>6</sup> conducted in 1982-83 on behalf of the Asian Workers Development Institute, (AWDI), Rourkela. Since the nature and orientation of the study was heavily influenced by the special characteristics of the sponsoring organisation a brief introduction of it is of interest. AWDI for once, was an institute set up originally by voluntary contributions from about 5000 workers of Rourkela itself.<sup>7</sup> Of course, later they received help from others. The workers had built up a Trust in memory of the late socialist leader of the region, Dhuliswar Bastia. The Trust decided that the best way to honour Bastia's memory was to build up an Institute which would help in promoting the cause of the working class. On being invited by them to initiate such an Institute we had, before us, a great challenge. If at all, we are accustomed to writing suggestions for the government or employer agencies. Can we now make a study even marginally relevant for the workers and the trade unions? Can we successfully use our expertise for a different purpose?

The recent history of the region has seen the emergence of contract labour struggle as a significant phenomenon as also new organising efforts among the contract labour by various Marxist, radical and rightist forces throwing challenges to the socialist leadership. In addition, a strong current of regional movement is now sweeping over the surrounding areas. The contract labourers, most of whom belong to these regions, are sympathetic to this movement. In this background it was only natural that the contract labour problem was suggested to us as the priority project. Apart from making it a study relevant for workers the circumstances required a further precaution from us. The region is an arena of contest among different parties, trade unions and regional groups. If it is truly a study for the working class it must be useful to all organisation who champion the cause of the class.

We did not start collecting data immediately after the project was launched, which was not particularly liked by several others associated with the project. But we had a specific reason. In spite of its objective and value-free appearance data collection is indeed, a commitment to some particular theoretical framework. Once collected (particularly those which are not collected) those define the limits of theoretical works which may be undertaken on the basis of the data. The conventional studies of labour have been made either for government or for employers. The concepts, categories and data collection methods developed there are likely to reinforce the fundamental anti-working class orientation of many of these theories and therefore, may be unsuitable for the present piece of research. Hence, initially we had spent quite some time in reappreciation of the available concepts, categories, techniques of data collection, including the consideration about the type of data which should be collected and which should not be.

Meaningful revision of the conventional concepts, categories and data collection methods can be made only in relation to the concrete. During the preparatory period therefore, we conducted detailed discussions with a large number of workers, activists, management personnel, concerned government officials and others acquainted with this section of workers and their problems. Gradually, from these discussions there emerged a set of questions, with their contexts. Without the knowledge of the context our inquiry would certainly have omitted from its scope many such aspects which were necessary for the explanations. In fact, studying the problems and their contexts directly led us to the identification of the different aspects of industry and workers lives which would be necessary for meeting the distinct objective of the study. The long exercise was very useful. Finally, our points of inquiry were well-defined: some of the questions usually asked in studies of labour conditions were retained, some others altered, their emphases changed, some dropped and and some altogether new areas of inquiry were included. These

are the points of departure from the standard labour market studies. We are not certain that the treatment is useful. Besides this is only a first attempt. The questions dealt by us were elementary. Nor were the revisions perfect. After the study was complete analyses revealed that information in certain other aspects would have been of great interest. Those have been indicated as data gap in the report.

For a theoretical framework we had to search the literature. As it is, most of the theories consider the problem in an one-sided manner, either from the industry characteristics or from the socio-economic positions of the contract labour. Implicit are the assumptions that jobs have identities independent of the incumbents or that the personal characteristics of the incumbents have no impact on the job and industry characteristics. Both of these are mechanistic understanding. Jobs with bad working conditions cannot exist by themselves. Such jobs can materialise only if the production process has such provision and there are people in the society to work as labour under these conditions.<sup>8</sup> Thus, a holistic approach where both industry characteristics and socio-economic position of the potential workers are considered in complementarity is the only meaningful approach. However, a further modification is necessary. Recent researches [e.g. Stigler, 1962; Mc Call, 1970] have stressed that even if there are jobs and workers willing to work in those jobs it does not describe all the dimensions of the situation. The job search process is also a complex process and need to be studied. Thus, we have presented the findings divided in two sections:

- (i) chapter III deals with industry characteristics and working conditions which create the demand for contract labour
- (ii) chapter IV deals with the socio-economic context of the broad society explaining why some persons are willing to work under such working conditions. We have included also the job search process in this section.

Together, these two chapters describe working and living conditions as well as the reasons for occurrence of such conditions. It is now possible to analyse how the conditions may be changed, what are the consequences of a specific type of change, what alternative steps may be taken and all such questions related to organisation. In the final chapter (ch.V) we have discussed these aspects with the understanding that organisational and movemental aspects are the justified conclusions for such a study.

The major part of the information pertaining to industry characteristics were collected from the survey of contract jobs. But there are certain points where the perception of the workers reflects better the particular characteristics of the industry. For such points we relied upon information collected from contract workers. For the study of the socio-economic context and job search process we have relied mainly upon information collected from workers and supplemented it with macro information about the different socio-economic groups in the region. Thus, the study included two types of surveys: (i) survey of contract labour jobs and (ii) survey of contract workers. The first one was a survey of purposively selected units and the second one, a sample survey. For the first one we collected from the RSP management the list of departments (altogether 87 departments excluding the Fertilizer Plant) and the description of contract jobs in each department. We surveyed the actual incidences of job contracts, by visiting 23 of these departments where, as per the official list, incidences of job contracts were high. In these 23 departments we made job to job inquiry to find out the job contracts number of workers engaged and working conditions in some of those. For the rest of the departments we relied upon the official information and revised those once-in-a while on the advise of the trade union workers who had come to help. Discrepancy with the official statistics on this account was not very high. But our estimate of total number of contract labour in the steel plant was higher than the official figure

particularly because there were several smaller and bigger contractors who did not come under the purview of the Contract Labour Act and therefore, were not accounted for in the official figure of contract labour.

The sample survey of contract labour had posed many more problems.<sup>9</sup> To begin with, the listing of population for sampling was a formidable task. The steel plant management or the registered contractors did not have any detailed record, which could be used for this purpose. Nor were any other type of official record helpful for identifying a population where many were recent migrants and footloose. Therefore, to begin with, we made a list of all the residential localities (jhopris or slums as well as the handful of residential colonies)<sup>10</sup> from where the great majority of the contract labour came to work. It was observed that because of duty hours and lack of conveyance they have to live in the nearby areas of the steel plant. We prepared a list of the localities and approximate number of contract labour who reside in each of these by making careful tour of the surrounding areas. Since most of these slums are illegal and very temporary no information about their existence is available from official records.

Altogether, nearly a hundred clusters were identified around the steel plant. In the second step 7 of these clusters were selected using a random sampling method with probability proportional to the rough information about the number of contract labour in each of them. The third step consisted of studying the lay-outs of these selected clusters for dividing them into smaller hamlets of about a hundred population each. We selected one hamlet each from the smaller clusters (slums) and two each from the bigger ones. Altogether 11 such hamlets were selected. In the third step persons residing in all the houses in each of these selected hamlets were listed and information about their occupations was collected either



from themselves or from the neighbours. This helped us to identify the 'contract labour' persons in each of the selected hamlets. They constituted the sampled contract labourers. But we had to consider some other definitional questions before that. Whom should we call a contract labourer? Since turnover rate is very high there are people who are often temporarily out of job. If we consider only those who were employed during the day of interview then such people were to be excluded. But many of them would be again employed as contract labour in a short-while and there is thus, little justification for their exclusion. We had to select a sample of contract labour from among these.

Table-3 gives the details necessary for understanding who were finally selected as contract labour for the purpose of the sample survey. Some of the selected households were never available being either on duty or even out of Rourkela for months. Since the population of these slums are very mobile sometimes even the neighbours were not knowledgeable about their names or occupations. The fifth row of the table shows the number of such households about whom no certain information was available. For some others, the neighbours could confirm that they were contract labour. But even after six visits<sup>11</sup> they were not available for interview. Category 8 shows the number of such contract labourers.

Category 9 shows the number of persons who have worked at least once as contract labour during the two years previous to the survey but were not working as contract labour, either in the steel plant or elsewhere, during the survey. Many of them were only recently laid off, may be for the week when they were interviewed. But there were also young unemployed youth who had occasionally worked as contract labour during the last two years. There was no way to distinguish. Finally, we have included in the sample the six persons who were having more than two years experience but were not contract labour during the survey. Three of them were employed as contract labour

till a month or less before the survey and almost certainly they were temporarily laid off. The rest three were retrenched during the six months before the survey and have been expecting all the time for being recalled. Lastly, there were those similarly laid off from the contract labour job in the steel plant during the survey but unlike the above six were not out of contract labour job altogether. They were serving as contract labour in certain other concerns in the region and were, all the time, expecting to be reemployed as contract labour in the steel plant (category 12). There were three such persons. Thus, as the sample of contract labour in the steel plant selected for interview we have selected 146 persons who were so during the survey and 9 persons who have long experience and have been, probably, temporarily laid off.

Information regarding working and living conditions, socio-economic background, job search process and organisation of the contract labour in the steel plant were collected by interviewing the 155 persons selected as above. The questionnaire used was not a structured one. The investigators were instructed to note the perceptions and priorities considered by the interviewee. Processing has been done so as to take into consideration the unstructured nature of the questions. Finally, a warning seems important. Though the study is based on surveys there are certain difficulties in generalisation. We did not consider all types of residential localities. In addition, the considerable proportion of non-availability reduces the scope of generalisation to any meaningful extent. The status of the study therefore, may be only of a pilot study and indeed, we had undertaken the study as that, during the first year of a proposed three-years project. However, we do not feel any necessity to conduct a full-scale survey by ourselves. If a trade union is interested, the activists can complete such a study by their resources in a far more limited time. A meaningful contribution from us is only to indicate what are the proper areas of inquiry for such a study. The present exploratory project may be sufficient for that purpose.

### CHARACTERISTICS OF CONTRACTED JOBS

The Hindusthan Steel Limited Company was formed in 1954 as an autonomous body and was initially entrusted with the task of setting up a steel plant at Rourkela. Land acquisition for the work had began in 1951. The project report was finalised in late 1955 and the construction works began in October, 1956. The period 1957 to 1962 was the period of massive construction works. Essential services like water-supply was commenced during the very early period. But the commissioning of the production units began only since December, 1958. By the end of 1962 the major construction works were complete and the plant was fully commissioned in February, 1963.

In this background we shall study the labour force composition and the major problems of the workers. During the period 1951-56 the problems related to land acquisition were the major issues and concerned were the displaced persons. From around 1957 the problems of thousands of immigrant labour who came for construction jobs, became the major issue. Since only the essential services were commissioned, the H.S.L. had only a skeleton staff till 1958. With the commissioning of units one after another the number of regular employees increased from about 4,000 in 1958 to 25,000 in 1962. Large scale recruitment ceased thereafter.

The 1958-62 period therefore, witnessed the evolution of departmental production system. It may be recollected that foreign collaboration was sought for the establishment of the plant. The services of the foreign consultants were necessary for initial operations till Indian personnel trained in the work were available. Of course, part of the requirement was met by directly recruiting experienced personnel from Tata Iron and Steel Co. (TISCO) But that was a small part. In many different jobs therefore, inside contracting by foreign

companies with operational know-how was the initial method of production organisation by H.S.L. There were several Indian contractors too, many of whom had required knowhow by being already engaged in TISCO. In some other cases no great expertise was necessary; inside contracting was sought simply because H.S.L. had not yet acquired sufficient supervisory personnel.

In reality, the employment of workers did not wait for the recruitment of supervisors by HSL. The contractors had already initiated operations in several units and had engaged workers recruiting mainly from construction labourers. In accordance with the decasualisation measures existing in the 'fifties such workers engaged by contractors were registered in a Muster Register and were to become muster roll workers of H.S.L. Between 1958-62 most of these muster roll workers were departmentalised though the process of regularisation required several agitational moves.

The widespread inside contracting at the initial stage of operation of the steel plant was but a transitional one. H.S.L. company, a new entrant in the field, had no way but to depend on contracts extended to established foreign and Indian firms, until it could secure the capable managerial staff. As soon as such staff were available, through training or from TISCO, the contractors were dispensed with and muster roll workers were gradually departmentalised. By the end of 1962, prior to the full commissioning of the plant, the process of departmentalisation was largely complete, and the personnel strength of H.S.L., Rourkela rose to about 25 thousand. But the process was never fully complete though that is not how the preponderance of contract labour occurs at present. For certain jobs departmentalisation effort was so very delayed that it did not occur till the late 'sixties and after which could not occur such jobs employ about 4000 contract labour. Engaged in such

jobs are contract labour some of whom have been working in R.S.P. since late 'fifties.

After 1962 it is the departmental workers who predominate in numerical strength. By the end of the year, on the eve of the full commencement of the plant, the entry of construction labour within the plant site was prohibited. Inside contracting, save for the 4000 workers mentioned above, was replaced by departmental production. Thus contract labour, either in construction or in inside contracting, became rare in the 'sixties. Most of the muster roll workers were already regularised though the system was totally abandoned only in 1970. Following an Act passed in 1959 the Employment Exchange agency soon became the major channel of recruitment for permanent and departmental services. Contract labour services thereafter ceased to function as lines of entry for services under H.S.L. The concomitant criteria of internal labour markets too developed simultaneously. Following the first general strike in Rourkela Steel Plant, the trainees' strike in 1959, time-scale payment was introduced. We need not elaborate the later achievements. Suffice it to note that in about a decade the departmental workers attained high wage rates, seniority benefits, many fringe benefits and social security benefits, good working conditions and well-defined work rules, employment stability, job security, scope of vertical mobility, formalised grievances procedure and share in management, while the left-out contract labourers in jobs which were never departmentalised gained practically nothing. But nor were their ranks increased in violation of the personnel policy of engaging workers in permanent capacity.

The first reversal of the personnel policy came in 1971, significantly, within a few months after the signing of a bipartite agreement between the management of Steel Authority of India Ltd.(SAIL) and national trade unions proclaiming

complete abolition of contract labour in all perennial jobs in pursuance of the recommendations of the National Labour Commission and the subsequent Act about contract labour. In July, 1971 a serious accident occurred in the plant when the roof of the Steel Melting Shop collapsed due to improper cleaning of the accumulated crusty dust rich in iron. Though the steel plant has a repair organisation the task was entrusted to contractors and was completed in a record time by sweating labourers as was done later during the construction of Asiad stadia. The management conveniently overlooked that the reliance on contractors amount to the acceptance of inefficiency of the plant management and congratulated themselves on the achievement. But that was not the end of it. After completion of the construction the contractors were entrusted with the work of cleaning and since then this task, earlier performed with departmental staff, is being done through inside contracting. This was the first reversal of personnel policy. Since then, in quick succession, many other works have been extended to contractual operation. In consequence, the numerical strength of contract labour has increased to about ten thousand at present.

Table-1 shows the approximate number of contract labour in the steel plant in 1982. The table is made with an effort of categorisation of jobs in which inside contracting is sought. Loading and unloading jobs are being performed through contractors since the beginning though the number of labourers has been varying from time to time. Once there was an attempt to introduce mechanical device for unloading of wagons and departmentalise the work. But the attempt was abandoned on the ground of economy. We learnt that management of certain other steel plants where such mechanical devices are in use are planning to revert to manual system after observing the success of this economy measure in Rourkela.

Another job where numerous contract labour are engaged from the beginning is metallurgical maintenance (relining) of Coke-ovens. Since the management does not feel any necessity to forward a reason we can only make a guess. The German technical know-how was sought for a long time in this operation and when the Germans left it was already too late to departmentalise the workers without going through the formalities of Employment Exchange. If it is routed through Employment Exchange very few workers will satisfy the education requirements required by recruiting agency for candidature. At the best such a compassionate ground of retaining the old workers and at the worst, the realisation that working through contractors is economical and easy, led to the replacement of the German concern by Hindusthan Steel Construction Ltd. Actually, the work has gone to an Indian contractor who is a sub-contractor of HSCL company. The pretext is that the operation is intermittent since each Coke-oven battery requires relining after a couple of years. But a thoughtful scheduling of the operation can make it a continuous job since there are several batteries and several Coke-ovens. A case in point is the job of maintenance of railway tracks by the Traffic department. Since ten years is the average depreciation period of railway tracks, in a careful scheduling, each year one-tenth of the tracks are renewed thus making it a continuous job. No such system was sought ever in the Coke-oven maintenance.

A new job created lately is cleaning of machineries. Earlier, the permanent workers themselves used to clean the machineries operated by them. The managers complain that they refuse to do so anymore by taking advantage of their secured positions. The workers however indicate that the demand for increasing productivity compel them to devote more time for immediate production compared to the earlier period. In such circumstances it is not possible to engage in supporting activities as in the earlier days. Whatever

be the reason the works are being detailed out and the cleaning of machineries, almost everywhere in the plant, is done only through contract labour.

Besides these there are several operations, which may be called cleaning, processing or maintenance, but which have the same common feature that those involve difficult or extremely unhealthy working conditions and grave danger. The cleaning of roof in Steel Melting Shop from where the practice had restarted, is one such job. Because of the almost inhuman condition under which the work need to be done, the permanent workers were not willing to do it carefully. The management, instead of improving the conditions of work has resorted to engagement of insecure labour compelling them to work in the same harsh conditions. Indeed, the method is sought as a solution wherever the permanent workers demand betterment of conditions of work. It is worth noting that working conditions in some of these dangerous and harsh jobs where contract labour system has remained vogue since the 'fifties, have worsened instead of making any improvement. In pitch-cutting in the by-products plant for example, earlier the workers were given jaggery to eat to prevent disease from inhaling. The practice is stopped since about ten years. Gloves and boots, once found on contract labour engaged in these jobs, have become rare over the years.

The types of job discussed above are the ones where employment of contract labour has become the norm. But limited incidence are found in many other jobs. Indeed, the restricted extension of the practice is more because of history - it is not possible to replace the permanent workers and difficult, though not impossible, to convert existing direct production to contractual production. Therefore, the system can predominate only in the newly created jobs. If we compare the increase in personnel strength since 1968 we observe that the numerical strength of the permanent



employees has increased by 4.4 thousand and that of the contract labour by 4.2 thousand. Thus, nearly a half of the additional personnel of the steel plant has been recruited as contract labour. However, this statement should not be misunderstood as that additional contract labour are employed only in the newly added units. We have already indicated that old jobs have been reorganised and detailed out making recruitment of contract labour possible or that in many old jobs, particularly for the dangerous ones or the low grade jobs, contract labour are being employed side by side with permanent labour. For the latter cases the only restricting provision is the legal prevention of such recruitment procedures in jobs which are perennial etc. Thus, the system is found only when a pretext may be made and the job may be made to appear, in papers at least, as temporary. But that is not difficult since a great many operational jobs are by nature, intermittent. The blast furnace is charged only at regular intervals, but that helps declaration of ladling and slag dumping works as irregular and fit for employing contract labour.

When such pretexts are invented for proper operational jobs those jobs which come under repair or maintenance should be fertile areas for employment of contract labour. In such a big plant and township repair and maintenance jobs arise continuously and may keep repair personnel engaged for whole time. The plant had started with departmental repair organisations and a central Capital Repair Organisation for minor and major repairs respectively. Those still exist but perform only a part of the repair jobs. Increasingly contractors are being inducted for performing such jobs. It is true that the volume of repair works has increased due to the aging of the steel plant and township. But this has not led to the increase of personnel strength in departments for repair and maintenance. Instead, the increased workload is being met by engaging contractors.

The data (in table-1) include that of the captive fertiliser plant and steel township but exclude the captive mines which are located some distance from Rourkela. Besides, there are thousands of construction labourer engaged in expansion works -- during our survey a 110 crore rupees Silicon Steel Project and some other smaller projects were under construction. Their number has been shown separately in table-2 to indicate distinctly, the extent of inside contracting. Unfortunately, it was not possible to make such distinction between construction and operational workers during the sample survey, as lateral movements are very high. Many contractors are engaged in both types of work and their workers are asked frequently to shift from one place to another. And finally, there are many workers who do not know the name of the department where they work. However, the above data, collected by us from the work sites, permit the required categorisation and show the extent of inside contracting. Statutory returns are prepared every month by the Personnel Department too. The average number of contract labour employed during the first few months in 1983 stood at 6.8 thousand as against 8.4 thousand estimated by us. The difference between the two estimates will give an idea about the proportion of contract labour in Steel Plant including township which remains out of the purview of Contract Labour Act. The source of departmental data is the personnel strength declared by each contractor registered under the Act. But neither very big contractors (Civil contracts) nor small contractors are required to register under the Act.

From the above discussions it is evident that though there are stray cases of contractual working even in mechanical operations the major scope of employment of contract labour is the manual jobs. Consequently, the proportion of contract labour is more in the less mechanised operations. If we compare mining, steel production and finishing works we find the proportion of contract labour decreases as we proceed

forward in the linkage of activities (Table-2). However, such a division between steel production and finishing can be made with only limited success<sup>13</sup> since there are several supporting industries which cannot be classified.

Such simple jobs should not require much training or skill. But by analysing technology, it is difficult to obtain any clear expression of the skill requirement of jobs. Indeed, it is often understood tautologically -- The actual education and skill levels of workers are the requirement. A better idea of such requirements is obtained from the perception of the contract labour themselves. Hence we shall refer to the sample survey here. Table-4 shows that the levels of literacy and education of the actual contract labour are low and rarely one has any technical certificate. Thus, the training and skill, if any, are mostly acquired on the job. Table-5 shows the perception of workers in the matter of requirement of skill for the jobs they were employed in. Most of the females and some of the male workers felt that there was no requirement of even on-the-job training for contract labour jobs. But the majority of the male workers, though, rarely any female worker, felt that some training was necessary. We shall wait till the next chapter for discussion of sex-specific difference noted here.

The time required for acquiring the necessary skill for the job was given variously from 3 days to more than a year, though more than 3 months was the common answer. This indeed, provides a clearer idea of the exact nature of the majority of contract labour jobs. A sizeable proportion of the contract labour jobs, particularly the ones where male workers are employed, require some incidental training. Therefore, it is unlikely that the workers engaged in such jobs can be replaced frequently. In fact, it is more likely that temporary lay-offs are frequent but turn-over rates are not so high.

Instead of new recruitments often the same workers engaged by contractors in some earlier contract are recalled. Of late, the preference to be given to laid off labour has been included in contract agreements made between the plant management and the contractors. We have also collected data about the total duration of work as contract labour for the sampled workers. The data shows (Table-6) the range of total experience was very wide, from a few days to a couple of years. But rarely one of them had a continuous employment in one concern. Most of them have been out of job several times<sup>14</sup> during the total period of employment as contract labour.

We did not collect the data for absenteeism. But it is worth noting that the plant management has never accused the contract labour having this vice. Indeed, on all counts contract labour do not lack commitment<sup>15</sup> to industry - it is rather the managerial policy which is more responsible for the lack of commitment. As we ~~shall~~ see later, leave rules are very bad, employment conditions do not permit severance of village ties. On their part however, the contract labour bring their families to Rourkela at the earliest opportunity, their visits to villages are extremely rare though the villages are in the adjacent regions.

Since the contract workers do not lack commitment production organisation has suffered very little due to the transformation from direct production to contracting. The only noticable changes are in the recruitment procedure and in worsening of the terms and conditions of work. Most of the labourers do not have any scope of vertical movement. But lateral movements are extensive. Individuals are changed from contractor to contractor, from department to department, facing different terms and conditions of work. Sometimes the single contractor keeps on transferring his employees from

department to department thus preventing him/her from being conversant with details of terms. An extreme case is that of the Town Administration. There, the workers work under the supervision of the permanent employees of the department who prepare the payrolls. Contractors are changed almost every month and appear only to make payments according to the payrolls. Thus, the workers very often do not know the name of the contractor under whom they are supposed to be working. Often there are sub-contractors in between the workers and the contractors which increases the complexity and impede the knowledge of the workers. In effect the workers are absolutely helpless in case of any dispute or objection since no case can be initiated without the vital information about the employer. Table-7 shows the state of knowledge of sampled contract labour about the employers and the department where they are engaged. As many as 32 persons out of a sample of 155 did not know even the minimum details essential for registering a complain.

When such is the state of knowledge about the basic information, it is unlikely that they would know other details of terms of services. At present there exists some specified terms of services. Since last few years such terms are decided from time to time in agreements made between steel plant management and representative union and are specified to every contractor when the contract is drawn. But many workers do not know the terms, nor are the contractors, with rare exception, willing to honour those. Thus, it is not merely the agreed terms of employment but the difference of those from the actual which need to be studied. We collected some relevant data through our sample survey.

The agreement made on April, 1982 was effective during our study. A second agreement came into effect in October 1983. The major features are specification of minimum wage, dearness allowance, house rent and annual bonus rates. Besides,

the contract labour are also entitled to get provident fund and employees state insurance benefits. The minimum wages (including D.A.) were fixed at Rs.324 per month from workers within the plant and Rs.309 for those working in township and others. These were revised in 1983 to Rs.425 and Rs.395 respectively. The agreement mentioned corresponding daily rates, fall-back wages, inclusion of piece-rate works etc.

It is understandable that a good many workers are not able to calculate their dues in wages, D.A., overtime, bonus etc. and accept whatever is paid by the contractors. By analysing the answers we found that out of 155 as many as 32 workers were definitely receiving less than the stipulated minimum rate. On the higher side, 18 workers were being paid certainly at higher than the minimum rates. Thirty one persons complained of some type of irregularity in payments and disputes with employers. In some cases the contractors left after the job was done, without making payments to labourers.

Only 32 persons were getting double rate for overtime works and 64 persons were receiving bonus. Among other benefits like cycle allowance or house-rent only 19 persons reported at least one type of benefit. A few of the persons interviewed were not certain about the overtime rates and payment of bonus. Once again the ignorance is because of actual uncertainty than labourers' unwillingness to know.

In many a case smaller contractors have made Provident Fund and Employees State Insurance schemes additional sources of exploitation. While deductions are made regularly from their wages the contractors rarely deposit those and often run away with the money after expiry of contracts. Very few workers had actually seen the P.F. accounts to be sure that those were being deposited.

Working hours were generally 8 hours a day though in some jobs like loading and unloading the period of waiting for goods to arrive extended to several hours, even days. Leave conditions are shown in Table-8. The great majority of the contract labour had no paid holidays. Thus, almost every day throughout the year might turn out to be working day.

It should also be noted in working conditions that many jobs are not in reality what those are declared to be. In Horticulture or Township departments or in sweepers' job in administrative offices the jobs were not well-defined and the plant officials assigned the contract labourers whatever works they wished. Many such labourers were de-facto house-servants and maids of officers, while their wages came from the plant budget. Out of 89 male workers and 18 female workers inside the plant, who felt that they had to work in dangerous situations 33 males and 11 females had no items of safety provisions available to them. The rest had only insufficient items like a pair of boots or a helmet - only 6 persons had sufficient number of safety items. Safety rules are evaded in various manners. A very common practice is to give a small amount of money annually for the purchase of all the safety equipments needed. Some of the contractors supply the worn out things discarded by the permanent employees.

It appears that safety conditions are being violated increasingly after the practice of employing contract labour for dangerous jobs has become prevalent. In pitch-cutting for example, till ten years ago, the workers were given molasses to eat in order to check diseases from inhaling. They were also given boots and eye glasses. Such practices have stopped. In mould-coating, at one time leather jackets and salt tablets were being given to workers. This too has been stopped. To mention another side of the problem - often the workers, particularly those who work in piece-rates,

are reluctant to adopt safety measures, for those reduce their capability to work and hence the earnings. With a pair of heavy boots movements are certainly restricted. Nor are the plant management or contractors eager to prevent such violation of safety rules by the workers. It is quite possible that the accident rates have increased during the course of the last decade. Some of the big strikes of contract labour occurred after major accidents when scared labourers fled away from the jobs creating serious shortage of manpower.

Accidents are common. Out of the 155 contract labourers interviewed 24 persons had received, at one time or other, injuries which were not of minor nature. Of them 15 persons received full pay leaves during ailment, the rest did not receive even such support. By an agreement the medical facilities available to the permanent workers in the plant hospital should also be available to the contract workers. But only 3 of them could receive treatment facilities available at the plant hospital. This is because the hospital requires for admission an accident certificate from the employers establishing the bonafide of the case. The employer contractors are extremely reluctant to issue such a certificate since the same certificate effectively becomes a documented evidence of safety lapse on their part. Thus the medical benefits extended to the contract workers has remained mostly on papers.

Finally let us note that the conditions of work are gradually changing. During the early 'seventies there was little institutional control on the inside contracting system. But in course of time the movement of the workers has achieved some success in defining the terms and conditions of recruitment and work. Particular mention must be made of the settlement made since 1978 between the steel plant management and the representatives of the contract workers. Though the management has always reiterated that it is not the employer



in respect of the contractors' labour within the meaning of the Industrial Disputes Act nevertheless it has agreed to enter into settlements with their representatives as a gesture of goodwill and with a view to maintaining industrial peace and harmony. Even if the agreements reached can only be indicative, not imperative for the contractors, the plant management can exercise some indirect control thus preventing excessive deviation from the institutionalised norms. Thus, the working conditions of the contract labour are being increasingly well-defined. In the matter of recruitment too it has been principally agreed by now that the old workers of an outgoing contractor should be reinstated as far as possible by the new contractor for the same job. This provides, at least partly, employment security for the contract labour. In a sense, the movement of the contract labour is gradually attaining for itself internal labour market characteristics. Should they succeed in attaining employment security their conditions of work may improve steadily. But it is doubtful whether this can be achieved without affecting the already engaged workers.

The plant management has also agreed to review the different contract jobs from time to time and departmentalise those jobs which can be made continuous, perennial etc. Some jobs have been departmentalised in steps over the years, though new areas for engaging contractor are also found. In the matter of employment however, the present employees of contractors suffer badly. We shall discuss this problem in the next chapter.

## IV

Characteristics of Contract Workers and Job-search Process

In the previous chapter we have discussed certain characteristics of the jobs which are contracted out. But those can be contracted out successfully only because there are people to do the work under those conditions and at the given terms. Indeed, the terms and conditions of the contract jobs points to some particular sections of the society as the potential labour force. But the requirements of analysis does not stop there. Out of the potential labour force only a section arrives at the recruitment pool. Many others may have no information or are unable to reach the level for various other reasons. The recruitment procedure also prevents the entry of some others. A further question is the problem of keeping the jobs. Once recruited the workers need to make further adjustments to suit the requirements of the job. Apart from being a member of the potential labour force and the recruitment pool the abilities to make such adjustments also play an important role in the final determination of the composition. All these features need to be noted to draw definite conclusions about labour force composition.

The most obvious characteristic of contract labour jobs is the low earning. Since it allows only for low standards of living the historically better off sections of the society are automatically screened out. It is difficult, if not altogether impossible, to change drastically the standards of living. The depressed sections of the society who know the ways of maintaining low standards of living are the only ones suitable. Alternatively, such low paid jobs can exist because there are people in the society who are ready to work even at such rates. Besides, there are other reasons why

the depressed sections of the population feature prominently in contract labour jobs. It is the upper castes and economically better off sections who have cultural objections against such works as sweeping and head loading. Since these jobs are, in most cases, contracted out, the depressed castes and tribes feature prominently in the aggregate of contract labour.

In our sample of 155 contract labour 95 persons (65 out of 119 males and 30 out of 36 females) were scheduled tribes. This may be compared with the composition of Group C workers (i.e personnel excluding Executives and Supervisors) and Group D (Sweepers) workers in permanent services in the steel plant. Among them only 22 per cent were scheduled tribes and 11 per cent were scheduled castes. The proportion of scheduled castes in our sample could not be determined.<sup>16</sup> In any case, from the proportion of scheduled tribes itself, it is evident that the depressed sections predominate among the contract labour.

Although the Human Capital theories explain income differences in terms of educational level there is very little ground to support such a reasoning. There are similar jobs where both permanent and contract labour are employed side by side but are paid at different rates. The educational levels of permanent workers in such jobs are often higher since the recruitment procedure through Employment Exchange make certain minimum level of education as necessary to qualify for the candidature (recruitment pool). But it is open to question whether such an education has any contribution to increasing productivity. However, the educational requirements of institutional recruitment procedure eliminates a good many

people from permanent services in the steel plant though they may still find opportunities in contract labour services. Table-4 shows the very low level of literacy and education of the contract labour. This indeed, points out to the more depressed sections even among the scheduled communities.

Female workers, who are no doubt, the more depressed among the scheduled communities, figure prominently among the contract labour. They accounted for about a fourth part of contract workers in our sample while the corresponding proportion among permanent employees in the steel plant was 4.5 per cent only. Here too the institutional recruitment procedure discriminates against women. Women are not allowed to work within the plant area due to reasons of safety. But such a restriction does not apply for the contractors and they freely employ women for works within plant boundary even for most hazardous jobs. Discrimination against women is not absent even in recruitment for contract labour job. We have already noted in the previous chapter (Table-5) that very few women were employed in such jobs where there was some scope to learn. In fact, we observed that women were employed mostly for headloading works associated with different jobs or for sweeping works. Since for such jobs retrenchment can be made without much difficulty caused to the employers the female workers in general suffered from more insecurity of employment. While the average experience of male workers in our sample was 5.5 years that of the female workers was 3.2 years.

Age composition cannot be determined since such a depressed section of people cannot count their ages. The regional composition is of interest. Nearly two-third of the sampled workers come from the local area, Sundergarh district and three adjacent districts: Mayurbhanj in Orissa

and Ranchi and Singhbhum in Bihar (Table-9). The proportion among contract labour was higher since our sample did not include commuters from adjacent villages. However, our data included some such workers who belonged to families displaced during land acquisition for the construction of the steel plant and settled later in the colonies for displaced people in and around Rourkela. The next big contingent of sampled workers come from districts in western Orissa - Sambalpur, Bolangir, Phulbani, Dhenkanal and Ganjam. Both the areas, the immediate neighbourhood and western Orissa districts are depressed regions. In comparison, very few workers (and no female worker) came from the coastal districts of Orissa - Puri, Cuttack or Balasore - the areas which provide very high proportion of permanent workers. In fact detailed breakdown shows that out of the 18 workers who were paid definitely more than the statutory minimum wage for contract labour as many as 8 were from coastal Orissa districts or from far off regions like north Bihar, U.P. or Nepal. As we have seen, even within the contract labour jobs the terms and conditions differ. The workers from developed areas or far off regions come mainly for such relatively good jobs. Otherwise it is the neighbouring districts and western Orissa from where people come from such low paid jobs.

The four neighbouring districts: Sundergarh, Mayurbhanj, Singhbhum and Ranchi are predominantly tribal districts. It is noteworthy that certain districts of M.P. and West Bengal are nearer and well-connected to Rourkela than many of these districts of Orissa which supply contract labour to Rourkela. But the sample shows that no contract labour comes from these states. It suggests that even in the job search process for such low-paid jobs people expect

better chances in industries within the home-state. Though Singhbhum and Ranchi districts are in Bihar state those are not only very close to Rourkela but belong to the tribal cultural region of which Sundergarh is a part. Western Orissa too describes another cultural region within Orissa and Sundergarh district is a part of this region.

Apart from higher job expectation the people from the homestate or the same cultural regions have certain other advantages. More people from these areas are likely to have friends and relatives in and around Rourkela. This is an important factor in the job-search process. As we have already discussed, among the potential labour force for the specific type of job only a section arrives at the recruitment pool. Only at the initial stage of plant construction, if ever, the contractors had made recruitment directly from the villages. Since long, recruitments are made from the workers available at Rourkela, which completely eliminates recruitment cost on the part of the employers. For the workers however, it requires long and costly preparation. They have to come to the recruitment centres at Rourkela and signal their availability. Naturally, the process involves long stay at Rourkela during the job search process. People from the homestate or the same cultural regions who have friends, relatives and acquaintances, find it easier to stay at Rourkela while engaging in the job search process. Probably this also explains why very few unattached women are able to engage themselves in job search process in Rourkela. As we shall see later, most of the women are employed as a part of the family labour system.

Although many workers assemble daily at the factory gates the contractors rarely make fresh recruitment from them. In recruitments they favour persons recommended by their workers, or their friends and acquaintances. A not-so-uncommon practice is permanent employees recommending their house servants, housemaids or their relatives to their contractor friends. Recommendations made by powerful persons like managerial staff or trade union leaders are honoured by the contractors. Among the sampled contract labour nearly a half had replied that they were helped by friends and relatives and many others had said that they were helped by unrelated persons in getting the jobs. Only 27 persons received the jobs by their own effort. Own effort often includes entering the plant area by bribing the gatekeepers followed by inquiries from site to site about job availability. The contractors do not take the trouble of reaching even the plant gates for recruiting labour. The recommendations by unrelated persons like permanent employees or trade union leaders are not easily obtained. The contract labourers often were compelled to do gruelling works as houseservants, for months, to please the referees.

Evidently, a screening occurs at the job-search level; those who can sustain the strenuous and complex job search process have high commitments to work. Further adjustments are needed once one succeeds in actually being recruited, to fulfill the type of commitment demanded by the job. It may also be noted that nearly a half of the recruits within the past two years were already engaged in some job or other which too must have contributed to increasing the commitment.

Table -10 shows the household settlement pattern of the sampled workers. We have shown separately the contract labour from the families which were displaced during the construction of the steel plant and who were subsequently, settled in places in and around Rourkela. Unlike the migrants these people need no special preparation for being at the recruitment centre, that is Rourkela. Even among the migrants it is possible to make two different groups according to the difficulties faced in arriving at the recruitment centre. There are those workers whose close relatives were already working at Rourkela and who therefore, faced much less difficulties in the job-search than the rest who had to come completely on their own. Table-11 shows the distribution of the above groups of workers according to total number of years of experience. It is worth noting that the great majority of those with only limited total experience came from the two groups - the displaced local and the persons who had relatives at Rourkela - who had relatively less difficulty in arriving at the recruitment centre. Indeed, a better explanation is that they were already there or had arrived at Rourkela in connection with something other than job search, probably they came to stay with their families. However, being in the local area and having acquaintance at different levels it was easier for them to receive information about job vacancies as well as signalling their availabilities. It is quite possible that many of them were only half-willing to work as contract labour but became so as there was some opportunity. Such people may hang on for only some time though it is wrong to suggest that everyone in this category did the same. Alternatively, they may also be dispensed with by the employers for their less professional



outlook. Probably this explains the predominance of workers with only limited experience among them. It will be improper to consider that every local person or relatives of the already engaged workers lack commitment; as table-11 shows there are some with longer experience. But the strenuous arrival and job-search process for the others screens out those who cannot have very high <sup>commitment</sup> while no such screening occurs for the former category. This may explain the data in Table-11 which shows that the large majority of those who have long years of experience had come to Rourkela on their own.

Out of the total of 60 contract workers from displaced families or from the families of persons already working at Rourkela 29 ~~were~~ male and 31 ~~were~~ female workers. The total number of female contract workers in our sample was 36. Thus, the great majority of the female workers were either from Rourkela or arrived at Rourkela through some already established relation. Table-12 shows the detailed linkages through which they arrived and settled at Rourkela. Apparently, most of them had come to stay with husbands, parents or other relations working at Rourkela and only later, had joined the contract labour services. This will help us in explaining the distinct characteristics of employment of female contract workers introduced earlier. In comparison to man it is far more difficult for a woman, because of social and cultural rigidities, to arrive independently and carry out a long drawn job search process at Rourkela. A handful of them can do it with great determination. But the major supply of female workers come, in consequence, from those who stay at Rourkela for some other reasons, that because of being displaced locals or having close relatives at Rourkela. In

consequence, the proportion of committed workers among the available females are much less compared to the males. This is matched with the conditions of work - very few female workers are employed in such jobs where there is some scope to learn. However, one should not make the pitfall of explaining it one-sidedly. While it is true that the supply of committed workers from among the females is less it is also true that demand for such workers is **less**. It is quite likely that the employer contractors have very rigid opinions about the work commitment of women workers in general and are reluctant to extend better jobs to any one of them. Knowing that only highly insecure and unskilled jobs at very low wage rates will be available to them, very few women will be interested to arrive at Rourkela purely in search of job opportunities. But still there are some. The widows in particular, and the single woman whose husband stays at village (Table-12) are probably some of those with higher commitments to work. Probably some of those who came to stay with their brothers or uncles had also arrived primarily in search of jobs at steel plant. But they are not rewarded by the employers for their high commitment. None of them were employed in such jobs where there was some scope to learn. Like the others, they too were ill-paid and suffered from high insecurity of jobs. There is hardly any example, which may encourage women to seek a prospect at Rourkela steel plant.

Let us now turn to the pattern of settlement at Rourkela. Table-11 also shows that very few of the workers who had come to Rourkela on their own stayed alone after a year or two of contract labour service. This implies that even the unmarried and widowed ones often bring their relatives

to Rourkela. Table-13 shows the pattern of settlement of married couples. Only in 6 out of a total of 90 couples the spouses stay at separate places. Of this, as many as 5 were from communities other than scheduled tribe. The lone scheduled tribe couple where the two spouse stayed separately included a female contract labour who worked at Rourkela while her husband looked after cultivation. On the whole it may be said that rarely a married contract labour leaves his wife at village, though the tendency is slightly less pronounced among the non-tribal workers.

Table-14 shows the nearest relatives staying at village for the migrant contract labour families. Note that for obvious reason the table is made with a family and not each contract labour as one unit. This table too shows that very few of the single worker families leave their wives or husbands at village. In the families with more than one worker (not necessarily all are contract labour) even the parents are not left behind at villages. It is quite possible that in the latter category even brothers and sisters are rarely left behind. Understandably, even if they have such intentions, it is not possible to maintain the parents and brothers at Rourkela with the income of a single wage earner contract labour. It is also evident when we look at the remittance Table-15. With number of dependents increasing rarely anything is left for remittance to villages. But between Tables 14 and 15 it becomes clear that the contract labourers prefer to bring their relatives to Rourkela instead of leaving them behind and remitting money for their maintenance.

This is an extremely important characteristic for understanding the pattern of settlement and commitment to industry of the migrant contract labour. They enter the labour market at Rourkela as single member and try their utmost to bring all the nearest relations to Rourkela once they succeed in getting a contract labour job. In a year or two they bring their nearest kins, wives and children. Thereafter, they try to get a second member of the family employed somewhere also in Rourkela and once they succeed they bring their second kins - parents, brothers and sisters to Rourkela. Certainly, the process of bringing all the close relatives cannot be complete for everyone. Certainly, the scheduled tribe families where the womenfolk - the wives and daughters of the original workers - are more willing to work (Table-13), are in relatively better position to complete the process. But this is the general trend. The reason why people prefer to bring their relatives instead of remitting money for their maintenance will be clear once we look at the Table-16 showing frequency of visits to villages. Although many of them come from the nearby villages it is evident from the table that very few of them visit their villages frequently. Even those with their near relations like wife, husband or parents staying at villages, are rarely able to make frequent visits. The only explanation lies in the working conditions in the contract labour jobs. As the great majority of the jobs have practically no leave it is just not possible for most of the contract labour to make frequent visits to villages. Thus, they shift their commitment almost totally to the industry and the urban area, by bringing in, as early as possible, all the near relatives.

Surely, the employers do not specify such settlement pattern as the prerequisite for eligibility as contract labour. The pattern comes out as the ultimate result of an in-built screening process, after already a good many people have been screened out in course of a traumatic job-search process. Immediately after employment the new recruits find it extremely difficult to be in touch with their families at their villages after meeting the severe demand of excessive working hours and working days. Those who can, bring their families to Rourkela at the earliest thus reducing the necessity for visiting their villages. Those who cannot, continue to visit the villages and consequently, fail to respond properly to the need of the jobs gradually being singled out for retrenchment. Thus, only those who can reconcile with the situation by curtailing their committment to villages, survive. Others are gradually screened out. And yet, it will be a blunder if the adjustment process is characterised as severance of village ties. While it is true that connections with village become rare it is also true (Table-16) that those are, with rare exception, completely severed. Even if all the close relatives are in Rourkela the tie with the village is rarely broken. But before we come to this discussion let us be clear whether landownership at the village can be the reason for such continued ties.

As we have seen, the committment to industry demands that an average worker brings all his near relatives to Rourkela and therefore, be able to maintain them with the meagre income he receives as contract labour. From Table-15 we find that the average family size at Rourkela of those workers who are the only earners and who remit very little to villages is around 4.0. We have earlier discussed the wage rates of contract labour. Together, this works out at

about rupees 1500 per annum as the per capita expenditure possible for the members of contract labour families.<sup>17</sup>

It is only those who are able to survive in an urban area with such low standards of living are the only ones who finally become eligible for contract labour jobs. In order to understand their social origin let us take a look at the landholding patterns of these workers. (Table-17). The total area of landholdings, in the undulated terrain around Rourkela, from where a sizable section of the contract workers come to

Rourkela - is not a good indicator of actual wealth. Someone may have several acres of upland (tanr) producing practically nothing while some other may have a few decimals of lowland

(kanali or bahali) which may be highly productive. Therefore, we have described the landholding size in terms of produce equivalent, as "the produce was sufficient for so many months". This indeed, is how the local people measure their landholding.

As is evident, large majority of the contract labour come from such rural families who find it difficult to subsist from cultivation for even a half of the year. Large number of people were landless. Many of them failed to answer - noted

as 'not available' in the table - for, the barren upland owned by them do not permit declaration of landless status but there is no produce worth mention. Besides, the availability of a housesite even with the barren upland is a significant holding.

Proportionately less among the scheduled tribes may appear as landless. But that is only technically so, because of non-alienability of land of tribes owing to protective legislation.

Most of them have only nominal land. Evidently, the great majority of the contract labour come from the most depressed sections of the people in rural areas. Traditionally, they have been living extremely low standards of live. It is possible only for them to survive in Rourkela with the meagre earnings

permissible as contract labour. It is also understandable why a great many of them come from the depressed regions or from the socially depressed communities like the scheduled tribes and scheduled castes.

These were the persons who were sharing the marginal landholdings with other relatives in their respective villages. The produce was hardly sufficient for a few months. Hence, whenever they had any opportunity they were all too eager to find an alternative source of living for themselves and their families. On inquiry, none of them reported that they received any income from the land after they settled in Rourkela. In most cases, a brother or an uncle, whose family had been sharing the produce from the land with the workers' family remained back in the village (Table-14) looking after cultivation. But for great majority of them the size of holding was nominal and no further division of produce was expected among the near relatives, particularly with those who did not contribute labour for cultivation.

The contract labourers are the cheap labour because of their historico-cultural background but not because of what is called articulation between industry and agriculture. No part of their family reproduction cost is borne by rural economy. The whole production cost of labour, including reproduction of the family is borne by the industry itself, so much so that even family labour system is rarely found as we shall see later in this chapter. The wage rates for contract labour are low. Nevertheless, the commitment to work demands that this low wage itself be treated as "family wage".<sup>18</sup> Only those sections of the society who are able to meet the demand become ultimately eligible for contract labour jobs.

But even in spite of this, the articulation between industry and agriculture, between the urban and rural settings, is not completely absent. As we have already mentioned, rarely the connections with villages are completely severed. Even if the close relatives are all at Rourkela, the workers visit their villages occasionally on one pretext or another. In most cases the reasons for visits were given as for meeting distant relatives or for attending some festival. But we suspect that behind these overt reasons there was a deeper motivation. The insecurity in the contract labour jobs prevent them taking such decisive steps as complete severance of village links. The housesite, a small patch of cultivable land or even a piece of barren upland, some friends, relatives and well-wishers - these are probably the last resorts to fall back upon in case of a retrenchment. Probably they keep their claims alive by visiting the villages once in a while in some pretext or other. After all, there are plenty of cases in their **experiences** in which contract workers have been retrenched even after ten or fifteen years of service. Only recently the TISCO mines around Rourkela have closed down one after another forcing families to return to agriculture after three generations of work in the industrial sector (Mohapatra, 1978<sup>7</sup>). How can they risk complete severance of this tie? Undeniably, it is the condition of the industry and the jobs rather than the unwillingness of the contract labour which retains the last vestiges of rural-urban nexus. While the workers were ready to admit complete commitment to industry and urban setting the specific nature of industrial development forced them to divide their commitment.

Finally, let us have a look at the living conditions at Rourkela with the purpose of **studying** the types of adaptability



needed in this. Practically no contractor pays conveyance allowance or housing facilities. Only a half of the male contract labourers in our sample (rarely any female worker) could afford to purchase a cycle. Thus, the great majority of them have to reside in areas around the plant from where they can commute easily on foot. Those who have cycles may come from some more distance, but not much either. Within the factory premise too one has to travel two to three kilometres to reach the worksites. Thus, contract labourers live in places available for residence within two-three kilometres from the different gates of the steel plant or from the steel township. All these areas are acquired by the HSL Company or by railways. A few sites were sanctioned years back for making contract labour colonies. But those cannot accomodate even a few hundred workers. The rest therefore, are forced to live in mushroom colonies which grow up illegally all around the factory and in the steel township on HSL land. In order to establish its rights over the land the plant management demolish periodically one or the other of these slums and the workers move to another site creating another slum overnight. It is least expected that such residential localities will ever have any sanitary or drinking water facilities. The conditions of the legal colonies however, are somewhat better.

But in spite of such hardship for settling in nearby areas the workers have to travel almost for an hour to reach the worksites. Since the duty hours begin at 8 a.m. and lasts till 5 p.m. (with due modification for those who work in other shifts) often with overtime or waiting period, the total number of hours spent for the job become nearly 11 or 12. It becomes impossible to engage in any other work after that. This is probably the reason why their wives are mostly housewives (Table-13).

Even though, more of the scheduled tribe women work, the majority of the wives of even tribal contract labourers are houseworkers. The proportion of tribal women in the female contract labourers is high because the unmarried daughters often go to work with fathers while their mothers look after the housework. It is possible that some of the wives of contract labour are able to work because their mothers or mother-in-laws or even a daughter look after the housework. But on the whole, it does not seem that the industry encourages family labour system in general. Partly, the excessive demand over available time motivates the new recruits to bring their families at the earliest opportunity so that someone may look after houseworks.

The same feature, excessive demand over time is reflected in their social lives too. Only 41 of the sampled 155 workers had ration cards. The others could not prepare the cards owing to shortage of time for running around. Many of them had made Employment Exchange Cards during the job-search process and this is one work about which they are particularly careful. But yet, a half of them have not been able to renew the cards due to shortage of time. As our conversations revealed, they are unable to take their wards to doctors for treatments, to schools for admission, in fact to any other work. But we did not collect any detailed information about these. For such people who have to spend almost twelve hours each day without exception during all the days in a year such difficulties are sure to arise. The industry has demanded a perverse commitment from them: all that is needed for increasing production must be made available but every other faculty of industrial social setting must remain out of reach of them.

## ORGANIZATION AND MOVEMENTS

Before we try to explain certain aspects of organization from the information collected in the previous chapters let us first introduce in brief, contract labour movement in Rourkela.

Consequent upon the changing composition of labour force in Rourkela region the orientation of trade union activities in the region has changed over the years. Once the steel project was announced as early as in 1955, the trade union activists began to take an active interest in the region. Before the construction works began, the first union was registered. In the initial stages the major concern of the activists was compensation and rehabilitation of the displaced persons. But soon, with the beginning of the construction works, the cause of the construction labourers came to be the major issue in the region. This phase lasted upto 1962. In the meantime, with increasing strength of the muster roll workers, trainees and departmental workers, agitations pertaining to their problems were becoming more important. The period after 1962 was the period of intense trade union activity among the permanent workers which culminated in October, 1967 in a massive general strike lasting for thirteen days. After that, the grievances procedures have been improved and there was no further occasion when the permanent employees of Rourkela Steel Plant had to go into any important agitation to press their demands. The focus has therefore shifted gradually to contract labourers whose increasing numerical strength since the 'seventies make them a sizeable section of plant workers as of present.

Following the recommendations of the National Labour Commission and in view of the Contract Labour (Regulation and Abolition) Act, 1970, a bipartite agreement was signed in

1970 by the SAIL management and the different all India trade unions proclaiming complete abolition of contract labour in perennial jobs. In the following period there has occurred several sectional and departmental strikes of contract workers for implementation of the conditions of that bipartite agreement. In 1973 there was a big strike, but in vain. Many of these strikes also included demand for betterment of conditions of work; but achievements in the matter of abolition of contracting practices has been marginal. From time to time, the management agrees to review the contracted jobs and decide which are perennial.

Sporadic protests by contract workers were already in evidence since early 'seventies. In 1971 there was a big case of retrenchment of loaders in the raw materials department and it had led to several physical clashes. In two years, the contract workers of the same department were sufficiently organised to raise demands for betterment of conditions. In 1973 CITU, registered only two years back and trying to enter the Rourkela scene, had called for a seven days strike of contract workers in demand of regularisation. The strike was broken after only three days because of severe repression and opposition by the others. In 1974 December, a contract worker had died in accident. There was a big support strike by permanent workers of the Rolling Mill zone in demand that the recognised union should be associated with the Enquiry Committee set up for enquiries into the reason of the accident. There is no necessity to make the list longer -- there were sporadic incidences of such protests all over the Steel Plant. All these, however, were temporarily suppressed during the Emergency. But once the Emergency was lifted the same wave of contract labour struggle returned with increased vigour. There were small strikes of small groups of contract labourers employed by one or the other departments, mainly to oppose the retrenchment of some of them. All these culminated in a big strike in July, 1978 called by Rourkela Mazdoor Sabha, in which contract labourers all over the Steel Plants had joined.

Following the strike an agreement was signed between the Rourkela Steel Plant management and the recognised union although the R.S.P. management refused to admit any responsibility but moral. One of the major clauses of this agreement was continuation of services of the contract labourers even after the change of contractors, a clause which has partly been honoured. The gain of the 1978 strike has made it possible to enter into bargaining for betterment of conditions. Another charter of demands was submitted on 18.8.1980. Following a strike notice an agreement was signed with the management in 1981.

In the post-Emergency period the contract labourers in mines have become highly active. It should be remembered that the mines were operated for a significant part with the contract workers and had not received much benefit in the wave of workers' struggle in the country in the 'sixties. Since the 'seventies as a part of the new wave of workers' struggle, that of the depressed labourers, all the captive mines of Rourkela Steel Plant became arena of struggle. In 1977, immediately after Emergency was withdrawn, Kalta, Purnapani, Baraduar and Tensa Mines have witnessed intense contract labour movements. In Purnapani, led by INTUC, demand was raised for departmentalisation. In Baraduar Dolomite Quarry, without any help by any Union, the contract labourers had raised demands for regularisation of services. The Barsua Mines have two parts, one highly mechanised and operated mainly by permanent employees and the other (Tensa Mines) operated mostly manually. In Tensa Mines as well as in Kalta Mines the CITU led very militant struggles. In Kalta in 1977 the work had come to a stop for gherao, and in 1978 there was a big strike.

It may be interesting to compare this with the present state of affairs among the permanent employees in the Steel Plant. The total mandays lost in the 1967 strike of permanent

employees was 1259 thousand. The aggregate figure of total mandays lost in Rourkela Steel Plant and Fertiliser Plant permanent employees' strike and demonstrations in fifteen years since then didnot reach even a third part of this figure. No wonder that the focus of the militant trade unionism has shifted to the mines and contract workers.

The 1981-82 figure for the total man-hours lost due to strikes in Rourkela Steel Plant are as below:

		man-hours lost
Works Departments	.. ..	12,563
Mines	.. ..	3,32,795
Others(Fertiliser Plant,Township, External environment)		36,128
		-----
		3,81,486
		-----

(Source: ACTION PLAN, 1982-83

Personnel Deptt., Rourkela Steel Plant)

The mines and external environment figures include in the main the loss due to contract labour agitations. Though it has not reached the same intensity as their counterparts in the mines, the contract labourers in Rourkela Steel Plant have already become very restive.

How organised are the contract workers ? For the sampled workers we collected detailed information about their association with one or the other of the unions. Involvement in organisation may be of different degrees and membership of trade unions is a very restricted concept. So let us proceed from the most elementary type of involvement. We had first identified whether they have any connection with any union either as a member, or by participating in the strikes,

demonstrations, meetings etc., called by them, or association in some other form. The findings are shown in Table-18. Nearly, a half of the sampled workers (73 out of a total of 155 interviewed) have some "connection" with one or the other of the trade unions. In addition, four other persons informed that previously they were members of a Union and had left afterwards. With increasing experience however, more and more workers establish connections with trade unions. Amongst all those who have worked for more than two years as contract labour, continuously or intermittently, nearly three-fourths had established some connections with trade unions. Among those with more experience there were people who had ceased membership, but there hardly was one who never had any connection. It is only natural that the new recruits would need some time to acclimatize before they become connected with trade unions. In fact, four of the new recruits who had proudly informed that they were members of trade unions, revealed after inquiry that they did not even know the names of the unions. Among the experienced workers there was no such ignorance. There is a corollary to the above observation. Since less experienced workers are proportionately more among the female and the local people, proportionately less female workers or local workers have connection with unions when compared with male workers or the immigrants.

The general perception of the contract workers about the activities of trade unions is good. We had encouraged them to speak frankly about their evaluations of trade union works and had noted the general perception, priorities and their willingness to talk. As the first reaction, majority of them mentioned several benefits they received because of trade unions e.g. increase in wages, bonus, holiday allowance, leave rules, medical allowance, facilities after accidents. Some others told that retrenchment has been checked and irregularities in payments have stopped. No doubt union activists were considered

as helpful by great majority of the contract workers who were ready to talk on the topic, and that included even some who had no connection. Interestingly, no one mentioned (voluntarily) any achievement by trade unions in the matter of safety provisions. Altogether there were 11 persons who commented somewhat adversely about trade unions. But most of these were of minor nature. On the contrary, more among those with long years of experience were averse to trade unions. Probably, futile struggles for years have made them cynic.

But when we enter into the details of connections with trade unions we find that most of the people have only marginal connections. Only two members in the long list of 155 persons interviewed were somewhat active in trade unions. Both were males; one of them belonged to a scheduled tribe community. Both have long experience of work as contract labour, one for 7 years the other 10 years. They have joined several strikes, were well-conversant about the demands raised in different occasions and at times, even participated in some other activities of the union. Apart from these two persons, for the rest 'connections with unions' merely amounted to making of contributions to union funds and occasional participation in strikes called by the respective unions. Three persons informed that they had joined three strikes. But none of them knew the demands for which the strikes were called. Three other persons made contributions to the union funds but did not join the strikes called by the same unions. Four other persons, as mentioned earlier, knew that they were members of some unions but were not sure which one it was.

The working and living conditions which distinguish the two active persons from the rest must explain their behaviour. Both of them were engaged in 'semi-skilled' jobs judged from the fact that by their own perception more than six months were needed to acquire the required skill. This explains why they



have been engaged for such a long time. But there were others too who fulfil the same condition (see Table-5) but were not as active as these two. It seems that the explanation lies in family settlement patterns. One of them was staying at Rourkela with 2 sons while his wife stayed at village.. None of the two sons found regular work outside and between them, they looked after the houseworks. The other had a three member household, with a wife and a niece. The wife too worked as contract labour and the niece looked after the household works. Noteworthy that their economic positions are relatively good compared to others since there were more working members and less dependents in the family. In addition, the two male workers had no need to engage in houseworks. Even for outside works for the house there were some additional members available; the sons for the first family and the wife for the second. Besides, with no children or old persons in these families the amount of housework must have been less. It is also likely that with grown-up members alone making up these two families, their interests in spending time together in company of other family members was less and the members were outwardly looking. It seems that all these various reasons contributed to these two male workers being active in union activities more than the others. In fact, by summarising we arrive at two basic reasons determining participation in union activities: (i) total experience and (ii) availability of time. Since we could not be certain about the reasons before the survey work was undertaken here is a data gap. We did not collect detailed information about availability of time of each individual worker enabling us make an attempt to explain participation rates of each individual. All that we can say is that it appears logically correct that people come into touch with unions and learn more about them with increasing experience but their participation rate is determined by the free time they may have for engaging in these works.

If it is so, what can the union do to increase participation rates of the workers? They may expect only those with some experience as contract labour to come and participate - there is little scope for unions to increase experience. But within the potential participants the rate of participation may possibly be increased if the problem of time shortage is reduced. The unions should stress on better leave rules, reduction of overtime practices, standardisation of duty hours etc. Such demands are certainly included in the charter of demands even at present. But considering that their organisational involvement is very little, but that is the precondition for attainment of any other demand - the demand for the regulation of leave and working hours must be treated as a foremost demand.

This is all the more important because of the distinct social composition of contract labour. As we have seen, the matching process inevitably draws permanent and contract labour predominantly from two different sections of the society. Differences exist in language, manners and customs and merely by subjective wishes a congenial atmosphere cannot be created in the trade union offices and circles dominated by the permanent workers of a different social origin. The presence of many other contract workers alone can impart a more secular climate to the union circles, in turn, encouraging many others to participate.

In the matter of strategy and tactics too the time constraint need to be considered. Under the present conditions such programmes as strikes, which call merely for abstinence from the existing work, are suitable for drawing their participation. But demonstration or picketing, which necessitate further engagement, cannot achieve much of a significant success. This is not because they lack militancy or desire to struggle, although that is what would appear. But this is because the programme for struggle was not a suitable one

under the conditions of their existence. Is it not natural that they are only too eager to use the extra hour for doing some of a hundred of small household matters which have remained pending for months? It has so happened in Rourkela that even within a very successful strike mobilisation, a call for demonstration attracted only a handful of people, creating a bad impression. The unions must carefully avoid such wrong strategies. For improvement of participation in the demonstrations or meetings too, certain adjustments with their lives will be useful. The meeting places must not be far off from their worksites or residential locations.

The characteristic settlement pattern of the contract workers in Rourkela make it difficult for them to sustain long duration strikes. Leave alone the question of similarity with the Bombay Textile strike, even a two or three days long strike may be much for their endurance. It is possible for only such workers who have something to fall back upon, like some support in villages. But Rourkela contract labourers have very little such support. With the families settled in Rourkela, even a marginal cut down in earnings may prove difficult for survival. What suits them best are short duration strikes, for a day or even a tool down strike for an hour. It is possible that limited liabilities for the principal employers also provides some additional scope of struggle for contract labour under the Industrial Disputes Act. The strategies and tactics of struggles of contract labour need not be as restricted as those of the permanent labour. In the above discussion of ours a particular limitation must not be overlooked. We have made the study in terms of overall conditions. The actual conditions differ from department to department. There may exist certain departments with distinctive job conditions requiring a specific type of settled labour who are able to sustain long-duration strikes. Though the same reasoning applies here too, it is essential to inquire actual conditions from job to job.

Let us now turn to the question of proper demands. There already exists certain charter of demands. Our effort may be directed to identify, on the basis of foregoing analyses, whether there are any other demand which need to be raised, whether each minute aspect of the demands has been considered. We are not entering here into the question of relative stress needed in different demands for implementation since the actual working conditions and differences of those with the norms set by the agreement between RSP management and trade union representatives have already been discussed in chapter III. But we shall consider another very important aspect of relative stress given on various types of demands. The fulfilment of any one demand sets in a chain of reaction in both industry condition and social composition of labour. We want to analyse the demands from this aspect and thereby indicate the relative stress to be given to each type corresponding to the achievement of particular objectives for the benefit of the working class. Through our holistic characterisation it is possible to identify the different types of interactions.

As we have discussed, the actual conditions are results of interaction (matching) between industry and job conditions on the one hand and social background of labourers on the other. It follows therefore, a demand for a change in industry and working conditions will lead to a different matching with another section of society for the labour. In the net effect the presently employed workers will loose their jobs while the new recruits will not be even of the same social groups. This brings us to the proper time-phasing of demands. If it is desired that the benefits of struggle should accrue to the existing (i.e. the struggling) workers and that particular social group the option of the industry to seek new recruits must be curtailed first. In other words, continuity of employment is not only a foremost demand but

separates the types of demands which can be raised before and after the achievement of this demand.

The following are the different types of demands which can be raised even before the continuity of services are assured:

(i) Compensatory wage provisions: Wages and dearness allowance increase keeping parity with the price rise and increasing family sizes of the contract labour. As long as the real wages do not increase and these permit the same standards of living as before the industry is unlikely to show any interest in changing the existing workers (or the industry and job conditions in the matter of skill and experience requirements).

(ii) Leave Rules: There are certain conditions of work which do not affect much the standards of living and hence may not bring about changes in social composition of labour. But these conditions are still very important for their immediate existence and from long-term point of view. Leave rule is one such condition as we have already discussed. That is important not merely for trade union participation but in general, for restoring their social connections. It is because of the severe shortage of time that they are rarely able to participate in other social activities be it the public distribution system or a recreation centre at Rourkela<sup>20</sup>. They cannot develop the urban and industrial character in such a restricted scope of movement. The industry should not be allowed to consume every available minute of their lives for industrial work. Their autonomous existence must be restored as far as possible. For that the betterment of leave rules and regulation of working hours are essential.

(iii) Safety provisions: This is another condition whose importance need no stressing and which does not alter the

standards of living. As we have seen, the safety conditions are deteriorating steadily over the years. There is rather a casual attitude to the question. As we had noted, rarely a worker mentioned this as one of the important achievements of union activities. It is not uncommon in private talks a union activists saying that there must be someone to do risky and hazardous jobs. The labourers themselves often refuse to use such provisions, for, their work efficiency is reduced and hence earnings. For improving the conditions (a) a bipartite vigilance committee may be constituted with RSP managerial staff and union activists to make on-the-spot vigilance, (ii) stringent punishment may be given to those violating safety rules and (iii) for piece-rated workers in the unsafe jobs compensatory wage-increase for loss of efficiency due to use of safety provisions must be implemented. The management can safely intervene here in spite of the assertion that they are not the employers of the contract labour under the Industrial Disputes Act. All the conditions related to safety within the factory premise come under the purview of RSP management.

(v) Housing: We have already shown that the difficulties in communication compel the majority of the contract labour to reside near the plant which are, in general, land acquired by RSP. Thus, their residential problem too is a problem with the plant management. A very important demand is to make RSP management to recognise such localities where contract labour stay as areas for their residence and thus end the present status of their illegal occupation under compulsion. Understandably, as long as these areas are constantly threatened of demolition no investment on the land will be forthcoming from any agency. The recognition is therefore a precondition for betterment of living conditions. Then only they may ask for drinking water facilities, improvement in sanitary conditions, establishment of ration shops and schools within these localities which are essential. Apart from RSP management the government too

may be approached for extension of these facilities. But no one can take any step as long as the residential occupations are considered illegal.

(v) Security of employment: This is the final demand. While it is essential to impress upon the management to agree first on principle and then to issue directives to the contractors, to engage the old workers for the same job when a contractor is changed it is also necessary to take certain actions so that these principles and directives can be implemented. For this the contract workers must be in possession of some records of occupation which may be used as evidences whenever disputes arise. The management of RSP should be impressed upon including in contracts issue of pay-slips to workers as well as maintenance of employment registers by the contractors. A tripartite committee may be set for periodically looking into these registers. But demands like departmentalisation are not desirable for various reasons.

Such demands can be raised only after some security of services are obtained. Thereafter the last demand (v) is replaced by demands for betterment of wages and related benefits. The demands for (i) introduction of time-scale wages and (ii) gradation of jobs should be introduced at this stage. Also (iii) increase in wage rates to bring down the disparity between permanent and contract workers can be introduced at this stage. But demand for departmentalisation of jobs even at this stage may affect the interest of the social groups. Indeed, this involves several question which may be raised by the trade unions but can be solved only in the broader arena, in political and social set up.

To understand the problem let us take a closer view of the whole labour market organisation. There are several tiers of organisation. Within each tier there is some degree of

manoeuvrability and some scope of upward movement. But the entry possibilities into another tier is highly restricted and regulated by completely different conditions. Let us have a look into the different tiers of market organisation and their internal scopes and entry conditions; with respect to contract labour:

(i) labour market at Rourkela: The entry conditions here include arrangement for place to stay and ways of survival at Rourkela during the strenuous job-search process, which is totally in the sphere of individual and his/her social conditions. Industry or employers have nothing to do at this level. Scope of improvement includes more and more refined method of establishing connections with recruitment agents, i.e. persons who can provide contract labour jobs. But that is not the same as getting actually a job.

(ii) contract labour within RSP (without security of services) : Entry condition is obtaining of such a job, which is controlled and regulated by the employers. Improvement possibilities are acquisition of certain types of skills, unionisation for betterment of conditions. But that only increases the chance of obtaining security of services. The entry into the third tier occurs only after one actually attains this security.

(iii) secured contract labour: Entry condition is to earn security of services in which employers have some say but not all. The workers themselves have some regulatory power. This is also partly institutionally regulated. There are some legislative clauses etc. under which security of services should or should not be extended. On the other hand, the formal regulations are not very stringent and some manoeuvrability is possible. Betterment possibilities include economic betterment and better scopes of organisation.



(iv) departmental labour: entry conditions are highly institutionalised e.g. through Employment Exchange, on the basis of certain requisites of formal qualifications etc. The whole polity - its state, ideology, ethics, norms etc. are involved in these institutional structure and therefore any change in the entry process raises a whole lot of challenge to the existing social norms. It becomes very difficult to solve it at the trade union level. In fact, the first and the last tiers (i) and (iv) in the above remains out of our purview. The trade unions can engage themselves in the betterment of conditions in the two middle levels.

What is the difficulty faced by trade unions in raising demands for departmentalisation? We have already discussed what these are. Once departmentalised, the entry into the specific job will require a completely new route, through Employment Exchanges. And although it may be agreed in principle that "preference will be given to contractors' workers engaged by/ through contractors on the same job, for recruitment against the departmentalised jobs provided their names are sponsored by the Employment Exchange", it is doubtful that the great majority of the present contract labour will be found suitable by the Exchange. The latter requires middle-school level education for the types of jobs done by contract labour and wages earned in such occupations in public sector employment. Very few contract workers have this educational qualification (see Table-4). Besides, there are other conditions. The clause that women workers would not be engaged in the Works department may be brought in to exclude many others. As contract labour, the same illiterate people and women served quite well in the jobs. But they will not be considered suitable once the same jobs are departmentalised.

It is a question why educational levels are necessary for production, once the jobs are departmentalised? It is a question

why women too should not be employed in the factory premise as they were before? But such are the norms of the society. It is accepted that higher education is needed for high paid jobs. And these problems cannot be solved within the premises of the trade union. It has to be fought at the political and ideological arena of the whole society.

They may not be able to solve these problems within their premise. Nevertheless, the unions must raise these points. Trade unions are not necessarily centres of economism, those are also related to political activities committed to making fundamental changes in the society. They must challenge such well-established norms of the society that higher expertise comes from higher education attained in the well-furnished classrooms cut off from production process. There may be a union which dare to challenge the highly institutionalised discriminative practices against the weak and the downtrodden [e.g. Berg, 1970] Who else is more interested than the contract workers, the underpaid experts, to question such institutionalised discrimination practices through education? What better platform is there to raise doubts about these well-known discriminatory practices than that of the actual sufferers? These are indeed such areas where the works of the trade unions extend beyond the immediate scope of the industry - whereby unions can also become agencies for revolution.

Indeed, ideological positions are reflected all throughout the discussions of demands should one notice it carefully. In our analyses we made progress from the assumption that the presently existing workers and the depressed social groups deserve to be benefitted from the trade union movements more than the advanced ones. Others may not feel so and feel that trade union movements should always ask for wage increase and departmentalisation no matter what is the social background of the workers. They effectively represent the interests of the

advanced groups of the society. The crux of our analysis was to treat the workers not merely in the industrial setting but also in the social setting. This is the major addition in recent trend of working-class studies some of which have been branded as articulation theories. In essence, industry and agriculture are not so separate entities but are articulated in such ways that the industry reaps several advantages from agriculture and society including cheap labour. This necessitates the treatment of not merely in the industrial context but also the social background for proper understanding the problems of working class. Finally, we have considered here, in accordance with the objective of the study, the working class movements as the motive force of change. Thus suggestions such as phased mechanisation etc. do not feature in our list of demands. Rather, we are interested in the composition of labour which necessitates mechanisation to be carried out only in steps.

# POSTSCRIPT

On being invited to undertake the study we had not only reconsidered the design of inquiry but also sought a clear understanding of our roles vis-a-vis the working class movement. Social democracy, following Kautsky, understood intellectuals in the socialist movement as refugees from the bourgeois class providing theory, ideology and often leadership for the workers. Very few persons note that such a formulation implicitly takes that workers are non-intellectuals. This is how Gramsci criticised the mechanical understanding in his Prison Notebooks:

'All men are intellectuals .....(though) not all men have in society the function of intellectuals ..... although one can speak of intellectuals one cannot speak of non-intellectuals, because non-intellectuals do not exist ..... There is no human activity from which every form of intellectual participation can be excluded: homo faber (man the maker or tool bearer) cannot be separated from homo sapiens (man the thinker)."

In particular, in the area of organisations and movements workers and activists have given much thought. This area of inquiry is certainly not poor in intellectual contribution. We could not foresee any role for us except for reproducing the thought of workers and activists with professional competence of intellectuals. If some of the activist friends feel that there is nothing so new in the suggestions that will be the best compliment - this is not an attempt to teach the trade union organisers what they should do. We are of course, eager to know whether the professionalism has any relevance for their work.

Even at the cost of repetition let us warn against undue generalisation. Contract labour is an extremely heterogeneous category. The conditions observed at Rourkela Steel Plant

cannot be generalised for the contract labour in other steel plants leave alone other industries. In fact, the broad conditions described in this pilot study may not do justice to the actual situation if the different departments at Rourkela are seen separately. However, there are certain other points which merit general attention. For example, how to approach the problem, what are the information relevant for understanding organisations and movements, what are the implications of different demands etc. Clarity in these areas will certainly help working class organisations to function in a better way and make systematic effort to reach their goals. Our study is merely a first attempt and deserves close scrutiny, particularly by those who are already engaged in understanding these questions. Who else but the experienced workers and activists, can make better contributions in understanding these processes?

Table 1APPROXIMATE NUMBER OF CONTRACT LABOUR IN DIFFERENT JOBS 1982-83

Sl. No	Type of work	No. of C.L.
1.	Loading and unloading	2150
2.	Misc. low grade jobs	2190
	i) Sweeping, Housekeeping and conservancy	890
	ii) Watch and Ward duty	240
	iii) Gardening	530
	iv) Painting, D.D.T. spraying etc	530
3.	Relining of furnaces etc	1090
4.	Cleaning of machineries and other special cleaning	1145
5.	Processing and transportation	490
6.	Maintenance (of railway tracks, water supply, houses in township etc.)	470
7.	Repair works (minor and capital repair)	900
	Total	8435
8.	Construction	3220
	Total	11655

Table 2INTENSITY OF USE OF CONTRACT LABOUR 1982-83

Sl. No	Activity	Total no. of workers (in thousands)	Contract labour as p.c. of workers
1.	Finishing of steel	7.2	9.7
2.	Iron and Steel manufacturing	9.5	29.7
3.	Centralised maintenance and services	14.0	20.0
4.	General Administration	2.8	11.6
5.	Township and medical	4.8	22.7
6.	Fertiliser Plant	2.4	29.1
	Total Steel Plant	40.7	20.7
7.	Mines	7.4	59.5
8.	Construction	3.6	88.8

Table 3HAMLET CHARACTERISTICS AND SAMPLING OF CONTRACT LABOURERS

1.	No. of hamlets surveyed	11
2.	Total No. of households in surveyed hamlets	383
3.	No. of households from which no member has ever worked as C.L.	221
4.	No. of households from which some member has worked as C.L. but before the last 2 years	13
5.	No. of households who probably have some C.L. still but could not be confirmed	8
6.	No. of households (confirmed) from which at least one person has worked as C.L. in last 2 years	141
	( Total of 3 to 6	383 )
7.	No. of C.L. in the 141 households	
	i) female	46
	ii) male	150
	iii) total	196
8.	No. of contract labourers (confirmed to be C.L.) who were not available for interview	9
9.	No. of persons interviewed who are presently out of C.L. job and total experience as C.L. is	
	i) less than 2 years	20
	ii) more than 2 years	6

(continued)



(Table 3 contd)

10.	No. of persons interviewed who are presently C.L.	161
	(Total of 8 to 10	196)
11.	Of 161 persons working as C.L. no, of persons in	
	i) industries in Rourkela	
	other than R.S.P. - - - - -	15
	ii) in R.S.P., including	
	Township and Fert, Plant	146
12.	Out of the 15 persons (11, (i) who preferred to describe themselves as C.L. in R.S.P.	3
13.	No. of persons with long experience as C.L. in R.S.P. who have been recently retrenched (category 9 (ii) )	6
	- - - - -	
14.	No. of persons interviewed for studying conditions of C.L. in Rourkela Steel Plant	155
	- - - - -	

Table 4Literacy Level

Sl. No	Educational level	No. of workers	
		Male	Female
1.	Illiterate	31	34
2.	Can sign	9	-
3.	Up to 6	46	2
4.	Above 6th below Matric	30	-
5.	Matriculation and above	3	-
6.	Total	119	36
7.	Technical course certificate	3	-

Table 5Workers perception about scope of Learning while on the job

Sl No	Category	No. of workers		
		Male	Female	Total
1.	No scope	33	34	67
2.	Some scope	86	2	88
Time needed to acquire the required skill for the jobs				
	i) below 3 months	9	2	11
	ii) 3-6 months	7	-	7
	iii) 6-12 months	14	-	14
	iv) above 1 year	29	-	29
	v) undecided	27	-	27

Table 6

Distribution of interviewed persons showing duration of work as contract labourers in Rourkela Steel Plant

Sl No	Duration of work	No. of workers		
		Male	Female	Total
1.	6 months or below	22	6	28
2.	Above 6 months up to 1 year	12	5	17
3.	Above 1 year up to 2 years	17	6	23
4.	Above 2 years up to 5 years	21	7	28
5.	Above 5 years up to 10 years	22	5	27
6.	Above 10 years up to 15 years	13	1	14
7.	Above 15 years up to 20 years	5	-	5
8.	Above 20 years	2	-	2
9.	Not available	5	6	11
10.	Total	109	36	155

Table 7Knowledge of Employer

Sl. No	Category	No. of workers		
		Male	Female	Total
1.	Knows only the contractor's name, not the department	5	3	8
2.	Knows the department but not the contractor's/sub contractor's name	17	6	23
3.	Knows neither	--	1	1
4.	Knows both	97	26	123
5.	Total	119	36	155

Table 8Conditions Regarding Leave

(Days for which payments are made though not worked)

	No. of workers
<hr/>	
1. No work no pay	68
2. Only the national holidays	30
3. Sundays and Govt. holidays	32
4. Sundays and also C.L. & E.L.	20
5. Are uncertain about the regulations	5
<hr/>	
Total	155
<hr/>	

Table 9Distribution of the Interviewed Contract Workers by Region

Region/ District	No. of workers								
	Male			Female			Total		
	S.T.	Others	Total	S.T.	Others	Total	S.T.	Others	Total
Displaced local	11	2	13	5	1	6	16	3	19
Sundergarh, Mayurbhanj, Singhbhum, Ranchi	54	6	60	24	2	26	78	8	86
Sambalpur, Bolangir, Phulbani, Dhenkanal, Ganjam	-	28	28	1	3	4	1	31	32
Puri, Cuttack, Balasore	-	12	12	-	-	-	-	12	12
North Bihar, U.P., Nepal	-	6	6	-	-	-	-	6	6
Total	65	54	119	30	6	36	95	60	155

Table 10

Distribution of interviewed workers  
according to family compositions

Type	No. of workers		
	Displaced local	Migrants	Total
-----			
A. Single Worker Families:			
1. Staying alone (may be with distant relatives)-- unmarried or widows	-	15	15
2. Unmarried or widowed staying with parents/ children	3	-	3
3. Married, but wife/ husband stays at village	-	6	6
4. Staying with non- working wife (husband)/ children	1	37	38
5. Staying with wife, children <u>and</u> other close relations	-	13	13
B. More than one worker (not necessarily C.L.)			
Head of the household			
6. (a) HSL permanent worker	8	4	12
7. (b) Other than C.L.	3	9	12
8. (c) Contract Labour	4	52	56
-----			
Total	19	136	155
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Table 11

Distribution of persons showing relation  
between experience and settlement pattern

Category	No. of workers			
	Total No. of years of experience as C.L.			Total
	upto 1 year	1-2 years	more	
1. Displaced local	12	2	5	19
2. Workers whose relations were already working at Rourkela	16	9	16	41
3. Rest of the workers				
a) staying alone	8	3	4	15
b) staying with others	9	9	62	80
Total	45	23	87	155

Table 12

Distribution of female contract workers  
Showing settlement patterns (including  
the displaced persons)

		No. of workers		
Settlement pattern		S. T.	O. C.	Total
A.	Staying with other workers as guardians, as			
	(a) husband	11	2	13
	(b) father/mother	13	1	14
	(c) brother	1	-	1
	(d) distant relation e.g. uncle	3	-	3
B.	Women workers who are guardians themselves			
	(a) widow staying with relations including working children	2	2	4
	(b) married but husband stays at village	-	1	1
Total		30	6	36

Table 13

Distribution of married couples (either of the spouse  
or both C.L.) showing certain characteristics

Type	<u>No. of couples</u>	
	S. T.	Others
1. One of the spouse staying at village	1	5
2. Both staying at Rourkela:		
(a) wife working (as C.L. or others)	11	2
(b) wife houseworker	34	30
(c) husband unemployed	1	-
3. Out of the couples where wife is houseworker, No. of couples where at least one daughter is working	5	1

Table 14

Distribution of families showing the relations  
staying at villages

Category	<u>Nearest relation at village</u>					Total
	Wife/ hus- band	Parents (one at ther least)	Bro- ther	Uncle or dis tant	None	
<u>Single worker families:</u>						
1. Staying alone, unmarried, widowed	does not arise	12	2	1	-	15
2. Married but wife/husband stays at village	6	-	-	-	-	6
3. Staying with non-working wife (husband)/ children	-	21	9	2	5	37
4. Staying with wife, children <u>and</u> others	-	3	5	1	4	13
5. More than one worker	-	5	8	23	3	39
Total	6	41	24	27	12	110

Table 15

Distribution of families showing relationship between  
family size and remittance

Category	Average No. of depend- ent	Remittance						Total
		High	Sub- stan- tial	Nomi- nal	Occ- as- ional	Nil	NA	
1. Staying alone - unmarried or widowed	Nil	3	6	-	1	3	2	15
2. Married but wife/husband stays at village	0.8	-	4	1	-	1	-	6
3. Staying with non-working wife, no children	1.0	-	1	4	1	2	-	8
4. Staying with wife <u>and</u> children single worker	3.2	-	-	2	4	23	-	29
5. Staying with wife, children <u>and</u> other close relations, single worker	3.8	-	1	2	2	5	3	13
6. More than one worker	1.3	2	2	3	3	28	1	39

(continued)

Table 15 (contd)

- (1) High remittance - Rs.200/- per month or above.
- (2) Substantial - Rs.100/- or 150/- per month. On the lower side Rs.50/- per month but regularly is also taken as substantial.
- (3) Nominal - upto Rs.600/- (Rs.50/- per month) annual.  
All regular payments below Rs.50/- have been considered as nominal.
- (4) Occasional -- no regular payment, nor any substantial amount.

Table 16Showing frequency of visits to village

Nearest Relations at village	<u>Frequency of visit by any member</u>						Total
	Nil	Very rare	1-2 per year	3-6 per year	Monthly once	Weekly once	
1. Wife/ husband	-	1	3	-	1	1	6
2. At least one of parents	3	5	23	5	5	-	41
3. Brother	2	7	11	3	1	-	24
4. Uncle or other distant relations	3	4	18	1	1	-	27
5. None	1	4	7	-	-	-	12
Total	9	21	62	9	8	1	110

Table 17Landholding pattern in villages for other than displaced

Cultivable land holding (sufficient for No. of months)	S. T.		Others	
	No. of fami- lies	No. of contract labour- ers	No. of fami- lies	No. of contract labour- ers
1. Nil	7	11 (10)	19	22 (22)
2. Upto 3 months	18	33 (26)	10	12 (12)
3. Above 3 upto 6 months	17	26 (25)	12	13 (12)
4. Above 6 upto 9 months	4	4 (4)	6	6 (6)
5. Above 9 upto whole year	2	2 (2)	3	3 (3)
6. Not available	7	11 (11)	3	3 (3)
Total	55	87 (78)	53	59 (58)

N.B.: Figures in bracket show persons interviewed



Table 18

Distribution of interviewed persons showing  
relation between duration of work as contract  
labourers and trade union connections

		No. of workers		
S1 No	Total experience as C.L.	Connection with a T. U.	No connection	Total
1.	6 months or below	6	22	28
2.	Above 6 months upto 1 year	7	10	17
3.	Above 1 year upto 2 years	9	14	23
4.	Above 2 years upto 5 years	17	11	28
5.	Above 5 years upto 10 years	18	9	27
6.	Above 10 years upto 15 years	11	3 (3)	14
7.	Above 15 years upto 20 years	3	2 (1)	5
8.	Above 20 years	1	1	2
9.	Not available	1	10	11
10.	Total	73	82 (4)	155

N.B. Figures in bracket show persons who were members  
sometime in the past.

# NOTES:

1. A careful reader may doubt the propriety of drawing upon the distinction between factory employment and employment in small and household sectors to establish the importance of making distinction between inside contracting and putting out systems. Put out contracts are not necessarily carried out in small and household sectors. Those may still be carried out in factories. Inside contracting is not the only contractual form corresponding to factory employment. However, some subtle distinction between the situations of (contract) labour in the above two types of factory employment\*as in the text. A contractor under a put out system, if he carries out the production in a factory, employ a labour force which enjoy all the organizational privileges of workers in factories. But the workers' movement in this case, is directed against the factory owners/ the immediate employer - the contracting firm remains out of its purview. Thus, from the point of organisation the above situation should better be considered as of a separate factory; reference to the contracting arrangement between the owner of this factory and others does not feature anywhere. In other words, heretoo the contracting firm has successfully got rid of workers' organisation even if the contracted production is carried out in factories. In case of inside contracting however, the contracting firm, the principal employer, is still the target of workers' movements.

2. The preoccupation of that period is nicely reflected in the writings of e.g. Thorner [1957]. The category of labour referred to as 'casual labour' by Thorner is little different from contract labour under inside contracting. However, this does not mean the former characterisation was wrong, the terms only reflect the concernment of different aspects of employment in different historical periods.

\*/ enable us to make the statement

3. Indeed, the sharp increases in recent years of all forms of contractual production has been confirmed by several studies all over the world. It is noteworthy that the advantages of subcontracting to the employers and of such industrial organisation to the overall growth performance of the economy has been brought out particularly since the 'seventies [e.g. Watanabe 1971]. Lest this creates a wrong impression, let us note that the strategy is far from being specific of this period. Even in the 'fifties some units had shown such tendency [e.g. Isaac, 1982; Vaid, 1966].

4. The official estimate of numerical strength of contract labour is 6.7 thousand. The reasons behind this discrepancy has been discussed in chapter 3.

5. The works which are (i) perennial (ii) incidental and necessary for the work of the factory (iii) sufficient to employ a considerable number of wholetime workmen and (iv) being done in most concerns through regular workmen.

6. The project was undertaken when Manoranjan Mohanty was Director (hon.) of the Institute. The project was on Contract Labour in the Steel Region: Rourkela. Apart from the study of contract labour in RSP 'contract labour in other industries' and 'special problem of women contract labour in Rourkela Steel Plant' were also studied. Kamal Mahendru and Mala Govindrajan did these two studies in addition to their works on contract labour in RSP.

7. See Gail Omvedt's report in EPW [Omvedt 1981]

8. This idea is from Berg [1981, ch.2]

9. Partly because we did not receive permission to interview them at the job sites within the steel plant. However, that would have also restricted the population. The recently retrenched persons who have been covered in the hamlet survey approach, would not have figured if interviews were conducted at the job sites.

10. Apart from the slums around the plant and township contract labour also live (i) in quarters for permanent workers as friends, relatives, servants or tenants, (ii) in villages near the town. But general impression is that they account for a small proportion. In any case, it is a limitation of the study we should not forget.

11. The investigators were instructed to make six attempts to meet them before declaring any interviewee as not available. Each visit was at different hours, including a visit in the night after 9pm. Most of them have working hours from 8 am to 6 pm. Therefore, almost all the interviews could be conducted either during the very early hours in the morning or in the night. The survey was conducted during the winter months. But for the great perseverance of Pranabandhu Behera and Gopal Ch.Dash such a difficult task would not have been carried out.

12. Data on mining is as collected by Personnel Deptt. of Steel Plant.

13. Rourkela Steel Plant is divided by a central road in two sections, which approximates to steel making and finishing. This made the task easier.

14. This data has not been shown here in the table.

15. It is a much misunderstood concept and has many different interpretations. Technically, it means adaptation of norms and values of industrial society. It is not inculcated by workers alone, but also by social setting and managerial policy.

16. In this region where the borders of three states meet the lists of scheduled communities change almost from district to district. Also, this is a tribal area and there are many smaller communities noted as scheduled tribes and castes. In our sample one worker belonged to a community which is scheduled tribe in Orissa but not so in her homeplace, Bihar. How to categorise her? There were two more workers who did not claim scheduled tribe status. But the community names as they pronounced, were very close to the names of two small enlisted tribal communities (Khatia-Kharia; Bhunich-Bhumij). For the case of scheduled castes the identification was simply impossible, for their titles, unlike those of the scheduled tribes, rarely indicate the communities. They themselves were often ignorant and sometimes the answers were motivated. In a number of cases the backward caste workers - as we checked later - had intentionally declared themselves as scheduled castes hoping to get some privileges. Such a data would have been misleading.

17. Per capita national income at current prices during 1982-83 was just under Rupees two thousand per annum.

18. The term is as per Omvedt [1980].

19. Omvedt [1980: 188] made a five-fold distinction of migration types: marriage, temporary, seasonal, long-distance, settlement migration. The contract labour migration does not fit in anywhere. It should have come in settlement migration, where entire families move permanently, except for the fact

discussed above, that they still retain some contact with villages.

20. Even in the question of participation in our survey. In spite of several visits at different hours by our investigators several workers could not be interviewed.

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