TISCO’s Strikes in 1927–29: An Initial Step Towards a Shopfloor Democracy

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Waves of strikes surged over India’s industrial cities for a second time in the second half of the 1920s, after a short period of calm following the first outbreak of strikes in 1920–22. Although there were not as many disputes or workers involved as there had been in the strikes of 1921, the number of workdays lost in both 1925 and 1929 was almost double that in 1921, and the number of days lost in 1928 was five times that in 1921. The second surge of strikes in the 1920s created a strong impetus for passing important labour legislation in the following two decades.1

The waves of strikes swept over Tata Iron Steel Company (hereafter TISCO), one of the biggest industrial enterprise in colonial India, as well. In 1927–29, TISCO experienced the most serious strikes of its long history; they turned out to be an important step towards reorganising capital-labour relations going forward.

The first major strikes at TISCO began on 24 February 1920, with the longest stretch of strikes – 33 days – beginning 21 September 1922. A leading cause of the strikes was dysfunction in the indirect labour management system, which failed to offer acceptable working conditions to the majority of skilled and semiskilled labourers working under foremen during a period of wartime inflation.2 The working conditions of labourers – related to wages, bonuses, leave, accommodations, and workplace safety – degraded because of inflation during WW1. One of the significant attempts TISCO took to address the deteriorating working conditions was to introduce a direct labour management system. Under this system, the company took responsibility in managing the majority of labourers, displacing the indirect labour management system, in which such responsibility had been subcontracted to the direct bosses of the labourers, the foremen. For the same purpose, just after the war ended the company established a Labour Employment Bureau, which was expected to deal with the management of

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1 See Appendix 1.

skilled and semiskilled labourers. The management functions the Bureau was tasked with included recruitment, employment, payment of wages, fostering labourers’ welfare, promotion, and discharge. Despite the company’s efforts in establishing the Bureau, it took decades to improve working conditions after the war.

While TISCO was continuing the effort to replace its indirect labour management system with the direct management system, and while it was still recovering from the financial difficulties posed by post-war depression, it faced another series of strikes from 1927–29. Initial sporadic strikes in 1926 evolved into departmental strikes during April and May 1927, followed by large-scale strikes for six months beginning April 1928. The waves of strikes waned when C.A. Alexander, the General Manager of the company from 1925 to 1929, and S.C. Bose, the President of the Jamshedpur Labour Association (JLA hereafter), signed terms of settlement in September 1928, although the settlement was not sufficient to resolve all of the problems stemming from the fundamental conflicts in the capital-labour relationship.

The series of strikes in 1927–29, along with their consequences, are a notable part of TISCO’s history for several reasons. First, the strikes brought serious chaos to the company. Labourers’ attendance at work declined from more than 25,000 to less than 9,000 during August 1928. The rising loss of workdays resulted in a decline in output from 429,000 tons of saleable steel in 1927–28 to 288,000 tons in 1928–29, while the damage to production caused the company’s gross profits to drop from 110 lakhs rupees in 1927–28 to -7 lakhs rupees in 1928–29. This was the company’s one and only experience of deficit in its long history up to today.

Second, the strikes gave skilled and semi-skilled labourers, who made up almost 70 percent of the company’s total labour force, the opportunity to organise a recognised labour union (the Jamshedpur Labour Federation, JLF hereafter) for the first time. The interests of the majority of labourers, like fitters and crane drivers, had, as perceived by skilled and semiskilled labourers, not been sufficiently taken into consideration by the existing labour union, JLA, which was established in 1920 and organised mainly by the foremen and other labourers at their level. The formation of a labour union that represented the interests of the majority of the labour force helped develop an institutional framework that improved the relationship between capital and labour in long run, although the management and labourers had to endure some difficult times before there was an actual improvement in their relationship after the establishment of JLF.

Third, and most important, the strikes and the formation of JLF helped establish the shop committee as a platform for building a ‘shopfloor democracy’ in 1929. The shop
committee was an officially recognised body established in each department of the company for reconciling management’s will and labour’s grievances. Each shop committee consisted of several representatives of skilled and semiskilled labourers and of the administrative staff of the company, all of whom belonged to that specific department, and was expected to discuss issues relating to the working conditions of skilled and semiskilled labourers free from interference from foremen or supervisors, whose influence on the management of skilled and semiskilled labourers had caused serious frustration among the labourers as well as the management ever since the initial period of production in the 1910s. The frustration was due to foremen or supervisors’ rampant abuse of labourers, which contravened the interests not only of the labourers but also of the management. Thus, on the one hand, the establishment of the shop committee provided skilled and semiskilled labourers an officially recognised measure to express their real preferences to management without interference from their direct bosses, whose influence persisted even after the Labour Employment Bureau was formed. On the other hand, the establishment of the shop committee laid the foundation for the company to control the management of skilled and semiskilled labourers directly with less interference from foremen or supervisors. The establishment of the shop committee, thus, helped ease the frustration of skilled and semiskilled labourers, who occupied 70 percent of the company’s labour force – although, due to the difficulty of establishing stable ground for discussion between management and labour, it did not develop in full form until the 1950s.

The strikes at Jamshedpur also influenced the history of India in several important senses. One of the biggest influences was on political leaders. The strikes of TISCO in the 1920s and the following decades attracted the attention of political leaders such as M.K. Gandhi, Motilal Nehru, Jawaharlal Nehru, and Subhas Chandra Bose, while employers and employees needed the assistance of well-known politicians to settle conflicts between them. Such political leaders, who came to observe the labour unrest at Jamshedpur out of fidelity to their political beliefs, affected the terms of the eventual settlement, and these politicians’ connections with the strikes also had an influence on their subsequent political lives.

Because of the strikes’ significance, several scholars, such as Lavalle, Datta, Simeon, and Bahl, have analysed their causes and effects. First, they have determined that the
strikes at Jamshedpur were caused – and settled – not by a single factor like the post-war recession or the conflict between management and labour, but rather by a complex interaction of various factors, such as the independent movement, colonial policy, the ward wars, recession, confrontation between labour and management, and diversity in caste, language, religion, etc. Simeon, for instance, describes, ‘I treat the labour movement as a social movement involving other social groups besides workers. The workers’ predicament was part of a social and political situation, in which the actual work process was one nodal point.’ Simeon also wrote, ‘The social spectrum stretching from the poorest workers to the clerks and supervisory personnel did not end there, but extended to elements of the middle-class literati, with whom unionists as well as workers had ideological and social links. Appeals for public support by strikers and exhortations by managements took place within the ethical matrix of the national movement, linking those making them with broader socio-political interests. Thus, the labour movement was a dynamic totality, and the mode by which a labour “interest” was expressed was not a purely class articulation even when it was represented as such by its leaders.

On the one hand, considering the various important causes of the strikes, Datta, put special focus on the economic conditions of TISCO labour, pointing out the significance of the reorganisation scheme in place after 1926. He wrote, ‘While the Company tended to pursue the policy of a drastic reduction of employees by means of a reorganization scheme from 1926 on after the recommendation of the Tariff Board, a militant group arose within JLA which apart from protesting against the ongoing reorganization policy, sought to rely on agitation and confrontation for the rapid redress of their accumulated grievances.’ On the other hand, while Bahl and Simeon agreed that economic factors played a significant role in causing the strikes, they both also pointed out significance of noneconomic factors. For instance, Bahl wrote, ‘The case of the TISCO workers’ struggle indicates that just because the struggle arouses out of workplace issues, it should not be concluded that it was based on ‘economism’ [such as discharge or insufficient remuneration]. A careful study of the demands of the TISCO workers


Simeon, 5. The view to see labour movement as a complex interaction, which has often been proposed as a counter perspective against Subalternist perspective, has been proposed by other labour historians such as Raj Chnadavarkar. Raj Chandavarkar. The origins of industrial capitalism in India: business strategies and the working classes in Bombay, 1900-1940. Cambridge; New York: Cambridge University Press, 1994. Regarding Subalternist perspective on labour history in modern India, which tends to see labour movement focusing on cultural particularity, Bahl, for instance, gives a quick summery. Bahl, Introduction.

Simeon, 323.
reveals their continuous agitation against racial tension at the workplace and their struggle for a dignified life, for better treatment and more facilities for women workers.”

In addition to analysing the causes of the strikes in detail, some scholars put special focus on the labourers’ development of a shared identity as the labour unrest evolved. For instance, Simeon pointed out that the communal identities of labourers, such as those based on caste, religion, and language, did not create serious conflict between communities. He wrote, ‘Identity assumed significance at times of mobilization…Sometimes [it was] used as a field within which a collective will was forged…nevertheless, considering the polyglot nature of the working population, the communally surcharged national political climate, and the ubiquitous outbreaks of violence, the workers of Chota Nagpur remained remarkably cosmopolitan in outlook: they put a first a Parsi and then a Muslim on pedestals of glorious leadership, and refrained, for the most part, from engaging in communal violence.’ Further, Bahl says, ‘The TISCO workers showed a remarkable propensity for collective industrial action on a considerable scale, in spite of being migrant workers who had retained their rural connections, had operated within a surplus labour market apparently divided by caste, region, and language and had lacked support from the trade union organization…in India, in spite of the diversity in social structure, the workers could develop their class identity and struggled collectively for better living and working conditions.’

Simeon also suggests that workers of Chota Nagpur, including labourers working at Jamshedpur where TISCO was located, succeeded in producing ‘an organic leadership’ of the labour movement, saying ‘there was no mistaking the workers’ capacity to produce initiator from within their ranks. It was the militant agitation by blue-collar workers of TISCO which led to the emergence of the Jamshedpur Labour Association [the first recognised labour union in Jamshedpur where TISCO was located] in the early 1920’s. This process was replicated in 1928 and resulted in the search for an alternative leadership.’ In addition, he describes, ‘Despite the passive stereotype of “labour” in the world-view of the literati and officialdom, the workers succeeded in inscribing their needs and aspirations upon managerial and political practice. They did this over several

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6 Bahl, 392.
7 Simeon, 331-2. Here, Parsi leader means Maneck Homi, while Muslim leader was Abdul Bari. Both of them were leaders of the strikes at TISCO in the 1920s and 1930s.
8 Bahl, 391.
9 Simeon, 336.
years, and through an acceptance of or adaptation to circumstances over which they had no control.  

This paper shares the view that the strikes were caused by multiple interacting factors, but clarifies that there were two additional important factors that have received less attention in studies so far: the difficulty in abating the confrontations between foremen and the labourers working under them, and the rupee appreciation policy introduced by the colonial government in the 1920s.

This paper first conducts a detailed analysis of archival evidence to clarify how economic factors such as increases in workload and reductions both in the number of labourers and in wages, which existing studies consider to be among the important causes of the strikes, actually affected the labourers’ working conditions. This paper illustrates that the initial cause of the strikes, as has been pointed out, was the reorganisation policy that included drastic reductions in the number of labourers as well as increases in workload, both of which were introduced during the post-war depression. This paper also suggests that the initial scheme, the reduction policy, was gradually accepted by labourers as the strikes progressed, while the labourers’ inability to meet the increasing workloads that resulted from the reduction policy became a major motivation behind the strikes, instead. This paper also shows that the insufficiency in enacting measure to offset the requirement of increasing workload was largely caused by the failure of the person in charge of labour management to reconcile management’s will and labourers’ grievances. At the end of the paper, we suggest that TISCO might have introduced the reorganisation scheme under the strong influence of the rupee appreciation exchange rate policy introduced by colonial government in the mid 1920s.

In addition analysing these causes of the strikes, this paper will illustrate one significant consequence of the strikes. After the strikes in 1929, there was an important but short-lived attempt to establish a shop committee. Although this effort was cut short quickly, it provided an important blueprint for the formation of shopfloor democracy for post-independence TISCO, having contributed to the development of cooperative capital-labour relations after independence. Despite the significance of this attempt to build a shop committee, there has not been sufficient research on the topic aside from the work of Datta. Datta discussed the shop committee in his monograph, writing:

These committees were intended to deal with individual disciplinary cases or workers’ grievances. Questions relating to discharge, suspension, promotion, grading, etc., could be referred to these shop committees...While it remains true that

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10 Simeon, 343.
TISCO aimed at using this attempt at “shopfloor democracy” for propaganda purposes, it must equally be emphasized that the Company failed to reap any considerable public good will…no information has so far been provided as to how these committees functioned, how many cases were dealt with or settled, etc against this background, it is not difficult to understand that labour-management conflicts continued to exist through the 1930s.\textsuperscript{11}

While he referred to both the significance and limitations of the shop committee as an important attempt to develop ‘shopfloor democracy’, he did not discuss the committee in any more detail and did not address why such a committee was established after the historically large-scale strikes at TISCO from 1927–29. This paper tries to answer that question.

To determine why the shop committee was established after the 1927–29 strikes, we have to assess, in detail, which types of labourers led the strike – a question on which there is no consensus so far. There are two opposing views on this. On the one hand, Simeon and Datta assert that the strikers consisted of skilled and semiskilled labourers coming mainly from Hindu communities. On the other hand, Bahl seems to hold that the majority of the strikers were unskilled labourers with aboriginal origins.\textsuperscript{12} Determining the identity of the strikers, useful information in analysing the nature of the strikes, is one of the other major aims of this paper.

This paper consists of six sections. The first section reviews the history of the labour movement at TISCO from 1927–29. This section suggests that the accumulated grievances of strikers led, on the one hand, to the recognition in 1929 of JLF, whose supporters included the majority of the company’s labour force, and, on the other hand, to the establishment of the shop committee in the same year. This section also observes that these two developments were not nearly enough to settle labour issues at TISCO – meaning that labour unrest continued into the following decade, although the conflict never again became as serious as it was from 1927–29. The second section will study which types of labourers joined the strikes. This section clarifies that the majority of the strikers at Jamshedpur from 1927–29 consisted of skilled and semiskilled labourers. Section three will clarify the causes of the strikes, demonstrating that the reorganisation scheme that was implemented starting in 1926 was one of the most fundamental causes of the strikes in the initial period, and that archival evidence shows that the dysfunction of the people in charge of labour management was another important cause of the

\textsuperscript{11} Datta, 86.
\textsuperscript{12} Detail of her understanding is analyzed in section 3 of this paper.
strikes. The fourth section will examine the details of the reorganisation scheme that entailed a set of workforce reduction and efficiency enhancing policies. In section five, we will show several pieces of evidence that could support our assumption that the reorganisation policy was induced partly by the rupee appreciation policy of the government in 1924–25. Section six concludes.

Clarifying the features of a labour movement requires detailed analysis. As Simeon noted, ‘only a close attention to micro logical developments may, I believe, elucidate hypotheses about the nature of plebeian nationalism, the system of production relations, and the struggle for hegemony in late colonial India.’ We share Simeon’s perspective on this.

1. A history of the labour movement at TISCO from 1927–29

The strikes at TISCO in the second half of the 1920s had five phases: the first phase, from 1926 to May 1928; the second phase, from June to July 1928; the third phase, from August to September 1928; the fourth phase, from October 1928 to March 1929; and the final phase, after April 1929. The five phases are reviewed here to elucidate the details of the strikes. After reviewing the final phase, we will study in detail of the shop committee that was established in 1929 as one of the significant consequences of the strikes.

Phase 1 Recommendation of the Indian Tariff Board and an outbreak of sporadic strikes

Like most of the other issues that beset TISCO in the 1920s, the Great Extension Scheme (GES hereafter) established conditions for the 1927–29 strikes. The GES was sanctioned by TISCO’s Board of Directors in December 1916 as a drastic remedy to improve the company’s low steelmaking productivity by enhancing production capacity. The GES required that additional labourers be employed to operate the expanded production equipment. The company increased the number of labourers from 11,715 in 1917–18 to 30,135 in 1923–24, reaching a point that J.R. Dain, the Deputy Commissioner of Singhbhum, described as ‘excessive’. According to Dain, however,
excessive employment was almost inevitable, because ‘the men were inexperienced and had to be trained. The time of the great expansion of the works was a time when the prices of steel were at their zenith. Production was everything, and the cost of labours absorbed a very small fraction of the total value of a ton of steel.’

The ‘excessive’ labour force was faced with a serious challenge with the collapse of steel prices after 1923–24, when the post-war depression started. The high cost of labourers became a serious headache for the company. The Tariff Board Report in 1926 noted the seriousness of the situation as follows:

In our first report [in 1924] we remarked ‘The labour cost per ton of finished steel at Jamshedpur is unquestionably higher than the corresponding cost in western countries. This is due not only to the higher wages paid to skilled labour imported from abroad, but also to the much larger number of unskilled and semi-skilled labourers employed.’ So far as imported labour is concerned, good progress has been made. The number of covenanted men has been reduced from 229 in September, 1924, to 161 in June, 1926...But as regards semi-skilled and in particular unskilled labour, the Company has made little progress…We consider the number of men employed to be unduly high and in our estimates we must presume a substantial reduction. Our view is supported by a comparison of the Steel Company’s figures for the manufacture of coke and pig iron with the corresponding figures of the Indian Iron and Steel Company which also manufactures these products.

The report then concluded that ‘The figures show that the Tata Iron and Steel Company employs in the manufacture of coke and pig iron over 70 per cent more men than it should by comparison with the Indian Iron and Steel Company.’

Based on this conclusion, in 1926 the Tariff Board first recommended that ‘the number of men finally necessary for working the existing plant on the present scale of operations should be reduced from 26,290 to not more than 20,000 men.’ Then, taking

16 Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part 1, 130.
17 Government of India: Report on statutory enquiry-1926: steel industry. vol.1. Delhi: Manager of Publications, 1927, 22. Here, Tariff Board report seems to consider that TISCO labour force consisted of skilled labours from abroad, semi-skilled labours and unskilled labours of Indian origin. The categorization of labours does not fit to the category TISCO used. TISCO categorized labours as covenanted labours from abroad, and skilled, semi-skilled and unskilled labours of Indian origin. This paper follows the categorization of TISCO.
into consideration the ongoing development program to expand the capacity of the company’s plants from almost 400,000 to 600,000 tons of finished steel, the Tariff Board found that the total number of men required was 23,440, meaning, ‘in spite of the large increase in output, the number of men employed in 1933–34 should be about 11 per cent less than in 1925–26.’

Since tariff protection was fundamentally important for the company’s survival in the 1920s, there was no choice for the company but to follow the recommendation. The excessively high cost of labour per ton of steel production, which was deeply felt by the company management even in the mid 1910s, also encouraged the company to accept the basic idea behind the recommendation. As early as 1926, the company started transforming various aspects of the management of non-covenanted labour such as skilled, semiskilled, and unskilled labour. The transformation began first ‘in the form of an announcement that vacant posts would not be filled’, probably in addition some number of discharges.

To execute the policy, the company established the Labour Organization Department in 1926. According to the Deputy Commissioner of Singhbhum, the Labour Organization Department had three leading purposes: (a) the creation of a standard labour force and the relegation of surplus men to a spare gang from which vacancies would be filled until all were absorbed; (b) the change of the system of pay from a monthly rate to a daily rate with temporary compensation for loss the change would cause; and (c) standardisation of wages for work performed. Since the Labour Organization Department was expected to plan and conduct the retrenchment of skilled and semiskilled labourers, it faced understandable difficulty. The activities of the Labour Organization Department met with serious resentment, causing sporadic strikes in 1927–28.

Faced with significant resentment, the company management abolished the Labour Organization Department by April 1928, undertaking an effort to reduce the number of labourers ‘by using the ordinary turnover of labour and not by discharging them’ rather than transforming basic system of labour management.

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20 Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part vol.4., part 1, 131; Simeon, 41.
21 Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part vol.4., part 1, 131; Simeon, 41.
22 Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part vol.4., part 1, 131.
23 Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part vol.4., part 1, 131.
This concession from the company, unaccompanied by any reconsideration of the basic idea of the reduction policy, provoked even more severe resentment among the labourers, leading to a historical episode of labour unrest at the company in 1928. In the following text, we will study the strikes in detail.

The labourers’ first conspicuous reaction to the reduction policy was ‘sporadic departmental strikes’ taking place between April 1927 and April 1928. The strikes began in April 1927 with gas producers and the khalasis (a sort of skilled labour) of the open hearth and the new blooming mill, who voiced dissatisfaction with the change from monthly payment to daily payment of their salaries, the proposed reduction in the number of labourers, the methods of the Labour Organization Department, the regulated scale for pay raises, and arbitrary and unfair promotion practices. The sporadic strikes were confined to a small number of sections within the departments, and were dealt by the company rather severely.24

The first set of strikes was followed by another series of strikes lasting four days in December 1927 and organised by labourers in hot mills and sheet mills. The second set of strikes did not have a serious influence on the company management either, and JLA, the only recognised labour union at TISCO at the time, did nothing but tell the strikers to go back to work unconditionally.25

Basic features of the series of strikes in December 1927 are clearly illustrated by a report written by an executive staff member of TISCO in 1928. The report says:

In order that the men might not lose their pay, it was arranged that they should come out and do odd jobs like cleaning up the mill and surroundings. Though the work was not worth what the men were actually being paid, an earnest effort was made to try to find the men something to do so that they might not lose their day’s wages though the mill was not actually in operation. On the 17th December 1927 all the cleaning work inside the mill having been finished, the men were put on to level the road leading into the galvanizing building of the sheet mills. This road was definitely connected with the mill as it would enable stores, soda, etc., to be brought in this quickest possible manner. The men refused to do this and collected in a body near the Superintendent’s Office and were led by a man called Abdul Jabbar who had collected up all the men’s checks. He told the Superintendent and Mr. Naoroji [then Chief in charge of the Labour Organization Bureau] that the man would not do

24 Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part vol.4, part 1, 133; Datta, 221.
25 Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part vol.4, part 1, 133.
work as it was against their religion...On Monday the 19th of December; most of the men came to duty but refused to do any work and were therefore marked absent for that day...On Saturday 24th and Monday 26th when the mills were not running, they refused to do any other work and were therefore not allowed attendance.26

At an oral examination by the Royal Commission of Labour in India, C.A. Alexander, the General Manager of the company from 1925 to 1929, called the strikes ‘partial strikes’, speculating as follows about the labourers’ motivation:

I think that was the result of a deliberate policy; the people who were at variance with the Company at that time endeavored to shut down the key departments so that as small a number of men as possible would be on strikes while work generally would be prevented and so we should have to pay the men who remained in. That was said by their leaders at their meetings; that was the reason of the partial strikes.27

At that time, grievances of labourers were only partly meditated by JLA. JLA, faced with the strikes in December 1927, hoped for the goodwill of C.A. Alexander, the General Manager. Alexander responded to JLA by explaining that the scheme of reorganisation meant the employment of fewer labourers at higher rates of pay, no discharge of excess labourers due to the reorganisation, and the introduction of a graded scale of wages. Although the strikers went back to work after the mediation, JLA’s unsatisfactory performance invited severe criticism from the labourers, who continued to have meetings to consider their next actions against the company’s reorganisation scheme.28

The first move towards a large-scale strike took place on 18 February 1928, when 1,100 electrical crane drivers, ‘due for a 25% reduction,’ started launching departmental strikes ‘over bonus, housing, overtime, summary dismissals and the question of acting allowance for work done in superior vacancies.’29 The strikes, which were provoked ‘clearly because a scheme for the reorganization of their department was in preparation’, lasted for six days, until 23 February. TISCO’s report described the details of the strikes

26 Review of events leading up to the notice that works will be closed until further notice on 1 June 1928, Industrial Relations Papers, files 48, TISCO Archives, Jamshedpur, India, 128-43.
29 Simeon, 41.
as follows. On 16 February, the company management received information that the electrical crane drivers were planning a strike and ‘it might pacify them if they could be given some details of the reorganization scheme’ that was being prepared to increase the labourers’ efficiency through reducing the number of labourers and other measures. Based on this information, the company convened an urgent meeting of the committee to discuss the matter on the morning of 17 February; the committee decided to ask the General Manager to provide the required information about the reorganization scheme. Instead of waiting for a few days until the information would have been delivered by Sethi, Secretary of JLA, the duplex crane drivers went out on strike the night of 17 February 1928. All the other crane drivers of the company soon followed. The strikes continued until 22 February, when the details of the reorganization scheme were explained to the labourers.30

The strikes in February 1928 have been considered to have dual significance in the history of labour unrest at TISCO. First, according to the understanding of the company, this stage marked the first time communist influence appeared. The company’s report states:

[Under the reorganization scheme of the company] the average increase of the men[s’ salary] was approximately 50 per cent and in some cases as high as 200 per cent of what they were getting previously. Even though such generous increases were given, the crane drivers, when they resumed on the 23rd, refused to abide by any orders given, and would not work on their proper shifts, but continued to work on any odd shifts they liked. This is one of the instances which go to show that it was not economic conditions which caused them to go on strikes but more a spirit of bolshevism.31

The communist influence was mentioned repeatedly by the company as well as many newspapers after this.

30 Review of events leading up to the notice that works will be closed until further notice on 16 June 1928, Industrial Relations Papers, files 48, TISCO Archives, Jamshedpur, India, 128-43.
31 Review of events leading up to the notice that works will be closed until further notice on 16 June 1928, Industrial Relations Papers, files 48, TISCO Archives, Jamshedpur, India, 128-143. Simeon also reported recognitions of police and government official on the influence of the communist party as follows: ‘police now reported the strikers’ “search for new leaders of the communist’s party”. TISCO was talking of a communist conspiracy to use ‘French Syndicalist’ methods to “harass and weaken the Company” by strikers in various departments, and the DC [Deputy Commissioner], J.R.Dain, reported that the strikes had been “fomented by agitators” attempting to reduce production.’ Simeon, 46.
Second, the crane driver strikers sought a way to seek outside leaders other than C.F. Andrews of JLA. Seeking outside leadership was a typical tactic of the labour movement in India, as was pointed out by the Royal Commission of Labour in India. According to J.R. Dain, the Deputy Commissioner of Singhbhum, the action of the crane drivers was ‘important because they formed their own committee and determined to look outside JLA for leaders.’ The committee, formed by Nagendra Nath Biswas, Abdul Satter, and Yakub Khan, crane drivers from different departments, and three executive members of JLA who were hostile to other leading members of the Association, began raising funds for the action and looking for leaders who could pursue the grievances to which JLA did not pay sufficient attention. According to Simeon, ‘the names of Mukunda Lal Sarkar and VV Giri’ were aired as their leaders. ‘They later hired an office in the Jugselai area.’

Following the strikes of the crane drivers in February 1928, there were strikes by coolie labourers at Jamshedpur, although the strikes were still sporadic. On 15 March, 600 coolie labourers of aboriginal background (mainly Adivasis, Chhattisgarhias, and Oriyas) who worked at the new rail finishing mill went out on the basis of their grievances of ‘low wages, abuse by superior, and failure of the superior to listen to their grievances’. In addition, on 16 March, almost 800 coolies of aboriginal background, including Santhals, Hos, and Chhattisgarhias, went out. According to Simeon, ‘Crane drivers NN Biswas and Abdul Sattar attended their meetings. Speaking in Santhali, Singhur Manjhi called for a social boycott to enforce workers’ solidarity, and asked “Hindus and Muslims” to join.’ Simeon quoted the official observation on the strikes as follows:

The Santhals are most obstinate people and…may take resources to violence at any moment, unless they are properly controlled. Most of the strikers are not members of the Labour Association, and moreover do not like to be guided by them. Hari Prasad Singh explained to me that he came to study labour problems and was simply astonished to find the coolies talking sense (sic) and fully conscious of their rights.

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32 C.F. Andrews was a participant of Indian independent movement and a close friend of M.K. Gandhi.
35 Simeon, 41; Bahl, 289.
36 Mukunda Lal Sarkar and VV Giri were important figures of All India Trade Union Congress.
37 Simeon, 41.
38 Bahl, 290 (original source: Dep. Industry and Labour (Labour), f-no.1-882, 1929, National Archives of India).
At the strikers’ invitation, the pleader Manech Homi appeared on the 17th and helped formulate their grievances. (Source: Bihar State Archives)

These sporadic strikes by coolie labourers of aboriginal origin were accompanied by brief strikes led by scavengers on 12 April and by sweepers on 17 April. Strikes by these types of labourers seriously damaged living conditions in Jamshedpur, an industrial city in which sanitation was quite important. The *Indian Daily Mail* reported on 24 April 1928 that ‘The situation constitutes a great menace to the sanitation of the town, and preventive measures have already been ordered to be taken.’ The strikes ended when the company recruited about 120 new sweepers at the beginning of May.

By March, the labourers had developed a plan to invite outside leaders, and the strikers at Jamshedpur came to be influenced by someone who had a relationship with a labour union of Bengal Nagpur Railway. An anonymous director of the company, for instance, wrote:

We do not know who presided over the gathering though we can say who occupied the chairs. They were Messer. Mukundalal Sarkar, Singaravelu Chetty, in whom the Crane Drivers have pinned their faith and Mr. Abdul Sattar, one of the leaders of the Crane Drivers. At about 9 p.m. Mr. W.V.R. Naidu arrived from Kharagpur and occupied the fourth chair.

According to a letter from C.A. Alexander to R. Mathur, a director of Tata Sons Ltd., some of the four individuals mentioned above were leading members of a labour union of Bengal Nagpur Railway at Kharagpur, where one of the biggest railway repair workshops in colonial India was located and where one of the largest labour conflicts occurred in colonial India in 1927; Mukundalal Sircar (Sarkar) was President of the Kharagpur Workers Union, which had broken away from the Bengal Nagpur Railway Union at Kharagpur and whose members numbered between 300 and 400; and W.V.R.

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39 Simeon, 42.
40 *The Indian Daily Mail*, 24 April, 1928, Industrial Relations Papers, files 55 part 1, TISCO Archives, Jamshedpur, India, 33.
42 Bahl considers the influence communist on the strikes was not so serious. Bahl, 297.
43 *The Jamshedpur Chronicle*, 1 April, 1928, Industrial Relations Papers, files 55 part 1, TISCO Archives, Jamshedpur, India, 11.
Naidu from Kharagpur was a clerk in the office of the Chief Mechanical Engineer of the Bengal Nagpur Railway in Kharagpur. Naidu was a secretary of the Kharagpur Workers Union. These affiliations seem to indicate that there was a tight connection at this stage between the labour movements of TISCO and the Kharagpur workshop of the Bengal Nagpur Railway, which was an important source of skilled and semiskilled labour for TISCO in 1910s and 1920s.

There had been contact between TISCO and labourers of the Bengal Nagpur Railway even before the strike at Jamshedpur. According to Bahl, Amrita Bazar Patrika reported that TISCO management helped the government suppress the strikes of Bengal Nagpur Railway when labourers of the railway went out in February 1927. Bahl quoted a subsequent letter from Naoroji Saklatwalla, a British communist and a member of the British Parliament, to the Director of TISCO: ‘Astonished your firm supported from public funds by several crores of rupees as steel producing concern, now being used as a strikes breaking institute against half-starved railway workers. If as employers you join another employer’s quarrel, will not your workers be justified striking in sympathy with Railway workers?’

In the company’s understanding, the Bengal Nagpur Railway strikers had a connection with communists. C.A. Alexander mentioned such a connection in a private letter in April 1928. He wrote:

They had the rowdiest meeting over held here last night. Sircar, Naidu and one Chetty were on the job at the request of the crane drivers but Sircar and Chetty started out by saying that they had come as communists looking after the interests of labour, said that they had no faith in Management, that capital never looked after the interest of labour.

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44 Detail of major strikes at a railway company is summarized in Appendix 1.
45 C.A. Alexander to R. Mather, 1 June, 1928, Industrial Relations Papers, files 48 part 2, TISCO Archives, Jamshedpur, India, 19.
47 Bahl, 287. The hostile action of the management of TISCO toward the labours of the Bengal Nagpur Railway might have prepared a foundation of the railway labours to support labour movement of TISCO.
48 Copy of a Resolution passed by the board of directors of the Tata Iron and Steel Co. Ltd. at their meeting held in Bombay on 24 April 1928, Industrial Relations Papers, files 42 part 3, TISCO Archives, Jamshedpur, India, 230-1.
While these new leaders and influences prompted a development in the labour movement, until mid April 1928 the strikers still seemed to show some signs of support for JLA, the old labour union led by C.F. Andrews. *The Jamshedpur Chronicle* reported on 15 April 1928: ‘The men apparently were moved by the sincere and fervent appeal of Mr. Andrews and were not in a mood to listen to anybody else. They signified their confidence in Mr. Andrews by loud shouts of “Banda Mataram”, “Mahatma Gandhiji Ki Jai” and “Andrews Saheb Ki Jai”.’\(^49\)

It was on 12 April 1928 that Maneck Homi, who had considerable influence on the labour movement from 1928 to the mid 1930s, appeared on the scene of the TISCO strikes for the first time after his initial contact with TISCO labourers in March 1928. And Homi’s appearance transformed the nature of the strike towards a new phase.

Homi, a Parsee and a lawyer, was the son of a mechanical foreman and was employed by TISCO for five years, from 1914 to 1919, after his graduation from St. Xavier’s College in Bombay. He went to the U.S. to study in 1919 and returned to India in 1923. After returning to India, he asked TISCO for re-employment, but his request was refused. At this point, according to Simeon, Homi started criticizing the management, ‘referring to the General Manager (“Tut”) as a “costly ornament”, and threatening to give evidence before the Tariff Board, which he did, in late 1923.’\(^50\) In presenting this evidence, interestingly enough, Homi recommended a reduction of labourers, although he essentially denounced this reduction of labourers later when he became a distinguished leader of the labour movement after 1928. Probably due to Homi’s hostility, his father, who had been employed by TISCO for 14 years, was discharged in 1925. Simeon wrote, ‘His pride, ambition, intelligence and spite for his fellow-Parsis in high management all played their part in the unfolding situation.’\(^51\) He practiced as a lawyer in Jamshedpur starting in 1926.\(^52\)

At the same 12 April 1928 meeting where C.F. Andrew announced a bonus and profit-sharing scheme, Homi gave his first address to labourers. Homi quickly succeeded in tightening his grip over the labourers, transforming the nature of Jamshedpur’s labour movement to one supported largely by skilled and semiskilled

\(^{49}\) *The Jamshedpur Chronicle*, 15 April, 1928, Industrial Relations Papers, files 55 part 1, TISCO Archives, Jamshedpur, India, 13.

\(^{50}\) Simeon, 42.

\(^{51}\) Simeon, 42.

labourers of the company, labourers whose voices had not been sufficiently considered by JLA up until that point.  

This transformation was evident from the large-scale walkout of men that soon followed. On 18 April, 1,200 men in the sheet mill and 300 coolies and Rezas in the Merchant Mills Department struck in protest against Foreman Cowasji, and ‘ill-treatment by European hands’. Since the total number of direct labourers in the sheet mill in 1925–26 was 1,315 (of which covenanted labourers accounted for 56), while indirect labour in the mill consisted of 388 labourers, almost 80 percent of the merchant mill’s total labour force walked out on 18 April. The strikers gave notice of their clear-cut demands to the Jamshedpur police station on the next day: (1) a general pay increase of at least 25 percent, (2) a graded scale of pay with an annual incremental raise, (3) bonuses at the rate payable to covenanted workers, (4) the same pay as rollers in the bar mills, (5) the end of ill-treatment by European hands, (6) removal of a particular supervisor (who had been responsible for the attempt to economise with regard to labour the previous December) from the mill, (7) the formation of a committee of 15 workmen to be consulted before any man was suspended or discharged. JLA asked the strikers from these mills to go back to their work unconditionally on the premise that their grievances would be compensated for; however, the workers did not abide by the request.

Although the sheet mill men’s strike was perceived by the Deputy Commissioner of Singhbhum as ‘inevitable’, it surprised the company because, according to the company’s report, the sheet mill men had already received a raise in their wages of 20 to 25 percent through the sanction given to them at the time of the previous strikes in December 1927. The company’s surprise led it to expand its conviction on the influence

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53. Simeon describes detail of the strikes as follows: ‘A group of activists now developed around Homi – Bhabani Prasad, Sunderam, Kuppa Rao, Dusandha Singh, Badhawa Singh, Nand Singh, Hardit Singh Sharma, Abdul Khalek, and Abdul Kader.’ Bhabani Prasad, a leader of the boiler men, was from the Central Province: Sunderam, “a professional communist” was discharge, active in the early twenties(along with Nani Gopal Mukherjee, Sudhir Kumar Pramanik, and Hari Prasad Singh); Kuppa Rao was a dismissed clerk of the Sheet Mill; Dusandha Singh, an ex-soldier, worked in the Duplex Plant at Rs. 2/- a day, and was secretary of the local Akali party, having undergone imprisonment for his political work; Badhawa Singh was a turner in the Machine Shops; Nand Singh, a fitter. Hardit Singh Sharma was a Kayasth convert to Sikhism, and fluent in Pushtu; and Abdul Khalek was a crane driver.’ Simeon, 48-9.

54. Simeon, 45.


of communists, who aimed not only to enhance the economic conditions of labourers but also to damage the company financially.\(^{58}\) The management’s understanding of the communists’ influence resulted in the following resolution of the company’s Board of Directors on 24 April 1928:

It appears to the Directors that outside agitators with communistic tendencies have been visiting the Works and are largely responsible for disturbing the harmonious relations which have hitherto existed between the Management of the Tata Iron and Steel Company and the labour at Jamshedpur.\(^{59}\)

The management’s understanding that the strike was caused by communist influence and not by other factors such as deteriorating working conditions, deepened frustration among the labourers. The sheet mill strike was followed by a strike of 220 boilermen who worked on the boiler furnaces for weeks from 21 April. Since the boiler plant men supplied the steam to generate the electricity that powered the plant, their strike seriously hindered the company’s efficiency and production. J.R. Dain, the Deputy Commissioner of Singhbhum, commented that the Sheet Mill and Boiler Furnace Departments ‘formed the nucleus of the strikes, and the hartels which led to the closure of the works [afterward] were gestures of sympathy with them.’\(^ {60}\) Dain continued to comment that the demands of the boiler men were rather reasonable, ‘for the pay was not high and the work is exacting.’\(^ {61}\) The boilermen’s actions, which caused a power shortage, led the company to declare a partial lockout of the merchant mill, the plate mill, the old rail mill, the old blooming mill, and the bar mill on 30 April, resulting in, according to Homi’s statement, about 4,000 or 5,000 men being thrown out of their work. Dain reported that about 2,000 labourers were laid off due to the lockout.\(^ {62}\)

During this time, strikers from the sheet mill and boiler plant came under the guidance of Maneck Homi with the assistance of W.V.R. Naidu and Mukundalal Sarkar from the Kharagpur workshop and Singaravelu Chetty from Madras, while refusing to

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58 Review of events leading up to the notice that works will be closed until further notice on 16 June, 1928, Industrial Relations Papers, files 48, TISCO Archives, Jamshedpur, India, 128-43.
59 Copy of a Resolution passed by the board of directors of the Tata Iron and Steel Co. Ltd. at their meeting held in Bombay on 24 April 1928, Industrial Relations Papers, files 42 part 3, TISCO Archives, Jamshedpur, India, 231.
listen to JLA because of the Association’s inability to respond to labour grievances. These four new leaders from outside held meetings every day at which they made violent speeches against the company and JLA.63

Although the boilers were continuously operated by eligible labourers from other mills, the company’s work suffered from the deficiency in the power supply until mid May, when the company recruited new men to operate the boiler plants in place of the strikers, who were dismissed on 8 May.64 After about a week the company recovered more or less normal power supply, which enabled the mills to restart operations gradually while military and police force was used to restore security in the town.65 Despite the recovery, the company still faced a struggle because the strikers started gathering under the new leadership of Homi to plan other strikes. According to the company’s report, ‘the Labour Association seemed to have completely lost its hold on the workmen who were all being led away by the profuse promises of Homi and his colleagues.’66 Homi and his colleagues led more serious strikes in the following months.

Against the background of the labour uprisings, the top management of the company maintained a firm attitude against strikers at this time. For instance, a letter from N.B. Saklatvala, Chairman of TISCO from 1926 to 1938, to C.A. Alexander, the General Manager, on 25 April 1928, stated:

May I give you a piece of advice? Make up your mind what you want to give against the demand of, say, sweepers, boiler men or whoever they may be, do it as quickly as you can and tell them that so far and no further and then let them go to Hell. The essence of the matter is in quick decisions and then a firm stand. We shall back you from here for all we are worth because you know the situation better than anyone here and ought to know what is best. Don’t be afraid of making mistakes because there is no man who has not made some. If arguments and persuasion have not succeeded, perhaps the only thing left is determination to face the thing out. It

63 JLA seemed to have tried to revive its popularity by receiving a visit of V.V.Giri, of AITUC. However, Giri’s visit did not produce expected results at all. Bahl, 294.
64 Review of events leading up to the notice that works will be closed until further notice on 16 June, 1928, Industrial Relations Papers, files 48, TISCO Archives, Jamshedpur, India, 128-43.
65 ‘Ghurkha Military forces and armed and mounted police have already arrived, and the Inspector-General, Deputy Inspector-General and Superintendent of Police as also the Commissioner of Chota-Nagpur Division and the Deputy Commissioner of Singbhum are all on the spot.’ Bombay Chronicle, 3 May, 1928, Industrial Relations Papers, files 55 part 1 TISCO Archives, Jamshedpur, India, 66.
66 Review of events leading up to the notice that works will be closed until further notice on 16 June, 1928, Industrial Relations Papers, files 48, TISCO Archives, Jamshedpur, India, 128-43.
means enormous cost but it is not your fault and perhaps it will be cheaper in the end.67

A firm stance appears as well in the following letter from J.C.K. Peterson, a director of Tata Sons who was in charge of TISCO, to C.A. Alexander on 23 April 1928. J.C.K. Peterson wrote:

Agents’ view [Tata Son’s view] as follows. It is better to face general strikes than allow present conditions to continue. We cannot allow employees of a Department rendered idle due to strikes in another department to continue drawing pay from us. They should be told, after due notice to all concerned, that there is no work for them and we are compelled to close the Department as the men are striking in other Departments and the complete process cannot be carried out. Our idea, if you are forced to do this, is that you should carry on such steelmaking as mills can roll into saleable products. As soon as this becomes unprofitable, i.e., as soon as Company loses money over it, you should close down steel making and run blast furnaces only closing the latter when you are compelled to stop. You may, however, at your directions, continue any department where Company does not actually begin to lose money by such continuance.68

The directors’ statements seem to indicate that they were paying less attention to the rising frustration among labours. The statements also imply that the directors did not give sufficient consideration to the risk of losing labourers who had been accumulating specific skills for producing steel at TISCO for years, contributing to the rising productivity of the company.

The directors’ insufficient concern about the rising tension among the labourers was pointed out by P. Thakurdas, an eminent businessman and a director of TISCO. Thakurdas wrote in November 1928, ‘I fear that the General Manager and the Agents have not yet diagnosed the situation correctly, because it appears to me most puzzling, why a comparatively insignificant fellow like Homi should hold such a sway over Labour there‘.69

67 N.B. Saklatvala to C.A.Alexander, 25 April, 1928, Industrial Relations Papers, files 42 part 3, TISCO Archives, Jamshedpur, India, 243.
68 Secret telegram from J.C.K.Peterson to C.A.Alexnader, 23 April, 1928, Industrial Relations Papers, files 42 part 2, TISCO Archives, Jamshedpur, India, 193.
69 P. Thakurdas to J.C.K.Peterson, 21 November, 1928, Industrial Relations Papers, files 36, TISCO Archives, Jamshedpur, India, 41-3.
In addition to Thakurdas, J.R. Dain, Deputy Commissioner, seemed to have considered that TISCO management did not understand the labourers’ frustration sufficiently. J.R. Dain wrote:

I think it is a mis-statement to say that the strikes have been…engineered by communists. The trouble is really because the Labour Association has shown itself incompetent. Further, the general manager had insisted too much on Homi’s personal grievances. Homi was originally called by the crane drivers in February as legal adviser and gradually assumed the leadership. His emphasis on Homi’s personal attitude to the Company…serves to cloud the real issue between the workers and the management.\(^70\)

While some of the important figures had a clear understanding of what was occurring under Homi’s popularity, the top managers of TISCO seemed to have failed in recognizing the seriousness of the situation as well as in finding effective measures to ease the rising tension of the labourers. Just after the power supply recovered, the company, probably on based on its understanding that it was a good time to reduce the number of labourers, started planning the dismissal of surplus labourers. The Times of India reported on 11 May 1928: ‘The dismissal order affected nearly 12,000 men of which 261 belong to the Boilers Mills monthly paid staff and 96 weekly paid men, and the rest Sheet Mill men.’\(^71\) TISCO’s review report in June gives the reason for the dismissal:

Under these circumstances it was not possible to continue to carry the surplus staff which, had things continued in the normal way, would have continued in the Company’s employment until places could be found for them in the normal courses of labour turnover. Orders were, therefore, issued to certain Departments to discharge some of their surplus men for whom there was no work. Discharge slips for the first of these were prepared on the 24\(^{th}\) of May and even then on representation by the Labour Association further discharges on reduction of staff were held up by the General Manager to see if the Labour Association could

\(^70\) Quoted in Bahl, 299-300. Original source: department of Political Special F. No 5 1928, Bihar State Archives.

\(^71\) The Times of India, 11 May, 1928, Industrial Relations Papers, files 55 part 1, TISCO Archives, Jamshedpur, India, 95.
persuade the men to see reason and continue to do their work satisfactorily for the own benefit and that the Company for which they were working.\textsuperscript{72}

According to Homi’s statement, the actual number of dismissed labourers amounted to about 1,600 men, which was much lower that the number given by \textit{The Times of India}.\textsuperscript{73} Despite the lower number of reduction, the announcement brought the strike into a new phase.

When the news of the dismissal came out, JLA refused to take any responsibility for the strikes in April and May, although they tried to support men locked out by the closure of some departments.\textsuperscript{74} JLA’s reaction towards the dismissal helped increase Homi’s popularity among the labourers drastically. J.R. Dain, the Deputy Commissioner of Singhbhum, commented that the followers of Homi increased each day.\textsuperscript{75} Based on his rising number of followers, Homi started taking an outwardly hostile attitude towards JLA, on the one hand, and planning a further agitation against the company, on the other hand.

Seeing that new boilermen had been trained to re-open the closed departments, Homi decided to take a new action, a \textit{hartal}, although his first action on 18 May failed to mobilize a wide range of labourers.\textsuperscript{76} After the failure of his first action, the company’s production started showing signs of recovery. \textit{The Bombay Chronicle} reported on 19 May 1928, ‘Jamshedpur Iron Works: Full Resumption of Work. All fine furnaces, 2 Duplex and 3 Hearth are working at full swing, those men who struck work have all been replaced by new recruits and it is expected that the production will again reach its previous high record.’\textsuperscript{77} \textit{The Evening News} also reported on 19 May 1928, ‘So far as could be gathered the much talked, of one hour’s \textit{hartal} in the Steel Works called

\textsuperscript{72} Review of events leading up to the notice that works will be closed until further notice on 16 June 1928, Industrial Relations Papers, files 48, TISCO Archives, Jamshedpur, India, 128-43.
\textsuperscript{74} Royal commission on labour in India. \textit{Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part 1}, London: H. M. Stationery Off., 1931, 135.
\textsuperscript{75} Bahl pointed out an action of Homi caused the Homi’s popularity at this time. ‘Homi told the workers that the dismissed workers were legally entitled to one month’s pay in lieu of the notice in any case. This made Homi popular as he offered the strikers a way to continue the strikes.’ Bahl, 296.
\textsuperscript{77} \textit{The Bombay Chronicle}, 19 May 1928, Industrial Relations Papers, files 55 part 1, TISCO Archives, Jamshedpur, India, 109.
by the strikers ended in a complete fiasco...In effect the appeal was tantamount to
calling upon only a few shift men working from 6 a.m. to 2 p.m. to observe *hartal*. \(^78\)

However, the signs of recovery did not last long. Homi’s second strike attempt on 23
May resulted in a complete *hartal* for 24 hours. The *hartal* was organised well and
succeeded in picketing every shift going into the works from 6 a.m. on. The Deputy
Commissioner of Singhbhum commented that ‘It was a triumph of organization and
indicated the real temper of the men and was really the turning point of the strikes.’ \(^79\)
Homi, hoping to revitalise the strikers’ spirit, convened a large meeting that evening. On
23 May, *The Times of India* wrote of the meeting as follows: ‘There was a great deal of
mob oratory at a largely attended meeting of strikers held last evening with Mr. Maneck
Homi in the chair, for it has become necessary to revive the dropping spirits of the
strikers by artificial stimulation.’ Homi said if labourers ‘resume work in a body now
they would injure, not only their cause but would forever ruin the cause of all workers
whose position in the Works would gradually become worse.’ \(^80\) With Homi’s statement:

Mr. W.Y.R. Naidu of Kharagpur, who arrived in Jamshedpur by night’s mail and
came straight to the meeting, agreed. Mr. Naidu vehemently declared that the days
had gone when labour could be intimidated by a show of military force...He also
exhorted them a one day *hartal* this week. If that failed to arrange for calling a
general strikes and he promised that he would call a sympathetic strikes all over the
B.N.R. [Bengal Nagpur Railway] line. He also promised on behalf of the Kharagpur
Labour Union support to the strikers financial and otherwise...He promised them
help from Labour Unions all over India and abroad. The men lustily cheered Mr.
Naidu. The meeting having dispersed very late. \(^81\)

Naidu’s participation clearly indicates that there was still some connection between the
strikers in Jamshedpur and some of the strikers in Bengal Nagpur Railway in May 1928.

The labourers’ large-scale support for Homi might have reflected the rising
helplessness of JLA in the view of the majority of labourers. According to Simeon, JLA
announced in mid May 1928, when it was having an election for its president, that

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\(^78\) *The Evening News*, 19 May, 1928, Industrial Relations Papers, files 55 part 1, TISCO Archives,
Jamshedpur, India, 110.

\(^79\) Royal commission on labour in India. *Royal commission on labour in India: evidence. vol.4, Bihar and

\(^80\) *The Times of India*, 23 May 1928, Industrial Relations Papers, files 55 part 1, TISCO Archives,
Jamshedpur, India, 119.

\(^81\) *The Times of India*, 23 May 1928, Industrial Relations Papers, files 55 part 1, TISCO Archives,
Jamshedpur, India, 119.
‘enrolled and fully paid-up members were eligible for the election’ – with the apparent intention to keep Homi, who was not a fully paid-up member of JLA, out of the election. Simeon commented that ‘The strikers disputed JLA’s capacity to conduct the election, and on 24 May filed suit for its funds to be frozen and the election stayed. The possibility of preserving the unity of the union had dissipated.’

On 25 May, two days after the second hartal, Homi succeeded in forming another one-day hartal, ‘contrary to all expectation.’ The Times of India reported: ‘From early morning strikers’ pickets were posted to all main gates of the Steel Works and these succeeded in persuading all workers to turn back. In consequence, except for a handful of men, not a soul is working anywhere and not a mill or furnace is running and the Works present a desolate picture.’

Interestingly, Homi, accompanied by J.R. Dain, the Deputy Commissioner of Singhbhum, entered into the workshop of the company during the hartal. The Times of India wrote:

Mr. Homi accompanied by two leaders from Kharagpur and the Deputy Commissioner of Singhbhum entered and toured the Works to find out if any night shiftmen, who were to knock off at 6 a.m. are being held back. The night shift men of the Coke Ovens Department were asked to stay pending the arrival of the morning shift relievers but they refused. Mr. Homi is going through the streets and encouraging the picketers. The picketing has been entirely peaceful. The success of the hartal has been a surprise to the management.

This is an indication of the close relationship between Homi and the government, suggesting that the Homi’s action should be understood not as based only on a single factor, such as his amazing skill in leading the strikers, but as based on multiple other factors as well, like his ability to build connections with the government, which had never unconditionally supported the company even though the company had been allowed a protective tariff since 1925, and the government’s inconsistent policies towards the company. The close relationship between Homi and the government was

82 Simeon, 50.
83 The Times of India, 26 May, 1928, Industrial Relations Papers, files 55 part 1 TISCO Archives, Jamshedpur, India, 125.
84 The Times of India, 26 May 1928, Industrial Relations Papers, files 55 part 1, TISCO Archives, Jamshedpur, India, 125.
85 The Times of India, 26 May 1928, Industrial Relations Papers, files 55 part 1, TISCO Archives, Jamshedpur, India, 125.
pointed out by other newspapers as well. For instance, *Forward* reported on 27 November 1928 as follows:

Homi would not have been able to raise his little finger but for the attitude of the police and the officials. From the very beginning, Homi’s policy has been to seek their help in order to corner the Company. Throughout the strikes, it was reported that he was in the habit of calling on the Deputy Commissioner of Singhbhum almost every day and also on the Police Superintendent now and then. He used to maintain the most cordial relations with the Government and Police officials while he and his men used to abuse the Company and the management on the public platform...It is now a well-known fact that when Mr. Subhas Chandra Bose started negotiations with the Directors of the Company, Homi approached the Deputy Commissioner of Singhbhum and sought his advice as to whether he should break with Mr. Bose or not. In public meetings this fact has been mentioned in Homi’s presence and he has been unable to contradict it. Homi’s present conduct is calculated to stir up one community against another. With the help of Mr. Sharma, he is now using the Punjabi community as tools for his purpose. As a result of this communal propaganda, a section of the Punjabis have started assaulting members of the old Labour Association in an unprovoked manner.86

At a meeting held in the evening of 25 May, the labourers, headed by Homi, formulated their minimum demands: (1) minimum wage of Rs. 1-2-0 a day or Rs. 30 a month; (2) a general increase in the departments that had submitted representations; and (3) an immediate halt to the proposed reduction of staff, while waiting for the government’s intervention.87

Although, according to Homi, 90 to 92 percent of workmen joined the *hartal* and damaged furnaces, preventing them from providing heat anytime soon, the company did not change its stiff attitude towards the strikes. This attitude led Homi to decide organise a *hartal* for 48 hours on 1 June.

Phase 2 Homi’s strike and lockout

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86 *Forward*, 27 November, 1928, Industrial Relations Papers, files 57 part 3, TISCO Archives, Jamshedpur, India, 337. S.C.Bose served as an editor of “Forward”, which was brought out by Chittaranjan Das.

Homi’s decision led the labour unrest into its next phase, which was characterised by severe counteraction from the company. On 1 June 1928, the company declared a lockout that lasted for more than one month, until 9 July.\(^88\) According to J.R. Dain, the Deputy Commissioner of Singhbhum, the company’s declaration of lockout divided labourers into three groups. Two of these groups were excluded from the workplace: (1) dismissed strikers, and (2) the hartalists who were deemed to have left the company’s service and were estimated at about 15,000 men. Labourers belonging to these two categories together amounted to more than half of the company’s total labour force at the time.\(^89\) Only the third group, those who worked during the hartal, were allowed to continue to work. The number of labourers in the third category was ‘estimated at about 2,500 and included JLA and its supporters, all those who had been prominent in the previous strikes, most of the foremen, the Bengali clerical staff and the Pathans.’\(^90\)

During the lockout, labourers went through serious financial difficulties. To assist labourers facing financial difficulty, support was provided through traditional community networks as well as cooperation among communities. Simeon vividly described how such networks were built. He wrote:

Food was distributed from the Bistupur mosque. The Golkaili Jhopra mosque, frequented by the “Chttack Muhammadans” in the Gas and Boiler departments, was the place where activists, management representatives and JLA leaders would go to reason with the workers. The Pathan worker Jhingan apologized publicly for having worked during the hartal, and asked Pathans and Punjabis to join the strikes. NN Biswas and KN Sen criticized fellow Bangalis for strikes-breaking. Communal amity was a major theme. Bhabani Prasad warned that the “Company’s CID” might try to whip up tension. He asked Hindus not to object to cow-sacrifice, and for volunteers to maintain peace.\(^91\)

\(^88\) While declaring the lock-out, ‘Tatas simultaneously informed customers that production would be resumed by mid-August.’ Simeon, 54.

\(^89\) The Times of India, 12 June, 1928, Industrial Relations Papers, files 55 part 2, TISCO Archives, Jamshedpur, India, 199.


\(^91\) Simeon, 52. Simeon pointed out the importance of community identities for labourers as follows: ‘Workers were not engrossed in community identities, but Jamshedpur did have a polyglot population. Ethnic identities were frequently referred to by the activists themselves, and we may assume that while regional or communal blocs were not solidated entities, ‘the community’ was certainly considered a valid social field for agitation.’ Simeon, 62.
Regarding the use of traditional community networks as well as cooperation among communities, Bahl commented on the development of a sort of shared identity, which co-existed with the community-based identity. She wrote, ‘People did keep their local ties and community identities but the workers were not engrossed in community or ethnic identities all the time…they tried to use these identities to seek support for their workers’ movement because they had realized that the objective of their common struggle was to get a better deal from the capitalists (the Tatas). They had in fact consciously made efforts to ensure that no one could use their caste or community identities to weaken their struggle.’

During the lockout, the company refused to communicate with Homi or any strikers who did not connect with JLA, while the strikers organised picketing to keep the labourers who were still working out of the worksite. To release the deadlock, the company announced the terms on 26 June, which ‘promised to retain the bonus offer, consider increments, not impose the break-in-service rule, and re-engage most of the strikers on probation.’ ‘But it insisted on 25% reductions, and refused to consider “pay for the period when the Works or Departments are closed for any reasons”.’ The announcement was not at all acceptable to the strikers.

Interestingly, the management of the company still seemed to believe that the strikes were caused ‘by communists and by Mr. Homi who had a personal grievance against the Company,’ that ‘there was no genuine economic grievances’ of labourers, and that ‘if there are, they could be remedied through the Labour Association.’ JLA shared the view that Homi should stand aside, although Homi reinforced his position as a powerful leader of labourers.

While the majority of directly employed labourers were locked out by the declaration, indirectly employed labourers, such as coolie labourers, kept their distance from the strikes. The Deputy Commissioner of Singhbhum commented: ‘The coolie class has been kept out by timidity, but were not willing strikers or hartalists...many of those whose homes were near like the Biharis and Oriyas went home at once and waited

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92 Bahl, 303.
93 Simeon, 56.
for better times’, while ‘[t]he Sikhs, Punjabis, and Madrasis remained and were prominent in the struggle.’  

After 9 July, the company gradually resumed operations in some departments, although the management only accepted the labourers who ‘presented themselves for work,’ and ‘whose names did not appear on the reduction list.’ Operations of the merchant mill and the plate mill resumed on 9 July, those of the loco crane department on 10 July, and those of the coke plant, blast furnaces, bar mills, roll shop, boiler and power house, traffic, brick, electrical no. 1 and no. 2, machine shop, and structural shop on 11 July. However, most of the labourers retaliated with more intensive picketing. Although the government prohibited picketing for two months starting on 13 July, the picketing activity continued until mid September.

Around this time, the directors of the company made their first attempt at reconciliation since the outbreak of the strikes and started pursuing negotiations to settle the unrest on their own, taking a ‘carrot and stick’ approach. N.B. Saklatvala, Chairman of TISCO from 1926 to 1938, went to Jamshedpur on 14 July, stayed for a fortnight, and had several interviews with N.M. Joshi, a philanthropist and one of the founding members of the All India Trade Union Congress, and J.R. Dain, the Deputy Commissioner of Singhbhum, as well as C.A. Alexander, the General Manager. After the chairman’s visit, the management of the company, demonstrating the beginning of the ‘carrot’ approach, lifted the lockout, opening the entire works to all labourers willing to rejoin.

I have heard all sorts of criticism regarding the attitude of the General Manager but after my personal investigation of the matter on the spot I can assure the Directors

98 N.M. Joshi was a well-known as the ‘father of Trade Union movement in India’, a general secretary of Social Service League started in 1911, a founding member of All India Trade Union Congress in 1921, and a member of Indian Central Assembly for 25 years after 1921 chiefly responsible for enactment of major labour welfare laws like Trade Union Act (1926), Payment of Wages Act (1936), Employment of Children’s Act (1938). He was a President of Railwaymen’s Federation (1929). Eminent Indians who was who, 1900-1980: also annual diary of events. New Delhi: Durga Das Pvt. Ltd., 1985.
that Mr. Alexander has handled a very difficult situation with great patience and tact. I have found him open to conviction and ready to adopt any reasonable suggestion. I hope that the Directors realize what responsibility he had to carry for the last few months and what hard work and anxiety has fallen to his lot.\footnote{Minute of the meeting of the board of Directors held on 31 July 1928, Industrial Relations Papers, files 52 part 1, TISCO Archives, Jamshedpur, India, 103.}

According to \textit{The Times of India}, the ‘carrot and stick’ policy of the company had ‘little effect at the works where picketing continues with renewed vigor. Mr. Homi is exhorting the workers to resist the “zoolum (tyranny)” of the Directors and hold out until their demands are conceded.’\footnote{\textit{The Times of India}, 17 July, 1928, Industrial Relations Papers, files 55 part 2, TISCO Archives, Jamshedpur, India, 297.} On 23 July, Jamnadas Metha, a member of the legislative assembly from 1923–30, went to Jamshedpur for 24 hours in an attempt to assist, but his intervention was also ineffective. On 25 July, the company offered compensation for the men who were to be discharged as an additional ‘carrot’ tactic, but the offer was rejected by the labourers and fresh demands were made. At the same time, the labourers were gradually returning to the fishplate mill, the first open hearth, and the second open hearth, which resumed operations on 25 July, 26 July, and 28 July, respectively. On 28 July, the chairman made an announcement to employees at Jamshedpur explaining that there would be a bonus of Rs. 10 lakhs and increments of Rs 5 lakhs, etc., but the labourers, who were advised that the company was showing signs of weakness, did not accept the terms.

Phase 3 Beginning of negotiations and contest between Bose and Homi for leadership of the strikers

A new phase started on 11 August 1928 when the company issued a third announcement to the effect that all offers would be cancelled with respect to men who did not rejoin the workforce by 20 August and no men would be re-engaged after that date. From 11 to 20 August, according to J.R. Dain, the Deputy Commissioner of Singhbhum, there were ‘fairly large numbers’ of labourers who intended to return to the workplace; however, they were met with more intensive picketing, making the company hesitant to increase the number of labourers at the worksite. For instance, the \textit{Indian Daily Mail} reported on 18 August 1928: ‘Mr. B.K.Pramanik, Secretary, Labour Association, Jamshedpur…says that on August 10 the Works attendance was 103 covenanted, 4221 monthly and 2969 weekly casual labour, total 7293. But on the 14th the number came down to 96, 4185
and 2500 respectively - total being 6781.’

Dain reported that ‘to counteract this, the picketing was intensified and every road in the town was filled daily with large demonstrating crowds. Instances of lawlessness and violence became more frequent and intimidation of workers in their villages became so serious that strong pickets of police, finding night patrols, had to be established in several places.’

Seeing the rising tension, Homi left Bombay on 16 August for Calcutta to persuade S.C. Bose to come to Jamshedpur as a representative of the strikers.

After sending a telegraph on 17 August to Motilal Nehru to ask Nehru to arbitrate, S.C. Bose, together with Homi, arrived at Jamshedpur on 18 August. That evening, Bose and Homi attended a mass meeting during which an appeal was made specifically to Bengalis to stop working. Simeon summarised the influence of Bose’s appearance on the scene of the strikes as follows: ‘Bose’s acceptability and political status presented a way out of the impasse. He began by siding with the strikers and then established his leadership by bringing the Bengalis out in force – which meant the bulk of the foremen, clerks, coke-oven workers, and electricians. Indian foremen struck on 21 August, and 400 clerks on the 22nd.’ Bose’s appearance at the scene of the strike seemed to profoundly damage the company’s production, since the labourer attendance numbers dropped sharply from 6,907 on 19 August to 3,299 on 20 August after Bose joined the strikes as the President of JLA.

Simeon commented: ‘Meetings were held to win

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101 Strikes Situation at Jamshedpur, *Indian Daily Mail*, 18 August, 1928, Industrial Relations Papers, files 41 part 1, TISCO Archives, Jamshedpur, India, 16.
102 *Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part 1*, London: H. M. Stationery Off., 1931, 138-9. Simeon clearly described the atmosphere of strikes as follows: ‘Their rising tension was expressed in heated discussions. Some Sikh workers wanted a satyagraha inside the works, and others to lie down on roads leading to the plant. The strikers’ patience with Homi was wearing thin, but they were still holding out for a settlement under his leadership. Now were they financially desperate. The local usurers had stopped giving them loans, but Marwari shopkeepers with a grudge against Tatas Land Department assisted them, and some sympathetic clerks contributed funds. Even some English covenanted staff and non-Parsi Indian supervisors were said to have contributed.’ Simeon, 63.
103 Simeon mentioned that ‘Tata Sons had also sought out Subhas Bose, who had at first suggested Motilal Nehru as arbitrator (Nehru had declined). However, the Directors were favourable towards Bose’s intervention.’ Simeon, 64-5. The view was shared by G.D. Birla. Bahl quoted a letter of Birla to Thakurdas as follows: ‘I feel in a position to assure that Mr. Bose could be relied upon to help the Tata Iron and Steel Works whenever necessary provided properly handled. When we deal with men we ought to study their psychology. Mr. Bose is a very sincere and scrupulous man and appreciates the necessity of co-operation with reasonable and advanced type of capitalists. He himself belongs to the aristocratic class. He is a shrewd man with a wide outlook and understands very well that hitting the Tata Iron and Steel does not necessarily mean hitting the Tatas. (source: P.Thakurdas Paper)’ Bahl, 310.
105 Simeon, 67.
106 Force sheet, Industrial Relations Papers, files 80 part 2, TISCO Archives, Jamshedpur, India, 380.
over the “Mahrattas” and Pathans, as also to motivate the coolies and rezas. The strikes became generalized, and an espionage system developed to provide information on blacklegs.” Bahl also mentioned that Bose’s appearance helped revitalise JLA. She wrote, ‘With the coming of Bose, JLA was given an opportunity to recover its prestige. On the day following the Bose-Nehru consultation, the Association joined the strikes…Moni Ghosh declared that the Executive Council of JLA would select Bose as the President [around 21 August].’

The third phase is characterised by several features. First, Bose intended to improve the hostile relations between JLA and strikers by involving clerical staff and foremen in the strikes, meaning Bose, as President of JLA, tried to bridge the gaps among labourers who had different attitudes towards the strikes. The clerical staffs as well as foremen and supervisors had been kept at a distance from the strikes, possibly because of their better working conditions and relatively higher positions in the hierarchy of the company than those who had been participating the strikes. Actually, Bose’s initial strategy was to include Bengali labourers, most of whose posts at the company were clerical or foreman positions, in the conflict, to intensify the labour unrest in terms of number and scope. Now, his address to Bengalis on the evening of his arrival was persuasive enough for most of them to join the strikes, while his declaration of intensified picketing resulted in reducing the number of labourers in the workplace to a much lower level.

Second, while Bose attempted to improve the hostile relations between JLA and the strikers, there appeared to be new conflict between Bose and Homi over leadership of the strikes. Bose took office in JLA, not in the labour union where Homi presided, probably to keep Homi’s influence out. According to Homi himself, ‘[t]he arrangement between me and Mr. Bose was that in any negotiations that should take place, Mr. Bose should take me along with him and a group of workers who were working with me. I do not know what happened, but Mr. Bose put me off from day

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107 Simeon, 67.
108 Bahl, 308. Although Homi went along with Bose at this stage, This does not mean that Homi, a leader of the strikers, formally joined the activity of JLA where Bose presided. Simeon commented on this as follows: ‘A news report claimed that the two Associations [JLA and Homi’s labour unions] were amalgamated, but this was untrue. Despite the formal co-operation, the Strikes Committee [led by Homi and his followers] was meeting separately.’ Simeon p.65. Besides, Simeon wrote, ‘On 26 August JLA General Council elected Shamsuddin Vice-President. Homi’s name was also proposed, and although Bose said he would consult him, there is no evidence that Homi took office as a second Vice-President. But he remained in communication with the Directors to retain his presence in the negotiations.’ Simeon, 66.
to day.  

Third, the appearance of Bose made it possible for TISCO management to start negotiating with the leader of the strikers about settling the labour unrest. The negotiation with Bose, in contrast to negotiations with Homi or others, was largely welcomed by the management, probably due to ‘Bose’s credentials of being denounced by the communists, of being pro-capitalist and of saving the national industry.’

Fourth and most important, Bose’s appearance became important precedent for the subsequent course of the labour unrest in Jamshedpur, during which powerful outside politicians held strong influence over labourers. The appearance of powerful political leaders with a strong anti-government political stance at a prominent scene of TISCO labour unrest is significant in several ways. J.R. Dain, the Deputy Commissioner of Singhbhum, pointed out one of the most interesting issues. According to Dain:

[h]itherto, it had been free of political influence. The leaders now attempted to bring about an estrangement between the men and the Government officers, with whom previously they had been on very friendly terms and this threatened to make the duty of maintaining law and order more difficult…the Deputy Commissioner of Singhbhum was still having frequent meetings both with the General Manager and the men’s leaders in the hope of finding some way out, but there is reason to believe that the new leaders were definitely against a settlement through this channel.

The intensification of the strikes, motivated by Bose’s appearance, paved the way for frequent negotiations between the company and Bose as a representative of JLA. When Bose temporarily left Jamshedpur for nine days from 26 August to 3 September, directors of the company left Bombay for Jamshedpur one after another to prepare for a discussion with Bose upon his return. On 3 September, Bose returned to Jamshedpur and entered a long discussion with the directors. According to the company’s record, participants in the meeting included N.B. Saklatvala, Chairman of TISCO from 1926 to 1938, Ibrahim Rahimtoola, a director of TISCO, Lalubhai Samaldas, a director of TISCO, C.A. Alexander, the General Manager, R. Mather, a director of Tata Sons Ltd., J.R.D. Tata, another director of Tata Sons Ltd., S.C. Bose, Burman, and Anandji Haridas. The meetings lasted for four days until midday on 6 September, but no

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111 Bahl. 311.


113 Burman, and Anandji Haridas must have been important members of the Jamshedpur Labour Association, although we do not have exact information on them.
agreement was reached. The directors left for Bombay on 10 September, leaving full authority to C.A. Alexander. The final agreement between the company and Bose was reached on 11 September, one day after the directors returned to Bombay. On the evening of 11 September, S.C. Bose and C.A. Alexander came to agreement on terms. The main terms were as follows:

(1) Everyone, including those discharged since the beginning of the departmental strikes and the dismissed boiler and sheet-mill men, to be taken back at once without breach of service except –a. those who have already taken their settlements; b. those who do not present themselves at the works within three weeks of the re-opening; c. those who are not required by the Company and voluntarily resign on the terms as regards compensation already offered to the reduced men. (2) The men returning to work will be divided into the standard force and the spare gang. Vacancies in the standard force will be filled from the spare gang and there will be no new recruitment. All the men in the spare gang, not previously absorbed, may be discharged at the end of the twelve months. (3) Pay for the period during which the works were closed will not be given. (4) A loan of one month’s wages will be advanced to anyone applying for it, to be recovered in twenty equal installments from January, 1929. (5) The sum available for increments will be raised from five to seven lakhs. (6) The proposed alternation in the Works Service Rules will not be enforced. (7) There will be no victimization.114

The agreement was a product of compromise between capital and labour in two important respects, although the company’s most important requirement, reduction of the number of labourers on the scale the company had required, was basically accepted in the agreement. First, the company’s policy to reduce the number of labourers was to continue in the form the company had proposed before the outbreak of the strikes, while the company agreed that it would not hasten to execute the reduction policy. Second, the company did not pay lockout wages, although it did provide a recoverable loan and a new bonus scheme.

Phase 4 Split within the labour movement and the formation of the Jamshedpur Labour Federation

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The 11 September 1928 agreement produced a new phase of labour unrest which was characterised by a weakening of the protests against the company as a whole as well as a serious split among the strikers. The weakening of the labour unrest is evident from the rising trend of labour attendance. The company declared 70 percent attendance in the total workforce as early as 13 September and attendance of 22,000 men (excluding contractors’ labourers) on 25 September, indicating that there was less conspicuous tension between the company and the labourers at the end of September than there had been before.\(^\text{115}\)

The settlement also seemed to damage the operation of the labour movement, creating a serious split between the labourers. The origin of the split is described in a statement made by Homi around 11 September 1928, when the agreement was exchanged between S.C. Bose and C.A. Alexander. Homi stated:

[Bose] first faced me with certain terms which he said he had agreed to and signed and sealed. I was very much surprised. That was on the 11\(^{\text{th}}\) September. The Directors went away from here on the 8\(^{\text{th}}\) September. Mr. Bose said that nothing had been done, no terms had been arranged, and that everything had fallen through. Then we went through the terms; we were discussing the terms that he had brought from the Directors. We never knew that he was dealing with the Tata Iron and Steel Company as President of the Labour Association; that was never known to us. If he had ever said that he was treating with the Tata Iron and Steel Company as president of the Labour Association we should never have supported him and would never have permitted him to carry on.\(^\text{116}\)

Homi’s statement that he did not know that Bose negotiated with the company as President of JLA cannot be taken literally, since many newspapers reported around 21 August that Bose became President of the Association. For instance, the *Indian National Herald* reported on 21 August 1928: ‘at the meeting of the executive…it was decided to invite Sjt. Subash Bose to accept the Presidentship of the Labour Association in the absence of Mr. Andrews…Sjt. Bose has accepted the invitation owing to the seriousness of the situation.’\(^\text{117}\)

\(^{115}\) Industrial Relations Papers, files L-66, TISCO Archives, Jamshedpur, India, 153-159.


\(^{117}\) *The Indian National Herald*, 21 August, 1928, Industrial Relations Papers, files 41 part 1, TISCO Archives, Jamshedpur, India, 114.
Homi explained the reasons of his dissatisfaction about the agreement as follows: ‘we fell foul of him on two important issues; one was regarding the workers right to form their own association without any let, hindrance or interference by the Company, and another was on the subject of lock-out wages. Mr. Bose refused to take into consideration any one of those propositions.’

Homi’s distrust of Bose led Homi to split the labour movement. For this purpose, Homi and his followers started efforts to form a labour union based on other labour sources where Bose’s influence did not reach. After the first meeting on 13 September, on 16 September they formed a labour union called the Jamshedpur Labour Federation (JLF), which aimed to include as members not only TISCO labourers but all labourers in Jamshedpur. Regarding activities during the very early stages of new labour union, *The Jamshedpur Chronicle* reported on 30 September:

Funds are everyday being collected by Messrs. Homi, Sharma, Sundram near the Time Office, and if we are correctly informed several thousand rupees have been collected. The public know very little of the constitution, the aims and objects, the rules and regulations, and other material particulars of this so-called Labour Federation, and we know less. On the invitation of Mr. Homi, Mr. Spratt, the Communist, accompanied by Mr. Shamsul Huda arrived at Jamshedpur on Thursday the 27th instant. A mass meeting was held on the G. Town Maidan the same evening where Mr. Spratt delivered a long speech in English which was translated partly by Mr. H.S. Sharma (who went to Calcutta to bring Mr. Spratt down here) and partly by Mr. H.P. Sing.

Initially, JLF seemed to have succeeded in appealing to some of the labourers, although the appeal, as is shown later, waned gradually at the end of the year. Datta mentioned how appealing JLF was for some of the labourers at the beginning: ‘Even though the majority of the workers accepted the settlement, perhaps influenced by Subhas Bose’s charismatic personality, it was not unlikely (as indeed it was stated in the official report) that a large section of the workers might have agreed to Homi’s line of action, if they had realized the actual consequences of the settlement.’

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119 *The Jamshedpur Chronicle*, 30 September, 1928, Industrial Relations Papers, files 57 part 3, TISCO Archives, Jamshedpur, India, 304.
120 Datta, 224; Bahl, 315-6.
and women returned to work a large proportion were given work tickets or time cards with the “surplus” stamped across them. This meant that the workers with “surplus” tickets would be placed in spare gangs and if voluntary and regular attrition did not reduce the work force by approximately twenty per cent within twelve months these ticket-holders would be retrenched...They knew then that a large proportion of their numbers were potential retrenches.121 The Annual Report of the Company from 1928–29 states that ‘The settlement with labour provided for the ultimate reduction of the Company’s labour force by some 3,000 to 3,500 men’, amounting to almost 15 percent of the total labour force on the company’s payroll at the time.122 ‘Against this background’, Datta concluded, ‘JLF had little difficulty in appealing to the sentiments of the discontented and disillusioned workers.’123 Datta’s understanding is reinforced by the following statement of J.R. Dain, the Deputy Commissioner of Singhbhum: ‘The Federation quickly grew in strength and numbers and included most of the real manual workers.’124 Simeon also described the positive response of labourers towards Homi’s action as follows: ‘On the morning of 13 September about 1500 workers, furious at receiving tickets marked “Spare Gang”, walked out to contact Homi. Workers in the Rolling Mills complained to Bose about the abusive conduct of their European superiors. The two complaints represented crucial elements in the strikes. The Company had been hell-bent on reductions and the lower management was vindictive and arrogant. Homi’s faction began a campaign to remind workers of his warnings, and summoned a mass meeting.’125

The most important demand of Homi and his followers was recognition of JLF as a registered labour union of the company so that a formal channel could be built between his supporters and the company management. The significance of this demand was noted by a few newspapers. For instance, The Times of India reported on 1 December: ‘Mr. Homi threatened that if the management of the Steel Company did not formally recognize his Federation within the next 24 hours the boiler house men would take the lead to go on a hartal tonight and that they would be followed by the gas producer men and others.’126 On 9 December, Forward, another newspaper, also mentioned the threat:

121 Datta, 224.
122 Annual Report of TISCO in 1928-29, TISCO Archives, Jamshedpur, India.
123 Datta, 224.
125 Simeon, 74.
126 The Time of India, 1 December, 1928, Industrial Relations Papers, files 57 part 3, TISCO Archives, Jamshedpur, India, 245.
‘Mr. Homi announced that the hartal would start on the 30th November if the Company did not recognize his “Labour Federation” by that day.’\textsuperscript{127}

JLF started intensifying its hostile attitude towards the company as well as towards JLA around November 1928. On 7 November, JLF sent a letter to the company, requesting a final reply to its demand for recognition of the labour union before 29 November 1928. On 22 November, the company, which did not purport to send any reply, started preparing to file a lawsuit against Homi and other leading members of JLF claiming damages on the ground that they had procured a breach of contract by the labourers. Reacting to the hostility of the company, Homi organised a hartal on 1 December 1928, at which time his supporters attacked and injured some of the members of JLA with lathis.\textsuperscript{128} That morning, gas production labourers stopped working, saying they would cut their work shift by one hour until JLF was recognised, while on 4 December, a few blast furnace labourers stopped working for two short periods. Following these actions, a general hartal was declared on 6 and 7 December, but on 7 December only 10 or 15 men abstained from working and the plant operated at full function. Responding to the unrest, the company, on the hand, sanctioned an expenditure of Rs. 12 lakhs per annum in the town planning for three years on 20 December 1928, and, on the other hand, pressed forward with the civil suit against Homi and his leading followers.\textsuperscript{129}

While Homi intensified his violent hostility after November, this approach started losing support among most of the members of JLF as well as labourers of the company who were not members of JLF. S.C. Bose, the President of JLA, commented on Homi’s activity on 6 November as follows:

\begin{quote}
[t]actics are now recoiling on his head and today he had lost the entire sympathy of the intelligent section of labour. It is painful to find how the uncrowned king of Jamshedpur through his own fault has forfeited public sympathy and confidence. The more he is losing ground the more desperate he is becoming. He is now falling back upon the illiterate and unimproved section of the labour.\textsuperscript{130}
\end{quote}

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\item \textsuperscript{127} \textit{Forward}, 9 December, 1928, Industrial Relations Papers, files 57 part 3, TISCO Archives, Jamshedpur, India, 350.
\item \textsuperscript{128} \textit{The Time of India}, 1 December, 1928, Industrial Relations Papers, files 57 part 3, TISCO Archives, Jamshedpur, India, 345.
\item \textsuperscript{129} Summary of Labour Situation at Jamshedpur on 14 July 1929, Industrial Relations Papers, files L-66, TISCO Archives, Jamshedpur, India, 153-159; Royal commission on labour in India. \textit{Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part 1}, London: H. M. Stationery Off., 1931, 140.
\item \textsuperscript{130} \textit{The Indian Daily Mail}, 6 November, 1928, Industrial Relations Papers, files 57 part 3, TISCO Archives, Jamshedpur, India, 313.
\end{enumerate}
The company basically shared Bose’s view, while preparing a suit against Homi. C.A. Alexander, the General Manager, sent a telegram to J.C.K. Peterson, a director of Tata Sons in charge of TISCO, on 3 December 1928, stating that Maneck Homi would tell the labourers ‘by the 7th December about calling a General Hartal. Personally I doubt whether he will order a General Hartal as I do not think he is strong enough nor has enough followers to make it a success.’ On 7 December, C.A. Alexander continued to report:

General Hartal for today declared at last night’s meeting but only about 10 per cent to 15 per cent are absent this morning and plant is working full. Meeting consisted of 100 to 200 men who have taken settlement a few hundred of Homi other followers together with a few hundred followers of old Labour Association who were there to oppose Hartal. Speakers were not those formally in prominence or those on whom injunctions have been served. Maneck Homi has not been in Jamshedpur last two days and no one seems to know where he is. There was much active picketing which 6 months ago would have kept many thousands more away. This definitely shows that majority was not in favour and that Homi has a minority following who can only cause trouble by active picketing. Picketing was led by old leaders and those on whom injunction have been served.

On 8 December, J.C.K. Peterson also wrote:

Staff normal last night and today with no sign or talk of further hartal. About 100 men collected last night at usual meeting place; chief topic conversation was whether they would be discharged account not working yesterday. I do not believe further serious trouble likely if legal proceedings already started are successful. Situation in May entirely different from present as opposition to Homi much stronger now and gaining strength. We must reply more on suit stopping the picketing than by sue of additional men as it is practically impossible to prevent picketing in Bustees. As Mr. N.B. Saklatvala, Chairman of TISCO from 1926 to 1938, knows from our recent experience this house to house picketing with threat to workmen and their family far more effective than highway picketing and is

131 C.A. Alexander to J.C.K. Peterson, 3 December 1928, Industrial Relations Papers, files 80 part 1, TISCO Archives, Jamshedpur, India, 62.
132 C.A. Alexander to J.C.K. Peterson, 7 December 1928, Industrial Relations Papers, files 80 part 1, TISCO Archives, Jamshedpur, India, 48.
impossible to stop excepting with Police force of prohibitive strength. We propose continuing take whatever legal action seems advisable against other speakers, picketers, and etcetera. During past week we have discharged several Maneck Homi’s leaders which have caused no trouble. This is exactly opposite effect similar action would have had 6 months ago. Situation being watched carefully day to day and action taken as seems advisable.\textsuperscript{133}

The reason for Homi’s loss of support during this period is not clear. He might have lost labourers’ support because of his difficulty in gaining visible concessions from the company or because of the physical, mental, and financial fatigue of the labourers who had been participating in the labour movement for a long time. Due to the decreasing support for his violent activity in this period, Homi changed his strategy to revive his leadership, instead seeking the government’s legal recognition of JLF under the Indian Trade Union Act of 1926, in advance of the company’s recognition.\textsuperscript{134} As early as 7 December, when he observed the failure of the general \textit{hartal}, he went to Patna to get JLF registered under the guidance of lieutenants, since the registration was expected to give JLF a strong legal basis on which to negotiate with the company for recognition.\textsuperscript{135} Although the attempt took some time, JLF was finally registered on 26 January 1929.\textsuperscript{136}

Formal registration under the Indian Trade Union Act brought visible changes in the attitude of the company towards JLF while helping revive Homi’s popularity among the labourers. The change in the company’s attitude, on the one hand, is reported in an extract from the minutes of a meeting of the Board of Directors on 7 March 1929, when the Board sanctioned the recognition of JLF. The extract states:

\begin{quote}

The Agents [Tata Sons] stated that the General Manager at Jamshedpur had received a letter from the General Secretary, Labour Federation, dated February 26\textsuperscript{th}, intimating that the Labour Federation had been registered as a Trade Union under the Indian Trade Union Act (Act 16 of 1926) on the 28\textsuperscript{th} January 1929. The Federation desired to send a deputation to wait on the General Manager to discuss the question of recognition of the Federation by the Company. In reply to the General Manager’s enquiry, the Agents had advised him that inasmuch as the
\end{quote}

\begin{footnotes}

133 C.A.Alexander to J.C.K.Peterson, 8 December 1928, Industrial Relations Papers, files 80 part 1, TISCO Archives, Jamshedpur, India, 45.
134 By December, the member of JLF was only 1,400. Simeon, 76.
135 C.A.Alexander to J.C.K.Peterson, 7 December, 1928, Industrial Relations Papers, files 80 part 1, TISCO Archives, Jamshedpur, India, 43.
136 Reason why the government decided to accept the registration is quite interesting, although we do not investigate the reason in this paper.
\end{footnotes}
Federation was registered under the Trade Union Act, the Company should recognise that Organization as representing its members.\footnote{Extract from the Minutes of the meeting of the board of directors held at Bombay House on 7 March, 1929, Industrial Relations Papers, files 61, TISCO Archives, Jamshedpur, India, 5.}

Besides, C.A. Alexander, the General Manager, stated, as reflected in the oral evidence of the Royal Commission of Labour:

> It is not the law that a trade union must register, but the position practically comes to this that if a body is registered and recognized by Government as a registered union it is practically impossible for the employer to refuse it…I will recognize any registered trade union; if 20 unions were registered I would recognize 20.\footnote{Royal commission on labour in India. \textit{Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part I}, London: H. M. Stationery Off., 1931, 432.}

The analyses above indicate that Homi used the connection with the government in order to act as a leader of the labour unrest at Jamshedpur, while the government presumably accepted his role as a leader of the strikers, as was evident when J.R. Dain, Deputy Commissioner of Singhbhum, entered the worksite with Homi to see what was going on in the factory the management locked out in June 1928. This evidence indicates that Homi would have faced more difficulty in executing his leadership if the government had not given him these various forms of assistance.

This does not mean, however, that TISCO would only recognise a labour union that was registered under the Act. Before the enactment of the Act in 1926, JLA was recognised by the company in 1925.\footnote{Tata Iron and Steel Company, ltd. \textit{Answers to the questionnaire of the Labour Enquiry Committee, Bihar}. Bombay: Tata Iron and Steel Company, ltd, 1938, 77.}

After a few months of deadlock between the company and Homi, the company recognised Homi and JLF on 8 March 1929, withdrawing the suit against Homi and his followers.

On the other hand, the recognition of JLF by the government as well as by the company gave Homi a formal channel to negotiate with the company management and helped restore his popularity. The revival of Homi’s popularity is seen, for instance, in the number of labourers registered with JLF. The members in June 1929 numbered 7,628 of the 19,231 total men on payroll, while the number in JLA was 3,684 in the
same month.\textsuperscript{140} This means that, through the recognition of JLF, almost 40 percent of labourers of the company were newly privy to a formal channel for negotiating their working conditions with the management of the company through JLF, adding to the almost 15 percent of the labour force who already had access to such channels through JLA.

The company’s recognition of JLF helped ease the rising tension between the company and labourers, bringing a temporal ‘honeymoon’ at the end of the 1920s.\textsuperscript{141} The recovery of attendance numbers as well as of production helped the company generate positive profit again in 1929 and a record profit of Rs. 234 lakhs in 1933–34. The company never again suffered from the same scale of labour unrest it had faced in 1927–29, which suggests that it could have overcome the most serious phase of labour unrest by keeping the important policy of the company, the reorganisation cum reduction policy, fundamentally unchanged.

Phase 5 Short honeymoon period and the 1930s

The relatively quiet period did not last long, however. As President of the recognised labour union, Homi intensified demands as early as late 1929. Faced with the revived tension, the company sought a way to weaken Homi’s influence over the labourers. The Annual Report of the Company in 1929–30 stated:

> The hope that was entertained of good results following the recognition of JLF has not materialized. For a few months the influence of the Federation was used to settle amicably the various minor questions which constantly arise in all large industrial organizations. Unfortunately, this cooperation was not maintained and for a time fresh agitation was being fomented amongst the workmen. The local authorities had in the meantime initiated proceedings against certain Federation officials, including their President. There are several charges standing against the latter.\textsuperscript{142}

In addition, Homi even aimed to attack JLA with violence, making the open clash between the two labour unions ‘a regular feature in the daily life of Jamshedpur.’\textsuperscript{143}

\begin{itemize}
\item \textsuperscript{140} Statement showing the number of member of the Labour Association and the Labour Federation(working inside the plant) for April 1929, Industrial Relations Papers, files 60, TISCO Archives, Jamshedpur, India, 13.
\item \textsuperscript{141} Bahl, 328.
\item \textsuperscript{142} Annual Report of the Company in 1929/30, TISCO Archives, Jamshedpur, India.
\item \textsuperscript{143} Datta, 224-5.
\end{itemize}
The gradually intensifying tension among the company, the old union, and the new union led into a new period of unease in the new decade. Regarding Homi’s attitude, J.L. Keenan, newly appointed General Manager in 1929, successor to C.A. Alexander, wrote in anger in a confidential letter to J.C.K. Peterson on 29–30 October 1929 after his interview with Homi: ‘he stated that the Association [JLA] was really a club for literate men, and he wanted to know if I thought the Company would withdraw recognition from the Association…He also added that he was afraid that he would not be able to hold the committee in check if the Company did not withdraw recognition of the Association!!!’  

Despite the revival of labour unrest, the strikes in the early 1930s were much less serious than those in 1927–29. It was in 1937–38 that TISCO again suffered a large-scale strike, although even the 1937–38 strike did not match the scale of those in 1927–29.

The labour movement at TISCO in the 1930s can be summarised as follows. As early as late 1929, Homi seemed to have begun losing the labourers’ support again. Simeon wrote, ‘TISCO’s Labour Inspector R Kirkpatrick had noted that Homi was “losing ground fast”, due to “his autocratic methods and his squandering of funds”, and “in a very short time (would) be chucked over as President of the Labour Federation.”’ Homi’s tendency to lose labourers’ support, according to Simeon, was fostered by his conversion from an anti-Congress to a pro-Congress stance. After joining the labour movement of Jamshedpur, as was noted above, Homi had maintained a favourable relationship with the government, especially through frequent contact with J.R. Dain, Deputy Commissioner of Singhbhum, while he had maintained an unreceptive attitude towards the Congress Party, which influenced the labour movement of Jamshedpur through C.F. Andrew and Subhas Bose, presidents of JLA during the strikes. Probably because of Homi’s intention to take over influence of Bose during Bose’s arrest, or because of other factors, Homi changed his attitude in January 1930 when he adopted pro-Congress and anti-government stances. His conversion was demonstrated vividly in public when ‘Homi came to the maidan and saluted the national flag’ on 26 January 1930, when the Congress decided that ‘the national flag should be hoisted all over India together with the acceptance of the independence pledge’.  

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144 Confidential letter of J.L.Keenan to J.C.K.Peterson on 29/30 October, 1929, Industrial Relations Papers, files 61, TISCO Archives, Jamshedpur, India, 128. Emphases are in original.

145 Simeon, 119. The stress is in original.

Simeon commented that ‘One researcher quotes Homi as saying that workers and peasants needed to build independent organizations akin to those in the USSR, that such unity was a pre-condition for the fight for swaraj, and that the masses did not have the strength to attain their economic demands, let alone fight with the British.’ Simeon quoted a comment by the Assistant Superintendent of Police that ‘he has probably won the mistrust of his own followers.’ Homi’s conversion likely caused the government to reconsider its support of Homi’s anti-TISCO activity in the following years.

Seeing Homi lose ground – possibly because of his autocratic methods, his squandering of funds, and his political conversion from anti-Congress to pro-Congress, which damaged the trust of the labourers as well as of the government – the management of the company attempted to eliminate Homi’s influence, while also trying to weaken JLA’s influence. First, the management brought a series of legal charges against Homi between 1930 and 1935, successfully sending Homi to prison frequently during these five years. Second, the company revoked its recognition of JLF. Third, a new labour union called the Metal Workers Union was established under an initiative the company undertook in 1932 for the purpose of forming a pro-management labour union. Further, as Datta pointed out, ‘a number of union activists and leaders were either discharged from employment or transferred to places away from Jamshedpur in 1932. Mass meetings of the workers became practically impossible to organize due both to the Company’s victimization policies and to open hooliganism exercised by the hired “goondas” (a known Indian word for goons or thugs).’

The arrest of the leader as well as the cancellation of the company’s recognition weakened JLF’s activity severely, causing confusion as well as disunity among its members. As a result, it was impossible for JLF to revive its previous strength after the early 1930s. JLA was also weakening. JLA attempted to keep neutral during the early 1930s in the hope that it could ‘emerge as the sole representative of the workers if JLF were eliminated.’ This hope was, however, not realised because of JLA’s failure to propose appealing policies to discontented labourers and because of the company’s intensifying anti–labour union policy after the early 1930s.

147 Simeon, 123.
148 Simeon, 123. Original source is File 5/30, Assistant Superintendent of Police diary on 1 February, 1930 of Bihar State Archives.
150 Datta, 226.
151 Datta, 225.
152 Datta, 225.
It was after 1937 by the time the labour movement of Jamshedpur regained its strength. Under the guidance of the Indian National Congress, of which Subhas Bose was President, Abdul Bari, the Deputy Speaker of the Bihar Legislative Assembly, came to Jamshedpur in 1937 to revive the labour movement and succeeded in revitalizing it. Datta clearly depicted the evolution of the labour movement after Bari’s appearance. When he appeared on the scene, the workers of TISCO were already protesting against the management’s reduction policies, most notably in the sheet mills. Bari reorganised JLA and renamed it ‘Tata Worker’s Union’ (TWU), which has been associated with TISCO labourers ever since. The revitalised union grew quickly and was soon recognised as the bargaining agent. TWU wholeheartedly supported the workers’ various demands, which caused serious disagreements between the new leadership of the TWU and management. There were a number of departmental strikes and ‘go-slows’ due to the company’s policies regarding bonuses.153

Although the tension during the 1930s, especially after 1937, once again influenced the company’s financial and managerial aspects, the influence in the 1930s was less serious than that in 1927–29. Annual production of saleable steel increased steadily from 425,000 tons in 1929–30 to 777,000 tons in 1939–40, and annual gross profit also continued to grow more or less throughout the 1930s from 82 lakhs rupees in 1929–30 to 499 lakhs rupees in 1939–40, with slight declines from the previous year only in 1931–32 and 1935–36.154

Establishment of a shop committee and its implications

The historically significant scale of the strikes in 1927–29 helped bring about, among other things, an important step towards transforming the management-labour relationship in the company – namely, the recognition of JLF, whose members included almost 40 percent of the company’s labour force, despite the fact that the recognition itself was cancelled in 1929.155 The recognition was the first impetus for creating a formal channel of negotiations between the management and the majority of labourers, whose voice had not been sufficiently represented by the old labour union, JLA. The creation of this channel could have helped stabilise the relationship between the

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153 Datta, 227.
154 Datta suggested that the decline of the strikes was caused partly by ‘divide and rule’ policy of the Company in dealing with the two rivalry labour unions as well as by series of legal charge against Homi and his followers by the company, Datta, 224-5.
management and the labourers afterward, although it took a long time for the channel to be established in a stable form.\textsuperscript{156}

One of the results of establishing such a formal channel was the formation of a shop committee as an initial attempt to implement a shopfloor democracy open to skilled and semiskilled labours. The shop committee was established, according to Homi’s statement, in July and August of 1929, after the recognition of JLF.\textsuperscript{157} The shop committee, which was expected to represent voices of labourers working under foremen or supervisors, was established in all departments of the company and aimed to consider complaints of the labourers concerning working conditions and other matters.\textsuperscript{158}

According to Homi, the details of the shop committee’s structure were as follows:

Each shop committee consists of 7 members, 4 being nominated by the Labour Federation from the actual workers in that department and 3 nominated by the Company also from actual workers in the department. No foremen or member of the clerical staffs is nominated. They elect their own chairman and a clerk is supplied by the Company to take minutes of the proceedings. Any grievance of any individual workman of that department is sent for consideration by that committee through the General Manager. We are only permitted to correspond directly through the General Manager. It goes from the General Manager to the General Superintendent; from him it goes to the Department of Foremen, and then this shop committee considers the matter, coming to a decision and communicating its finding to the management, which the management is not in any way bound to accept. If the shop committee finds that a man was not at fault, though the Company had dealt with him as though he were, the management still insists on having its own way. Then the man has a right of appeal to what is called Board A which is composed of 2 representatives.

\textsuperscript{156} As is pointed out by Datta, essential nature of relationship between capital and labour is conflicting, although corporative relation sometimes contributes in raising productivity of their enterprise, brings pay rise. Datta, 246-7.

\textsuperscript{157} Homi’s statement on the shop committee is in Royal commission on labour in India. \textit{Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part 1}, London: H. M. Stationery Off., 1931, 376-9; according to the Company’s statement, the shop committee was formed in January or February 1929 before the recognition of JLF. Royal commission on labour in India. \textit{Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part 1}, London: H. M. Stationery Off., 1931, 435. Even if the shop committee was formed before the recognition of JLF, labour unrest led by majority of labour forces such as skilled and semi-skilled labourers must have been an important cause of the establishment of the shop committee.

nominated by the Company. These four persons consider the matter and arrive at their decision. If their decision is in favour of the man, the management is not bound to accept it; it still has its own way.\textsuperscript{159}

The quotation seems to indicate that the main aim of the shop committee was to form a mechanism to promote communication between top or middle management and skilled or semiskilled labourers without the interference of foremen or supervisors, who had been a source of trouble and conflict for the management as well as for the labourers.\textsuperscript{160}

The establishment of the shop committee was not sufficient to settle complaints from the labour force, however.\textsuperscript{161} Regarding such shortcomings of the committee, Homi first pointed out at his oral examination by the Royal Commission of Labour in India on 21 February 1930 as follows: ‘It has been reported to us that some of the Superintendents busy themselves telling the workmen who are members of the committee that if any decision is arrived at contrary to the decision of the Superintendent, it will not be very healthy for them.’\textsuperscript{162} In addition, Homi and Sharma, a secretary of JLF, jointly pointed out on 21 February 1930 that it took a very long time to deal with each case. They said:

A man was discharged on the 6\textsuperscript{th} August, 1927. We put the case before the shop committee meeting was held on the 30\textsuperscript{th} December, 1929, and it has not arrived at any decision yet…A man was discharged from the blooming mill department on the 26\textsuperscript{th} October. We urged that his case should be put before the shop committee. There was a sort of shop committee in existence. We had reasons to complain that the man particularly concerned in dismissing that man as taking a very lively interest in the working of that shop committee and we protested to the management about it. We


\textsuperscript{161} Simeon commented on the difficulty of the employment of trusted intermediary, as well as its significance for developing corporative management labour relationship as follows: ‘it was the perception by the workers that the person in question was effectively representing their interests (however transient this perception might be), that established his authority to mediate. This factor was the crucial one at work in term. One of the foremost concerns of workers over the years was the right to have such perceptions recognized by their management.’ Simeon, 324-5.

\textsuperscript{162} Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part 1, 376-9.
felt constrained to stand upon our rights with regard to the constitution of that shop committee and had a new shop committee appointed, the management agreeing to that. The shop committee is considering that case. Members have complained that the witnesses are not being sent and it is very much felt that an effort is being made to tutor those witnesses. Not only has there been that pressure, but undue delay has been caused by that. From the 26th October till to-day, the 21st February, the matter has not been disposed of.

Such delay might have occurred due to the shop committee’s refusal to deal with the cases, whether for good reason or not. Regarding this refusal, C.A. Alexander, the General Manager of TISCO, stated at his 22 February 1930 oral examination by the Royal Commission of Labour in India as follows: ‘we can take every case that has been dealt with by the Shop Committees and give you a report. From my personal knowledge I should say from 20 to 30 per cent of the cases brought before the Shop Committees are rejected by the Shop Committee themselves.’

According to a report of the Royal Commission of Labour, such shortcomings were quite common with other attempts to establish similar negotiation for management and labourers in India, although an exceptionally successful case could be observed in the Ahmedabad system which was employed by some of cotton mills at Ahmedabad.

The initial attempt to build shop committees ended prematurely. According to a report presented to the Labour Enquiry Committee Bihar (LECB) in 1938, the shop committee ‘worked only for a few months’. The shop committee ended in functioning ‘when the workers lost confidence in the representatives elected by them’. According to Homi, the shop committee quickly failed to function because labourers lost confidence not in their representatives, but in company management. Homi said:

[because] the members [that is, representatives of the labourers] of these shop committees sent in their resignations, saying it was impossible for them to remain

165 Royal commission on labour in India. *Main report of the royal commission on labour in India*, 1931, 335-48.
166 Tata Iron and Steel Company, ltd, *Answers to the questionnaire of the Labour Enquiry Committee, Bihar*. Bombay: Tata Iron and Steel Company, ltd, 1938, 80-1. The representative of the Company additionally wrote: ‘We learn that similar Shop Committee have failed in the B.N. [Bengal Nagur] Railway also for want of confidence of the workmen in their own representatives.’
on these shop committees, because, no matter what decisions they arrived at, the management has its own way, and it was no use discussing these matters.\(^{167}\)

Although we can not identify an actual cause for the failure of the shop committee, we are certain that the shop committee stopped functioning soon after its establishment. In addition, the company started using the connections and knowledge of foremen and assistant foremen once again after the failure to manage skilled and semiskilled labourers, despite the continuing frustration of the labourers towards such foremen. TISCO’s report submitted to LECB reported on the handling of grievances by the foremen or supervisors in the 1930s as follows:

Between the Superintendents and Heads of different departments employing labour and the labourers there is a large body of supervising establishment of Foremen and Assistant Foremen. The function of these Foremen and Assistant Foremen and other subordinate supervising establishments is as much to supervise the efficient conduct of the work of the labourers committed to their charge as to concern themselves with the conditions under which the labourers work. In this latter capacity they receive all complains relating to conditions of work and investigate them. The post of the Labour Officer, who is directly under the General Manager, has recently been created. The present incumbent is a trained social worker who has been a Secretary of the Young Men’s Christian Association for many years and possesses considerable experience of labour in this country...In order that the General Manager might be directly satisfied that representations and complaines from the workers are fully and speedily dealt with, an Assistant is attached to his office who follows up into all complaines and representation made directly to the General Manager.\(^{168}\)

It was the mid 1950s by the time an attempt to rebuild a shop committee started.\(^{169}\) In 1956, the management and the labour union (Tata Workers’ Union) made an agreement

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\(^{169}\) There seem to have been an attempt to establish committee like work committee in 1946, although there is no evidence showing detail of the attempt. Report on labour management system published by the Company in 1989 wrote, ‘it was revived in 1946 in the form of the west plant joint committee and east plant joint committee for departments in the western and eastern zones of the works. A ministerial staff joint committee was also created.’ S.N.Panday. *Human Side of Tata Steel*, New Delhi: Tata McGraw-Hill, 1989, 100.
regarding the handling of grievances. *Human Side of Tata Steel*, published by the company in 1989, explained the details of the agreement as follows:

It is agreed that a grievance procedure formulated in consultation with the union shall be introduced in all departments and shall be strictly followed…The Company and the Union agree to examine the working of the Works Committees with a view to improving the same…Accordingly, the committees in the works were decentralized into five zonal works committees, each generally covering departments having similar operations…Simultaneously, a formal three-tier grievance procedure was formulated and introduced. The present procedure aims at settling grievances of permanent employees, other than supervisors, officers and fresh employees on probation, in the shortest possible time and at the lowest possible level. It is a three-stage procedure with an appropriate grievance form for each stage…Individual grievances and complaints are not discussed at any level other than that specified in this procedure, except that if the union so desires, such cases may be put up for discussion at the central works committee. Policy matters and their interpretations are not discussed at any level except with top management, but these can be taken up with the central works committee. No representation is entertained for discussion at any level of the management, if the case has already been referred to and is pending with a works committee, until the same is either disposed of or withdrawn from there. However, in exceptional cases, the union may take up the matter directly with the concerned authorities. In important cases, the union can ask for a joint enquiry.¹⁷⁰

J.J. Ghandy, the General Manager of TISCO from 1938 to 1944 and an Agent of the company after 1944, explained the composition of the work committee as follows:

There will be 27 joint departmental councils in the Works. Each will consist of 2 to 10 representatives of management, and an equal number of representatives of Works employees. The precise number of representatives will, of course, depend on the size of the department. The joint Works Council and the Joint Town Council will consist of 12 and 6 representatives respectively from each side. The top Council will have 8 from each side, in addition to a Chairman. In regard to the composition of these Councils, the following points should be noted:

While the representatives of employees within the Union sphere will be nominated by the union in the first instance, Clause 7 of the Supplemental Agreement provides that steps will be taken gradually to introduce the principle of election by secret ballot.

The representatives of Works’ employees will include a fair representation of employees within the sphere of the supervisory unit of the Union. Such representatives will be nominated in part by the Union and in part by Management. The Union will nominate them, as supervisors constitute a unit within the union, and as such staff also constitutes a part of Management, some of them will be nominated by Management, as representing management. In a few cases, it has actually happened that the same person has been nominated both by the Union and the Management.

In each case, the Chairman will be designated by Management, and the Vice-Chairman by the Union.

In the case of the joint departmental councils, representation is limited to Works employees, so that one who is not an employee of the Company cannot be nominated as a member. In the case of the Joint Works Council and the Joint Town Council, however, one of the representatives nominated by the Union may be an officer of the Union who is not an employee of the Company.171

The composition as well as the procedure of the work committee in 1956 apparently followed the composition and procedure of the shop committee established at the end of the 1920s, indicating that the joint attempt of the management and the company to develop a ‘shopfloor democracy’ was realised in post-independent India based on the precedent from the 1920s. Despite the shortcomings and the short life of the shop committee at the end of the 1920s, then, the attempt to establish the shop committee did provide a blueprint for an institution to foster corporate democracy at TISCO after independence, having been one of the historically significant positive steps towards building an institution to ease tensions between capital and labour.

2. Strikers’ employment positions in the workplace

Next, we will clarify in detail the characteristics of the strikers, especially their employment positions in the shopfloor hierarchy of the company.

TISCO’s hierarchy had three tiers, ranging from supervisory and clerical staff to unskilled labourers. According to a piece of written evidence of the company that was submitted to the Royal Commission of Labour in India, the company had approximately 1,800 supervisory and clerical staff (making up 7.4 percent of its labour force), almost 17,500 skilled and semiskilled staff (72 percent of its labour force), and about 5,000 unskilled staff (20 percent of its labour force) on its payroll in 1928–29. The supervisory staff was composed of top management staff such as the General Manager, middle management staff such as superintendents, and low management staff such as foremen and supervisors. (Chart 1) 72 percent of TISCO workers were skilled and semiskilled labourers, while management staff as well as unskilled labour accounted for only a small share of the company’s workforce. This section establishes that the strikers in 1927–29 belonged to the skilled and semiskilled segment of the labour force, whose grievances were not addressed sufficiently by the management staff or by the one and only labour union before 1928, JLA, whose members were foremen or others in the same class of labour.

The analysis in this section is important because some existing studies have concluded that the majority of the strikers were unskilled labourers whose heritage was aboriginal or tribal. If we accept these understandings, the strikers were led by individuals representing only small proportion of the company’s labour force. As we clarify here, the majority of the strikers were skilled and semiskilled labourers, most of whom were in fact Hindu or Muslim, meaning the strikers in 1927–29 posed a great threat to the business of the company.

Keeping the history of JLF’s formation in mind, it is appropriate to acknowledge that Homi’s supporters, who were the most active in the strikes, were well represented by members of JLF.

According to the rules of JLF, the Federation had two types of memberships: ordinary and honorary members. The applicable rule stated:

Ordinary members shall be persons actually engaged or employed in the various iron and steel industries of Jamshedpur. Honorary members shall be those who are not so engaged or employed. Any worker belonging to any trade or profession may be permitted to become a member of the Federation, provided he agreed to pay at

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the time of joining: - a. one full day’s wages, when that wage extends one rupee per 
day and in every other case, of a minimum of rupee one; b. and thereafter of a 
monthly subscription of rupee one; c. in case of members drawing Rs. 100/- and 
over as their salary or wages, one day’s wages on entrance and thereafter half the 
day’s wage every month. An exception will be made in the case of sweepers and 
weekly paid coolies and rejas, who will be permitted to pay a straight eight annas 
every month and in cases of persons with no fixed rates of wages, a straight one 
rupee per month shall be reckoned as the membership dues…A limited number of 
Honorary Members, who are not employees of the Tata Iron and Steel Co., Ltd. or 
any of the subsidiaries in Jamshedpur and not exceeding one hundred in number, 
may be admitted to membership in the Federation by reason of their social, personal 
or educational position or professional standing, and whose association with the 
Federation is considered to be likely to advance the cause of the Federation and its 
activities.173

The rule apparently indicates that, except for honorary members, only those who pay for 
subscriptions are accepted as members of the Federation, while both TISCO workers 
and non-TISCO workers were allowed to join the Federation if they paid the 
subscription.174

While membership was opened to workers of any trade doing business in 
Jamshedpur, the leading share of actual members of JLF consisted of skilled and 
semiskilled labourers of TISCO. This is demonstrated in Table 1, which shows the JLF 
officers’ employment positions at the worksite. According to the table, lower 
management staff such as foremen or supervisors comprised only 9 percent of JLF 
office bearers, while skilled labourers such as fitters or sarangs, and clerks [probably 
ordinary clerks] consisted of 50 percent and 25 percent, respectively.175 This suggests

173 The Rules of the Federation and a list of office-bearers, Industrial Relations Papers, files 61, TISCO 
Archives, Jamshedpur, India, 9-25.
174 Interestingly, Homi charged higher rate of monthly subscription on labours than JLA did. According 
to archival evidence of the Company, who collected subscription in place of the both labour unions, 
subscription of JLA was following: 1 anna for person getting nor more than Rs. 15 a month or -/8/- 
per day to pay; 2 annas for person getting over -/8/- per day or Rs. 15/- a month but not exceeding Rs. 
1/- per day or Rs. 30/- a month to pay; 3 annas for Person getting over 1/-/ per day or Rs. 30/- a 
month but not exceeding Rs. 1/8/- per day or Rs. 45/- a month to pay; and the highest was Rs. 1/8/0 
for person getting over 8/6/- per day or Rs. 250/-. Rates of Subscriptions Monthly, Industrial Relations 
Papers, files 45, TISCO Archives, Jamshedpur, India, 227.
175 Although we do not have data showing detail of work of ‘sarang’, we can assume that sarang did 
similar work that skilled labours did. According to General Managers’ Correspondence Papers, files, 
which shows daily or monthly wages of all of the posts of production departments of TISCO in 
1919/20, on the one hand, a sarang of blast furnace department received Rs. 2 daily, while three
that JLF was a labour union basically consisting of skilled and semiskilled labourers as well as clerks. The skilled labourers of the company included, according to the classification in the 1930 Report of the Royal Commission of Labour in India, engine driver, fireman, greaser, fitter, turner, blacksmith, carpenter, moulder, and bricklayer or mason.\textsuperscript{176} The same report shows that in 1925, the daily wages of the skilled labourers ranged from Rs. 0/14/0 [rupee/anna/paisa] for a fireman to Rs. 5/0/0 for a locomotive engine driver. Semiskilled labourers probably did work similar to that of skilled labourers.\textsuperscript{177}

The leadership of the skilled and semiskilled labourers in JLF was conspicuous in comparison to those who took leadership roles in JLA. According to Table 2, in 1927, foremen and clerks accounted for almost 35 percent (9/25) and 27 percent (6/25) of total executive committee members of JLA, respectively, indicating that JLA essentially represented the interests of the ‘foremen’ class of employees.

As we have shown, there was serious conflict between the lower management staff such as foremen and skilled or semiskilled labourers starting with the company’s initial phase of business.\textsuperscript{178} This conflict had been a leading cause of instability in the company’s labour management system in the 1910s and early 1920s. The comparison between the two labour unions’ officers indicates that the conflicted relationship between them clearly corresponded both to the split and the continuing violent rivalry between the two labour unions of TISCO.

We have additional evidence that demonstrates further characteristics of the strikers in 1927–29. According to Table 3, JLF had 7,628 members in 1929, while JLA had 3,684 members that year.\textsuperscript{179} Simeon commented that about the half of the members of

\textsuperscript{176}Royal commission on labour in India. \textit{Royal commission on labour in India: evidence. vol.4}, Bihar and Orissa with Coalfields, part 1, 67, and 69.
\textsuperscript{177}Royal commission on labour in India. \textit{Royal commission on labour in India: evidence. vol.4}, Bihar and Orissa with Coalfields, part 1, 67.
\textsuperscript{179}Since the subscription fee of members of the two labour unions was, on behalf of the unions, collected by the Company from pay bills of the employees, the Company grasped the details of the members of the labour unions. Homi seemed to have considered that it was no problem for trade union to ask the Company to collect subscription of the labour union because it would have cost if the union collected.
JLA were Bengalis, while JLA’s executive membership was dominated by local members of the Congress Party. Since the total number of labourers on payroll was 19,231 in 1929, 39.7 percent of the labour force joined JLF, while 19.1 percent were members of JLA. According to the tables, departments such as open hearth, mechanical, blast furnace, rolling mills west, foundry, and boiler, where skilled and semiskilled labourers probably comprised a large share of the total labour force, were an important source of JLF members, while departments such as mechanical, electrical, rolling mills east, town, and the general administrative office, where high technological and clerical knowledge was required, were leading sources of JLA members. Regarding JLA members’ advanced technological knowledge, Simeon wrote that ‘apart from the supervisors and clerks, the loyalty of the TISCO electricians gave JLA strategic power.’

The implication of the analysis above is reinforced by the statements of Homi and H. Sharma, a lawyer who joined JLF as a joint secretary. In an interview with a member of Royal Commission of Labour in India in 1930, Homi mentioned that ‘we cater only for the actual workmen, while the Labour Association is a conglomeration of foremen, clerical staff and others.’ While Sharma explained that the ‘actual workmen’ of JLF, who numbered 9,000, consisted of 8,000 skilled and semiskilled labourers and 1,000 unskilled labourers, he stated that JLF had, in addition to about 9,000 paying members, 3,000 non-paying members, who were mainly actual manual workers of TISCO with a few members from the Tinplate Company at Jamshedpur. Among the paying members, female members accounted for 1,200 to 1,500.

The theory that it was not unskilled labourers but rather skilled and semiskilled labourers that constituted the majority of JLF members needs supporting evidence, since Bahl proffers a different view. She first wrote that ‘about 28,000 men were employed in TISCO of whom 17,000 were coolies. The great majority of them were


Hari Prasad Singh and SK Pramanik were secretaries of the Town Congress Committee’. Simeon, 117-8.

Simeon, 118.


Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part 2, London: H. M. Stationery Off., 1931, 390. Regarding the inclusion of the non-paying member as a member of JLF, statement of H.Sharma is unreasonable since the above rules of JLF apparently pointed out the member of JLF had to pay subscription.
aboriginals [tribals], the remaining were skilled or-semi-skilled and came from all over India.\textsuperscript{185} She also wrote that the strikes initiated by the coolie labourers of aboriginal origin damaged TISCO seriously in 1927–29.\textsuperscript{186} She wrote, ‘TISCO benefited not only from its special location near the two rivers and its link through railway lines with the port of Calcutta and the mines of Bihar and Orissa, but also from the efficiency of the tribal workers who soon took over the skilled jobs of the expensive foreign workers. TISCO never gave them the status and salary of their predecessors, thus profiting in many ways. Later, this proved costly to TISCO when these workers became militant and went on strikes.’\textsuperscript{187} Her recognition that TISCO employed a large number of unskilled labourers is repeated in her monograph. After mentioning that the non-covenanted labourers were classified as direct and indirect, she wrote, ‘direct labour was further divided into monthly, weekly, daily and casual or temporary workers’ while ‘indirect labour was employed by contractors and were unskilled coolies who were paid weekly wages’. Then she wrote, ‘There were about 12,000 to 14,000 such [indirect] labourers in 1928.’\textsuperscript{188} If we follow Bahl’s understanding, the company’s product was largely produced by unskilled labourers who had an aboriginal background and these labourers also comprised a major source of strikers.

\textsuperscript{185} Bahl, 106.
\textsuperscript{186} The type of labours working under skilled and semi-skilled labours in a hierarchy of the Company was usually called unskilled labours, coolie labours, or indirect labours, which consisted of male, female or child coolie. The Report of the Royal Commission of Labour in India indicates that range of wages of unskilled labours were Rs.0/7/0 for male, Rs. 0/5/9 for female coolie, and Rs. 0/5/9 for child coolie respectively in 1925. According to a written evidence of the Company to the Royal Commission of Labour in India in 1930, the Company employed two types of contractor, whose work was under a supervision of superintendents of respective departments, while the contractors recruited and managed unskilled labourers. The work allotted to the contractors, who employed approximately 4,000 workforce, consisted principally of the following: ‘(a) loading and unloading pig iron and stacking same, (b) unloading sand, clay, bricks etc., and carrying same to cast house, (c) handling coal and cinders for locomotives, (d) general cleaning, (e) loading and unloading coal, coke, ashes, etc., (f) loading and unloading from and into stock various raw materials such as limestone, dolomite, ore, etc., (g), erection of miscellaneous building and ordinary engineering work, (h) unloading cinders on dumps and unloading and screening breeze.’ According to the written evidence, these works used to have been done by labourers employed directly by the Company. However, ‘as its completion depended mostly on the arrival of trains and the placing of wagons, it meant a considerable wastage of labour which was tied down by an eight hours shift and time-keeping system that rendered it in many cases idle half-a-day and more in consequence of any delay in the arrival and placing of wagons.’ Thus, for efficiency, the Company began to subcontract the labours above to contractors who could provide more flexible workforce that the Company needed. Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, vol.4, part 1, London: H. M. Stationery Off., 1931, 149.

\textsuperscript{187} Bahl, 144.
\textsuperscript{188} Bahl, 113. She mentioned that original source of this information is in Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, vol.4, part 1, London: H. M. Stationery Off., 1931, 59-60. However, there is only a written evidence of mining industry, not of iron and steel industry in the pages.
However, for the following reasons, Bahl’s interpretation cannot be accepted. First, according to a table showing the number of direct labourers on payroll and contractors’ labourers from 1924–25 to 1929–30, which was submitted by J.L. Keenan, the General Manager from 1929 to 1938, to the Royal Commission on Labour in 1931, more than 70 percent of TISCO’s labour force consisted of direct labourers, while less than 30 percent were indirect labourers such as contractors’ labourers’ or unskilled labourers except in 1929/30.  

Second, as Simeon clearly points out, skilled and semiskilled labourers, who accounted for almost 70 percent of the total labour force of the company, did not come from aboriginal or tribal origins. Simeon stated:

In 1921, over half the skilled workers in Jamshedpur were immigrants from outside the province; and many of the semi-skilled workers came from Orissa and Madras. Nearly half the unskilled workers were natives of Singhbhum. Rezas formed 35.6% of their number, and were the only women in industrial employment. In 1931, the proportion of immigrants in the city population was 53.5%, compared to an average of 7.5% for Patna, Bhagalpur and Gaya. They were drawn from the Jamalpur railyards, or the labour pool in other industrial regions. Skilled labour was dominated by Muslims, Rajputs, Brahmins, and Kayasths. Muslims accounted for 21% of their number. Artisan castes such as Kamars, Lohars, Barhis and Kumhars comprised over 6%, and agricultural and “service” castes made up the rest. Among unskilled workers, “aboriginals” and “semi-aboriginals” were the most numerous, with Mundas, Bhuiyands, Bauris, Hos, Santhals, and Oraons, making up 22% of the total. Muslims were 9% and other ‘service’ and artisan castes 6%.

Third, the majority of the strikers of the company in 1927–29 were, as was noted above, skilled and semiskilled labourers, not unskilled coolie labourers who occupied only a small proportion of the workforce.

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189 J.L. Keenan to the Joint Secretary of the Royal Commission on Labour, 5 January, 1931, TISCO Archives, Industrial Relations Papers, files 70, TISCO Archives, Jamshedpur, India, p.159. According to the table figures of direct labours on pay roll and those of contractors’ labourers were as follows: 28,506 and 600 in 1924/25, 31,008 and 1,070 in 1925/26, 30,678 and 1,843 in 1926/27, 29,074 and 2,410 in 1927/28, 26,290 and 2,552 in 1928/29 and 25,369 and 3,291 in 1929/30. Minority share of unskilled labours such as coolie labours among total labour force of TISCO is pointed out by Simeon also. He mentioned, ‘TISCO’s workforce increased from 4,000 in 1907 to 30,135 in 1923-24, after which the management was seized of the problem of reductions. In the late 1920’s the local government reported a workforce of 29,000, of whom 20,000 were employed within the works (Original Source: Bihar State Archives). The latter figure went down to 16,376 in 1933, but rose again after that. Contractors’ ’coolies’ working for TISCO varied in number from 4,000 to 8,000. In 1938, the management quoted 28,674 as its total workforce, including 2,219 clerical and supervisory staff, and excluding about 4,500 contractor’s labour.’ Simeon, 13-4.

190 Simeon, 22.
small share of total labour force of the company. Regarding this, Simeon pointed out, ‘The DC’s [Deputy Commissioner of Singhbhum] view, that the movement was a strike of the “semi-skilled and skilled and not of the unskilled”, was accepted by Joshi, who understood the chief complaints to be arbitrary discharges and dismissals.’ ‘The unskilled workers were in a militant mood but their subjugation to contractors made strikes action difficult for them.’

This evidence collectively indicates that the strikers in 1927–29 consisted of skilled and semiskilled labourers with Hindu and Muslim origins, who accounted for a major part of the labour force of the company. TISCO’s business received a dreadful threat from the strikes led by the majority of its labour force.

3. Grievances of the strikers: How did reorganisation of the labour management system cause the strikes?

Next, we detail the types of grievances the strikers had when they decided to walk out.

Scholars have identified several causes of the strikes. Datta and Bahl, for instance, mentioned that the reduction of labourers as well as wage standardisation, both of which originated with the rationalisation programme executed after the recommendation of the Indian Tariff Board in 1926, were both fundamental causes of the strikes. Bahl also described the influence of communist activities and racial discrimination by covenanted labours against native labourers as important causes.

This paper first asserts that one of the strikers’ serious grievances was the reduction in the number of labourers, along with the insufficient remuneration accompanying the reduction, although the grievance concerning reduction had been gradually settled through a targeted policy of the company. The labourers also had grievances connected to the company’s failure to pay lockout wages, its refusal to recognise the labour union they supported, and its victimisation of the strikers.

In addition, this paper argues that the company’s failure in coordinating the relationship between lower management staff such as foremen or supervisors and the labourers working under them was also an important source of grievances for the strikers. Company leadership made an attempt to improve this relationship in the mid 1920s. However, the attempt failed to achieve the expected result, leading to another serious cause of the 1927 strikes.

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191 Simeon, 58-9.
Before beginning our analysis, we will review one more potential cause of the strikes, proposed by Simeon. He wrote that one of the causes of the strikes was the ‘intensification of labour’. For instance, Simeon wrote, based on the argument of Radhakamal Mukerjee:

Mukerjee also highlighted what he called “the Vogue of Intensification.” Distinguishing between this and rationalization (the increase in the technical composition of capital), the professor remarked on the tendency among Indian managements not to undertake technical-capital inputs, but to “simple renovate” existing plant and increase the speed of the belt line. Thus, he said, “intensification is coming in the guise of rationalization in India”. These two observations provide an important insight into the “place” occupied by labour in the industrial system of late colonial India (source R. Mukerjee, The Indian working class p.207, p.307). The struggle for democratic industrial relations and against intensification was central to the history of the labour movement in Chota Nagpur.193

In the case of TISCO in the 1920s, however, the company enhanced the capital-labour ratio from Rs. 2,800 per labourer (gross block/labourer working at Jamshedpur) in 1915–16 to Rs. 8,378 in 1924–25 after a sanction of the GES in 1916, meaning that labourers of the company went through a gestation period over the course of that decade to adapt their skills to the production equipment that GES had newly expanded. This suggests that, according to Mukerjee’s definition, the company experienced rationalisation rather than intensification of labour in the 1920s.

Such rationalisation of labour has been observed in every industrialisation process, but it has not always resulted in strikes. Thus, rationalisation itself may not be considered an important source of labourer’s grievances. Rather, we contend that the rationalisation of labour at TISCO in the 1920s resulted in serious strikes because the person in charge of labour management failed to convince labourers that the rationalisation was necessary for the company, failed to inform management of the grievances of labourers during the course of rationalisation, and failed to develop a cooperative relationship between management and labour in the process.

The most serious grievance of the strikers in the early stage of the labour unrest was the reduction of labourers and the resulting increase in workload. On 12 April, The Times of India wrote: ‘The principal cause [of the strikes] appears to be the natural opposition of workers to the introduction of the new system of ensuring efficiency as

193 Siemon, 2-3.
well as to the policy of reducing redundant men in most of the departments of the plant.”

The insufficiency of the wage increment was also an important point of the labourers’ demands. On 24 April, *The Times of India* stated: ‘The men of the Sheet Mill department have gone on strikes. It appeared that they sent a petition to their Superintendent recently, demanding inter alia, increased wages and an increased bonus.’

After the lockout in June, Homi sorted out the grievances of the labourers and formulated the following six demands:

1. All sheet mill and boiler house men now on strikes shall be taken back on their old jobs without break in their services.
2. Their grievances shall be set right within a reasonable time.
3. All reduced staff shall be taken back and the present reduction policy be immediately stopped.
4. All men dismissed or discharged for taking part in the strikes or showing sympathy to the strikers including crane drivers shall be taken back.
5. There shall be no victimization in the truest sense of the word.
6. Departmental grievances shall be gone through in consultation with Departmental Committees.

While most of the labourers’ demands covered points like reconsideration of the reduction policy, re-employment of discharged labourers, stopping victimisation, or formation of a channel to discuss labourers’ grievances with the company, they did not include increments in wages or bonuses, which were other requirements of strikers in April – suggesting that the insecurity of employment caused by punitive discharge in May and June had become the most serious grievance by this time.

Interestingly, JLA also sorted out grievances of the labourers in June and July, including points different from those proposed by Homi. Regarding the grievances of JLA, on 5 July a newspaper wrote:

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194 *The Times of India*, 12 April, 1928, Industrial Relations Papers, files 55 part 1, TISCO Archives, Jamshedpur, India, 12.


196 *The Times of India*, 20 June, 1928, Industrial Relations Papers, files 55 part 2, TISCO Archives, Jamshedpur, India, 207.
It will be noticed that the list goes further in several important details than that formulated by Mr. Homi some time ago….(1) Sheet mill and boiler house men and all hands discharged or reduced for the hartals or their attitude towards the strikers must be taken back and there should be no victimization; (2) The lock-out and strikes period wages must be paid; (3) A general increment to all un-covenanted employees; (4) A general bonus to be extended to all un-covenanted employees irrespective of their department and nature of work; (5) The minimum wages of all labours to be raised to Rs. 30 and Rs. 22 per month for males and females respectively; (6) Detailed departmental grievances to be settled in consultation with labour representatives; (7) A Board comprising representatives of both labour and management to be set up to effect any general retrenchment when necessary.197

Apparently, JLA put more stress on the increment of remuneration rather than on the security of employment, which was leading concern for Homi’s supporters.

The difference in demands proposed by Homi and those proposed by JLA at this stage is interesting. Supporters of Homi, who consisted of the skilled and semi-skilled labourers, probably felt most strongly about factors affecting insecurity in posts, such as reduction, discharge, victimisation, and lack of a formal channel to discuss their grievances, while the increasing workload must have been the most serious headache for the supporters of JLA, whose leading members were foremen or occupied similar posts in TISCO’s hierarchy. It is clear that the two types of labourers faced different problems at this stage.

These two different types of grievances were sorted out by Homi once again in August. On 10 August Homi proposed requirements in response to the terms of settlement proposed by the company management on 28 July (for the details of the requirement, see Appendix 2). The key points of the demands were summarised by Homi himself as follows:

The labourers are quite agreeable to retrenchment in accordance with the scheme worked out by the Management. In spite of this I do not understand why the Management insists upon dismissing several thousand workmen under the guise of retrenchment. Then, again, the labours demand pay during the strikes period…The workmen are in the right in demanding the strikes pay because the strikes were due

197 Jamshedpur Workers Demand for Minimum Wage, 5 July, 1928, Industrial Relations Papers, files 48 part 2 TISCO Archives, Jamshedpur, India, 224.
to the difficulties put in the way of the labourers by the Management. The labourers also demand the recognition of a properly constituted labour union.\footnote{Gist of an alleged interview given by Mr. Maneck Homi to the Editor of the Hindustan and Prajamitra on 15 Aug, 1928, Industrial Relations Papers, files 41 part 1, TISCO Archives, Jamshedpur, India, 86-91.}

It is noteworthy here that Homi’s labourers more or less accepted the reduction policy at this time, although some of them continued to feel opposition towards the policy. Such continuing objections to the reduction policy are indicated in list of grievances presented by the two labour unions in August 1929, five months after the recognition of JLF by the company. (Table 4) According to the list, grievances related to reduction, such as reinstatement, suspension, discharge, and transfer, accounted for almost 25 percent of labourers’ total grievances (60 out of 267), while grievances also stemmed from insufficiency in pay raises, quarter allotments, and general complaints about working conditions such as ‘service complaints’. The number of grievances relating to the reduction policy in 1929, however, seems to be rather small considering that there was, according to the Annual Report of the Company, a net reduction in labourers of almost 2,700, for instance, a reduction from 21,800 in 1927–28 to 19,025 in 1928–29. The relatively smaller number of grievances of labourers concerning the reduction policy that eliminated 2,700 net labourers in a single year probably indicates that, as is implied in Homi’s statement, labourers started basically accepting the reduction policy by this time, although, as is shown in a later section, this acceptance was not compensated for by an increase in nominal remuneration of the labourers.

The basic acceptance of the reduction policy at this stage may be attributable to the procedures the company used for the reduction, which was effected ‘in the form of an announcement that vacant posts would not be filled.’\footnote{Royal commission on labour in India. \textit{Royal commission on labour in India: evidence. vol.4}, Bihar and Orissa with Coalfields, part 1, London: H. M. Stationery Off., 1931, 133-4.} According to the General Manager’s explanation to JLA in 1928, the scheme of reduction was to ‘mean the employment of fewer men on higher rates of pay, no discharge of men in excess due to the reorganization, and an introduction of graded scale of wages.’\footnote{Royal commission on labour in India. \textit{Royal commission on labour in India: evidence. vol.4}, Bihar and Orissa with Coalfields, part 1, London: H. M. Stationery Off., 1931, 131;} Although there were several cases in which labourers were discharged based on necessity, the company could have reduced number of labourers not through discharge but by refraining from filling vacancies.

The policy of not filling vacancies was effective in reducing the number of labourers, since there was a considerable extent of labourer turnover at the company in the second
half of the 1920s. According to a written piece of evidence from the company, the average duration of employment for the labourers was two years, and the turnover ratio of the company’s total labour force in 1925, 1926, and 1927, the three years before the 1928 strikes, were 36.6 percent, 31.3 percent and 24.1 percent, respectively, meaning more than 6,000 labourers of the company’s nearly 25,000 probably voluntarily left the company annually.201 Since unskilled labourers accounted for roughly 1,000 among the 6,000 labourers, skilled and semiskilled labourers accounted for another 5,000.202 The considerable level of turnover indicates that the company could have reduced the number of labourers significantly by adopting a policy of not filling vacancies, rather than relying on a discharge policy, although the company sometimes discharged labourers for reasons other than reduction.

Despite the company’s basic policy, there were, especially at the initial stage of the reduction policy, a lot of rumours among the labourers that the company would discharge labourers in order to execute the reduction policy.203 Over the course of the actual implementation of the not-filling-vacancies policy, however, the labourers gradually came to understand the actual nature of the policy. Probably because of the slowly but steadily spreading understanding among the labourers of the company’s policy, complaints about discharge, suspension, and transfer became less prominent in the total complaints of labourers by August 1928, as is shown in Table 4.

We have several pieces of descriptive evidence directly presented by the labourers at the beginning of the strikes in 1928 which illustrate more detail about the grievances. These grievances, which were probably proposed by the labourers associated with JLA, demonstrate another aspect of the grievances closely related to the malfunction of the company’s labour management on the shopfloor.

201 Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part 1, London: H. M. Stationery Off., 1931, 147. The high turnover ratio of skilled or semi-skilled labourers may be because of affluent opportunity of re-employment in Jamshedpur then. Simeon mentioned on such high opportunity that ‘workers who had been retrenched from TISCO in 1928-29 soon found jobs as fresh hands in the next largest concern, the Tinplate Company, which was hiring strikes-breakers in 1929.’ Simeon, 34.

202 According to Simeon, [a half of the unskilled labourers in 1925-27] ‘did not work continuously even for a year’. Simeon, 22. Since, according to J.L. Keenan to the Joint Secretary of the Royal Commission on Labour, 5 January, 1931, TSCO Archives, Industrial Relations Papers, files 70, the half of the unskilled workforce in 1925-27 was just about 1,000, almost 5,000 among the total 6,000 workforce were skilled, semi-skilled workers or staff at higher posts.

203 Seriousness of the rumor of discharge, for instance, can be seen in the demands proposed by strikers on 18 April. The demand includes ‘formation of a committee of 15 workmen to be consulted before any man is suspended or discharged’. Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part 1, London: H. M. Stationery Off., 1931, 133.
Just before the initial sporadic strikes evolved into sequential episodes of labour unrest in mid April, C.A. Alexander, the General Manager, had several meetings with representatives of the skilled labourers from specific departments to discuss their grievances. Fortunately, minutes of some of these meetings are available at the TISCO Archives.

At a meeting on 9 April 1928, representatives of labourers in the Rail Finishing Department presented the details of their grievances, which were basically similar to the grievances discussed above, that were proposed by Homi and other leaders of the strikers, although these grievances referred less to the insecurity of employment, probably because the representatives were members of JLA. At the meeting, one of the representatives of the department stated that ‘their principal grievance was the necessity for a general increment.’ And he continued to say that he ‘admitted that he was employed in about 1920 on As. 8/- per day and had been given subsequent increases and promotion to his present salary of Rs. 2/8/- per day’. He maintained that ‘as they were now finishing more rails that ought to get more money.’ In addition, other representatives demanded the same seniority he had in his post. He said, after explaining that ‘men from the old (rail) mills were transferred into posts which become vacant at the new rail mill’, that ‘these posts should only be filled from the employees engaged in the New Rail Mill Finishing.’ Finally, another representative ‘referred to an accident at the rail finishing mill, whereby an employee was killed by a rail falling from a magnet crane’, asking what had been done about it. These grievances indicate that, in addition to the increment of wages, the seniority of posts as well as safety in the workplace were leading concerns of the strikers at this time.

At a meeting held ten days earlier, on 30 March 1928, other representatives, from the Coke Oven Department, presented different types of grievances closely related to failures of labour management at the workplace level through the hand of labour organisers. P. Aiyyaswamy, a stenographer in the Coke Oven Department in 1927, first complained as a representative of the labourers, ‘that the standard force put into

204 According to Royal Commission of Labour in India, range of wages for skilled labours varied from As.0/14/0 to 5/0/0, while those for foremen were over Rs. 6 daily, suggesting that the representatives here were skilled labour. Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part 1, 67.

205 Note of the meeting held in the General Manager’s Office on 9 April 1928, Industrial Relations Papers, files 42 part 1, TISCO Archives, Jamshedpur, India, 8-12. Present Messer. C.A.Alexander, R.Mather, Chew, Bryant, Ghandy & Clifford; and Messrs. Ahuja, Gupta, Sita Ram, Ram Nath, S.C. Dogra and Madho of the Rail Finishing Dept. According to the list of office bearers and executive committee members of the JLA, Ahuja and Gupta were probably the ones who were vice presidents of JLA in 1927, although we cannot identify them because of lack of data on first names of the representatives. Industrial Relations Papers, files 45, TISCO Archives, Jamshedpur, India, 16.

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operation in 1924 of 541 men for the operation of Wilputte Ovens had now fallen down to an actual total number of 442 employees’, indicating insufficiency in the increment of wages. Aiyyaswamy then pointed out that ‘The men stated that the labour organization system was not very satisfactory and was partly responsible for the present unrest, as men with a grievance were not able to get satisfaction from the labour organizers or through them, from the Departmental officials.’ Aiyyaswamy’s latter statement refers to an important issue about which labourers felt strong frustration – the work of the ‘labour organiser’.

The labour organiser post at the Labour Organization Department was a created in 1926 when the company launched a reduction scheme pursuant to the recommendation of Tariff Board Committee. The Labour Organization Department had two roles: to plan and exercise the reduction scheme, and to supervise various aspects of the employment, promotion, and discharge of labourers. The latter role to manage labour had been subcontracted to foremen or supervisors before 1920. This role was transferred to the Labour Employment Bureau in 1923, although, because of difficulty in finding an eligible individual who was trusted by both the management and the labourers, the transfer was not completed quickly. The Labour Organization Department was created in 1926 for the purpose of improving the functioning of the Labour Employment Bureau. Regarding the details of the creation of the Labour Organization Department, a manager of the company explained:

To cope with and eliminate complaints regarding the favoritism of foremen which is usual in all large works, we organized a Labour Department. We appointed as its head Mr. Naoroji the grandson of Dadhabhai Naoroji with a large outlook towards the workers, their rights and privileges. We took away from the foremen the right of selecting, promoting, or reducing workers. We had all this work transferred to the Independent Employment Bureau which was under the Labour Organizer and who was represented in each department by a separate Labour Officer who acted as the connecting link between the workers and the foremen and the Management.  

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206 Minutes of the meeting held in the General Manager’s Office with the Labour Association representatives and Coke Oven employees on 30 March, 1928, Industrial Relations Papers, files 42 part 1, TISCO Archives, Jamshedpur, India, 72-76. Present: C.A. Alexander, H. Chew, C.F. Andrews, D.C. Ahuja, P. Aiyyaswamy (Coke Oven), Sheo Shanker (C.O.), Das Gupta (C.O.) and Thaker Singh (C.O.). According to the list of office bearers and executive committee members of the JLA, Aiyyaswamy was an executive committee member of JLA in 1927. Industrial Relations Papers, files 45, TISCO Archives, Jamshedpur, India, 16.

207 The Indian Daily Mail, 19 July, 1928, Industrial Relations Papers, files 55 part 2, TISCO Archives, Jamshedpur, India, 255.
Since the Labour Organization Department was expected not only to conduct labour management business but also to supervise the reduction recommended by the Indian Tariff Board, it was quite difficult for it to carry out the expected tasks. The company management actually confessed in the newspaper that ‘Our experiments in this direction have not met with favour amongst workmen for reasons obscure to us.’\textsuperscript{208} In addition, Homi explained the labourers’ feelings against the Labour Organization Department as well as its antecedent, the Labour Employment Bureau, as follows:

The institution of a central employment bureau by the Company did not conduce, according to the labour viewpoint, to any particular change in respect of the prevailing abuses. Many feel that preference is still given in respect of the securing of jobs. Also it does not lead to very great confidence with the foremen to whom the workmen are sent, because the foreman feels that somebody else has sent a man which he himself would not take. Therefore there are troubles between the foreman and the man who has been sent. Then again men are sent back as unsuitable who, if the foreman had employed them himself, would have been classed as suitable. [The Labour Organization Department] constituted as it is here, is in the hands of a person in whom the labour has very little confidence. He is a man who is ordinarily called ‘Chor Sahib’ a thief catcher….his duty was to sneak around different places to see whether the workmen were asleep or whether they were working, and reporting against them. He also used to meddle in the domestic affairs of individuals trying to settle quarrels. This led him into a very bad position.\textsuperscript{209}

Such negative impressions of the labour inspectors as well as the labour officers working under the inspectors were one of the causes of the strikes in 1927–29. On this point, J.C.K. Peterson, a director of Tata Sons in charge of TISCO, wrote: ‘Before the last strikes we had a labour officer and his assistants inside the work; the men complained and it was one of the causes of the strikes.’\textsuperscript{210}

The failure of the labour organisers was further pointed out by various company officials as well as by representatives of JLA at a meeting held in the General Manager’s

\textsuperscript{208} The Indian Daily Mail, 19 July 1928, Industrial Relations Papers, files 55 part 2,TISCO Archives, Jamshedpur, India, 255.


\textsuperscript{210} Royal commission on labour in India. \textit{Royal commission on labour in India: evidence. vol.4}, Bihar and Orissa with Coalfields, part v4 part 2 p.441.
office on 31 March 1928. For instance, G. Sethi, an honorary secretary of JLA, criticised the labour organiser role ‘on the ground that it adversely affected the men’s interest, that the interpretation of rules were turned to the disadvantage of the employees…that the Labour Organizers invariably supported the foremen and not the men, and that it had not decreased to the extent anticipated corruption in the departments.’ In addition, D.C. Ahuja, a vice president of JLA, stated that ‘the original scheme [of the Labour Organization Department] was good but had been misunderstood and misread, that the foremen were invariably found more prepared to grant requests for leave, etc., of employees than the labour organizers were and for this reason the latter were regarded as unnecessary interference, that the labour organizers had failed to be the medium between labours and the Departmental Superintendents.’ In addition, S. Gupta, another vice president of JLA, said ‘in drawing up standard force reports and fixing the rates, the work had been done too mechanically and without sufficient attention to the humanitarian point of view’, pointing out the failure of labour organiser in planning the reduction scheme in their department with sufficient care to the ‘humanitarian point of view’, although he did not clarify the concrete content of the humanitarian point of view. Even Naoroji, who was in charge of supervising the labour organizers of each department, said ‘this position was made very difficult as the labour organizers were looked upon by the men and the Superintendents alike with suspicion’, indicating that the system was insufficiently developed.

The above study shows that, in addition to the two leading grievances relating to the reduction of labourers and insufficient increments in wages, labourers felt strong grievances against mediators like the labour organisers who were in charge of forming a concrete process to execute the retrenchment policy and of forming a labour management system in general. As is shown in my previous paper, such grievances against an insufficiently functioning mediator had also been one of the leading causes of the first episode of labour unrest in 1920, indicating that the company’s efforts after the first strikes to establish a direct labour management system by replacing foremen or supervisors with an organisation such as the Labour Employment Bureau fell far short of achieving their expected results throughout the 1920s.
The difficulty of finding a meditator who could be trusted was recognised by a top manager of the company. At an oral examination by the Royal Commission of Labour in India held in 1930, J.C.K. Peterson, a director of the Tata Sons in charge of TISCO, admitted this difficulty. Responding to the view of a member of the commission that ‘As I understand, on the one hand, the Union are unable to exercise control over the men, and on the other hand, the Company are unable to exercise any control over the work-people?’, J.C.K. Peterson replied, ‘That is true…I do not think anybody can exercise control over these men.’

To circumvent the challenge of finding a person whom both the management and the labourers could trust, after the end of the strikes in 1929 they agreed to establish a shop committee composed of representatives of both management and labourers to handle the labourers’ grievances as well as the management’s will, although, as was shown above, the shop committee needed a long time to be able to fulfil the expected function.

The above analysis of the causes of the strikes, thus, indicates that the strikes occurred, as has been pointed out by scholars like Simeon, due to various interacting factors such as government policies that recommended improvement in the productivity of skilled and semiskilled labour, post-war international economic depression, degrading working conditions, connections with labour unrest in other parts of India, especially in Kharagpur, and contact with political leaders such as S.C. Bose. Using archival evidence, this section clarified that, in addition to the factors that have been pointed out by existing research, one of the most significant causes of the strikes was the difficulty of finding an eligible person to reconcile the labourers’ grievances and management’s will.

4. Working conditions and an incentive-enhancing scheme

The analysis above showed that the labour unrest in 1927–29 was caused by degrading working conditions such as reduction of labourers, insufficient increment of wages, and inappropriate labour management by mediators. The first half of this section will examine the working conditions during this period in detail, focusing especially on the number of labourers and the levels of wages, while the second half of this section will study in detail the scientific labour management system that was newly introduced in
the mid 1920s and deeply influenced the working conditions of labours in the 1920s and 1930s.

First, we will study the reduction policy that affected a number of labourers in the 1920s. The initial impetus for the introduction of the policy was a suggestion from the Indian Tariff Board in 1926. A 1926 report of the Tariff Board first pointed out that in 1925–26 the annual output was about 387,000 tons of saleable (finished) steel produced by 26,290 labourers. Then, the report suggested that the total number of men required for the final production of 600,000 tons of finished steel in 1933–34 would be 23,440. This recommendation meant that that the productivity of the company as a whole should be increased by 73.8 percent, from 14.72 tons to 25.59 tons.

Since the company recognised the necessity of eliminating labourers to raise labour productivity from what it was during the early stage of the business in the 1910s, this suggestion was acceptable to the management. Additionally, as the company’s financial condition was still unstable around 1926 despite the introduction of the tariff protection in 1925, the Tariff Board’s suggestion was appealing to the management. Based on the suggestion, thus, TISCO started reducing the number of the labourers. Table 5 indicates that the company succeeded in reducing number of the labourers as well as raising the labour productivity faster than the Indian Tariff Board recommended. After 1926, the most significant reduction took place during the five years between 1925–26 and 1929–30. During that period, almost 10,300 net labourers were lost. According to the company’s announcement, this reduction was executed by refraining to fill vacancies created by termination of contract, absence without due notice, etc. As early as 1930–31, the company succeeded in achieving the level of labour productivity recommended by the Tariff Board, three years earlier than it had

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214 The above figures are based on the number of labourers on pay roll here, an attention should be paid to the difference in number of labourers on pay roll and that of labourers worked actually. C.A.Alexander, General Manager of TISCO, explained the difference as flows: “Naturally the average daily attendance is less than the average number of men on the pay rolls as our absenteeism is somewhere between 10 and 15%.” C.A.Alexander to R.Mather, 11 July, 1928, General Managers’ Correspondence Papers, files 158, TISCO Archives, Jamshedpur, India, 145-6.


218 Regarding the reduction, Bahl mentioned, ‘The first reduction took place after the 1928 strikes. ’Bahl, 132. However, her recognition does not suit to the fact shown in Table 5.

specified in its recommendation. The company continued to raise its labour productivity going forward, attaining 36.00 tons of product per labourer in 1938–39.

In the reduction process, the company gave serious consideration to the seniority of labourers, although, as was shown above, some of the labourers still worried about the execution of the policy in specific cases because there were exceptions. For instance, when it announced its labourer retrenchment policy in July 1928, the company proposed following policy: ‘The Company desires to retrench some 3300–3500 men from its present staff... [t]his number will be made up as under:-53 per cent of the men reduced will have 2 years and under of services; 33 per cent between 2 and 5 years; 13 per cent between 5 and 7 years; 2 per cent been engaged in 1920.’

The rate of reduction was not consistent across departments. According to a ‘Statement showing percentage of reducing in the number of men of worksite departments on 26 July 1928’ which was made preceding the July 1928 announcement of the reduction scheme to reduce the number of monthly paid labourers by almost 18 percent, the following departments had their monthly paid labourers reduced more than the average 18 percent: coke oven (31.9 percent); blast furnace (29.5 percent); open hearth (27.7 percent); duplex plant (27.2 percent); labourers (43.8 percent); foundries (23.1 percent); electrical, east and west (47.8 percent); the new rail and bloom mills (30.9 percent); rail and bloom mills west (36.0 percent); and shipping (23.5 percent).

It is interesting to compare the figures above with the figures in Table 4. The comparison indicates first that labourers in departments like the coke oven department, the blast furnace department, and the open hearth department, whose numbers of labourers were largely reduced, joined JLF at higher rates than labourers in other departments. This indicates that the reduction policy was an important cause of labour unrest in 1927–29, although, as we point out, labourers’ frustration against the reduction policy dissolved gradually during the 1927–29 period. The comparison also shows that the reduction rates in departments such as the sheet mill department (8.2 percent) and the boiler and power house departments (10.2 percent), whose labourers were most militant during the strikes, were less than the average. The relatively smaller percentages may be due to the company’s policy of appeasing the labourers in the militant departments.

Although the labourers gradually recognised that the reduction policy was implemented through a policy of not filling vacancies, their concern shifted from

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220 Bulletin No. 15 of Jamshedpur Labour Association, 4 August, 1928, Industrial Relations Papers, files 52 part 1, TISCO Archives, Jamshedpur, India, 159.

221 Statement showing percentage of reducing in the number of men of worksite departments, 26 July, 1928, Industrial Relations Papers, files 52 part 1, TISCO Archives, Jamshedpur, India, 70-2.
reduction to the increase in each labourer’s workload. Regarding the concern about the increasing workload, Datta wrote: ‘This relatively sophisticated control mechanism was accompanied by a rationalization scheme, which was more or less in effect from 1927–29, also resulted in a higher work load in most of the departments.’

Responding to the labourers’ increasing frustration about the increasing workload, the company introduced several systems, such as a new efficiency enhancing system, a welfare scheme, town planning, etc., to improve working conditions for the labourers. Among these, the efficiency enhancing system was likely the most significant.

The essential points of the efficiency enhancing system were summarised by S.K. Sawday, a sales manager of TISCO, who presented a report titled ‘scientific labour management system of the Company’ at the International Committee of the Scientific Organization of Labour III Congress held in Rome on 5 September 1927. Sawday begins the report by admitting that he had borrowed his ideas from ‘Taylor, the American, who started publishing his results about 15 years ago’ and expressed his basic understanding of the idea of scientific labour management as ‘carrying out scientifically all the various schemes for improving the efficiency of labour’. ‘[In Europe and America] [e]very steps are now being taken to work up cooperation between labour and management for the purpose of (a) eliminating waste. (b) improving production. (c) stabilizing employment. (d) saving material. (e) eliminating lazy workers, and so on…Here again this cooperation would obviously be impossible unless the workmen were paid by the results.’

Based on such ideas, Sawday presented the following efficiency enhancing system, the most significant part of which was the introduction of an efficient wage system to realise ‘payment by results.’ Several measures were implemented to support the efficiency enhancing system: equalisation of wages for workers performing the same task, standardisation of expected work results for each position to make the efficiency of each worker measurable, etc. Table 6 details the scheme. In sum, (a)–(e) were required to raise efficiency, and ‘payment by results’ was key to realizing the basic aims of scientific labour management.

Among the various features of the efficiency wage system, one of the most essential was the introduction of a standardised wage structure, which is fundamentally necessary for attaining payment by result. If the company did not standardise the structure of

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222 Datta, 93.
223 General Manager’s Correspondence Papers, files 151, TISCO Archives, Jamshedpur, India, 175.
224 General Manager’s Correspondence Papers, files 151, TISCO Archives, Jamshedpur, India, 169-70.
wages paid to labourers that perform work involving the same level of burden, the company would fail in enhancing labourers’ incentive to work hard.

Regarding the wage structure of TISCO before 1928, the Indian Tariff Board pointed out in 1933 that the company lacked a standardised wage structure. The report stated: ‘Prior to 1928 no well-defined system of standard wages throughout the Works had been prescribed, although in some departments standard wages for certain classes of employee had been fixed within the previous few years. The absence of a properly coordinated scheme of wages throughout the Works resulted in very different rates of pay being given to individuals doing either identical work or work of similar responsibility and difficulty.’

According to the company record from October 1919 and in April 1920, there were actually ‘very different rates of pay.’ For instance, there were 15 rates of wages paid to electricians in the electrical department, all between 4/13/9 per day and 1/8/0 [Rs/annas/paise]; 16 rates for fitters in the electrical department, between 2/6/6 and 0/15/0; 14 rates for fitters in the steel works department, between 3/0/0 and 0/10/0; 21 rates for carpenters in the pattern shop department, between 1/15/3 and 0/8/9; 17 rates for loco drivers in the traffic department, between 5/3/0 and 1/4/0; 17 rates for moulders in the foundry no. 1 department, between 2/1/6 and 0/12/6; 18 rates for turners in the machine shop no.1 department, between 2/14/9 and 0/15/0; and 19 rates for tongsmen in the bar mill department, between 2/11/6 and 0/10/0. In addition, there were sometimes, but not always, considerable differences in wage rates for foremen or others in the same class of staff, partly due to payments of higher wages to covenanted labours at the same post, for example, 7 rates for yard foremen in the traffic department, between Rs. 175 per month and Rs. 50, and 11 rates for assistant chemists in the chemical laboratory, between Rs. 144 and Rs. 56.

In contrast to the wage rates for specific posts of skilled and semiskilled labours as well as foremen, wage rates for clerks at same post were relatively standardised and consistent already in 1919–20: three rates of wages for clerks of the steel works department, between Rs. 45 and Rs. 25 per month; four rates for clerks of the millwright shop, between 1/14/0 and 1/1/6 per day; three rates for clerks in the sulfuric acid plant, between Rs. 60 and Rs. 45 per month; five rates for assistant clerks, between Rs. 62 and Rs. 37 per month; four rates of clerks, between 1/14/0 and 1/2/0 per day.


226 General Managers’ Correspondence Papers, files 103 TISCO Archives, Jamshedpur, India, 37-96.
Probably under the leadership of the labour organiser, the company started standardising its wage structures in 1926, while, according to statements of the Board of Directors, keeping in mind that ‘in this process the wages of many men were further increased and no man had his wages reduced’.

The Indian Tariff Board report summarises the attempt to standardise wages as follows:

The system of standard wages for each kind of post was aimed at removing these discrepancies. A few examples will illustrate the previous position and the action taken:

(a) Filers were employed in five different departments at wages ranging from 9 to 14 annas a day, with many intermediate rates. In 1928 the rates were limited to three, the pay being 12 annas, 14 annas and Rs. 1 according to the kind of steel, etc., to be filed; one of these rates is definitely allocated to each post.

(b) Drivers of over-head cranes carrying hot metal in the Duplex Department were being paid individual rates varying from 12 annas to Rs. 1-7-3 per day. It was decided that a proper rate for this work would be Rs. 1-12 per day and all drivers were put on this rate. Similarly, a rate was fixed for the driving of each crane in the Works, the various rates being related to the nature and responsibility of the work.

(c) Fitter were being paid on more than 30 different rates ranging from Rs. 1-8 to Rs. 3 per day. A much smaller number of rates, falling within these limits, was fixed in 1928, each rate being allocated to a definite number of posts in each department employing fitters.

(d) Mistries were being paid on a large number of individual rates varying from Rs. 1-12 to Rs. 5 per day and from Rs. 80 to Rs. 135 per month. These were coordinated into five rates only, of Rs. 3, Rs. 3-8, Rs. 4, Rs. 4-8 and Rs. 5 per day, each rate being applicable to a definite number of posts in each department.

The company continued its attempt to standardise wage rates throughout the 1930s. The results of the standardisation are shown in ‘Maximum and minimum daily rates of pay in 1939’, preserved at the TISCO Archives. According to the evidence, wage rates were standardised and levelled as follows: Rs.2/0/0 to Rs. 3/0/0 per day for loco crane drivers; Rs. 1 to Rs. 2/11/4 per day for crane drivers in the Electrical Department; Rs. 1/4/0 to Rs. 1/12/0 per day for carpenters; Rs. 4/4/0 per day for electricians; Rs.1/8/0 to

227 Statement of the board of directors on 7 June, 1928, Industrial Relations Papers, files 40 part 3, TISCO Archives, Jamshedpur, India, 325-6.

Rs. 3/0/0 per day for fitters (of any type); Rs. 1/4/0 to Rs. 2/12/0 per day for moulders; Rs. 1/2/0 to Rs. 3/0/0 per day for turners; Rs. 1/4/0 and Rs. 2/4/0 per day for tongsmen; and Rs. 55 to Rs. 75 per month for clerks.\(^{229}\) Ranges of wage rates for all the posts in 1939 were levelled in comparison with those in 1919–20, indicating progress in the standardisation of wage rates not only for labourers working in the same post in the same department, but also for those working in the same post in a different department of the company.

Along with the standardisation of the wage structure, the company started standardising the number of labourers for each unit of work as well. The Indian Tariff Board write in a 1933 report:

At the same time as standard rates were introduced, standard numbers of men were prescribed for each class of posts in each department. The standard forces are revised from time to time as additional equipment is introduced or as existing equipment goes out of use or a department is closed. The standard force for each kind of work was almost without exception smaller than the number of men engaged on the work prior to 1928. The surplus men were retained as ‘relief gangs’ on their previous rates of pay. All other men were brought on to the roll of the standard force for a particular kind of work. A workman who was previously drawing lower pay than that prescribed under the new arrangement immediately began to draw the new standard pay. A man who was drawing higher pay than the standard for the classified post continued to draw the excess over the standard, as a personal allowance. As far as possible, these men have been brought solely onto standard rates as transfers or promotions have been practicable since 1928 but there are still nearly 300 men drawing higher pay than the standard for their posts. As vacancies occurred in the standard force men were transferred from the ‘relief gangs’ wherever possible; they are in all cases brought in on the standard rate of pay. In this way the ‘relief gangs’ have now been practically absorbed.\(^{230}\)

The standardisation of the number of labourers means, thus, a general reduction in the number of labourers in each work unit as well as an increase in workload for each labourer, making it, as we have seen above, one of the significant causes of the labour unrest in 1927–29.

\(^{229}\) Maximum and minimum daily rates of pay, General Managers’ Correspondence Papers, files 173 part 2, TISCO Archives, Jamshedpur, India, 77-84.

In addition to the schemes for standardizing wages and the number of labourers, the company introduced another efficiency enhancing scheme, an incentive bonus scheme. Since the beginning of production, the company had a system of production bonuses to create incentives for employees, although the bonus had been limited to covenanted workers, who occupied only small share of the company's total labour force. In response to the rising requests of Indian workers, the company decided to introduce a ‘production efficiency bonus’ to Indian workers in the mid 1920s. This bonus was based on departmental or individual efficiency. The bonus scheme for non-covenanted Indian labourers was expanded in scale and scope after the strikes in 1927–29, as is explained in 1934 Indian Tariff Board Report as follows:

The principal bonus schemes for non-covenanted employees were known as the ‘General Production Bonus’…which was brought into operation in October 1928...This scheme applies to all the non-covenanted monthly paid employees in the Work other than clerical staff and those on rates of pay over Rs. 10 per day or Rs. 300 per month. The men to whom the bonus is applicable were divided into 12 wages groups and rates of bonus payable per man were fixed for each group for each 1,000 tons of output…The rates were fixed on the principle that the lower paid men would receive a higher percentage addition to their earnings than the higher paid, although the latter received larger actual amounts. The number of men now entitled to receive bonus on these scales is nearly 16,000. The total bonus earned in the period April to September 1933 was nearly 10 per cent of the total pay of the men entitled to this bonus.’ Additionally, ‘in certain departments a departmental bonus is given to men working in certain posts. The amount of the bonus depends on the output of the department or of the furnace or mill on which the man works…This type of bonus has been paid to certain non-covenanted men in the Open Hearth Department since 1917 and was introduced in the other departments at various times between 1926 and 1930…Similarly in some of the service departments a departmental bonus is paid to men working in certain posts. The payment depends on the quick or efficient handling of work, such as the transfer of hot ingots to the soaking pits and the turn round of Railway Company’s wagons or on the amount of material handled, such as the quantity of steel dispatched form a mill and the quantity of scrap handled at the skull-cracker. These bonus schemes were introduced at various dates between 1927 and 1931…a total of over 2,900 non covenanted men are receiving bonus departmentally in addition to the “general production bonus” and that at recent rates of output the average departmental bonus
thus paid is about Rs. 17 per month per man...None of the above schemes of bonus...apply...to the weekly paid (casual) labours. This latter class of employee has for many years been given an attendance bonus in the form of two days’ extra pay for any month in which he(or she) was not absent more than one working day or one day’s extra if he(or she) was absent for only two working days.\textsuperscript{231}

Thus, the company developed several types of incentive bonus schemes, especially after the strikes in 1927–29. According to Table 7, the company raised the proportion of bonuses for all categories of labourers compared to their total remuneration between July 1927 and July 1937. The growth rate of bonuses between 1927 and 1932 was slower than that between 1932 and 1937, probably because of stagnated growth in both production and profit during the period. In accordance with an increase in production as well as in profit in the later period, the company raised the payment of bonuses, enhancing the proportion of bonuses in the total remuneration of labourers after the mid 1930s.\textsuperscript{232}

The rising share of the efficiency enhancing bonus does not mean an increase in total monthly remuneration to labourers in nominal terms, however. As is clearly shown in Table 7, per capita remuneration for almost all categories of labourers remained at same level until 1936–37, except in 1927–29. Average per capita remuneration of employees in Categories 1, 2, and 3 increased less than 10 percent over the course of the decade, while that of covenanted labourers increased steadily in the decade after 1927. The increase in average remuneration for covenanted labourers probably did not occur because the remuneration of covenanted labourers at each post generally increased during this decade – but because only highly paid skilled covenanted labourers remained employed in 1937, at which time almost 70 percent of covenanted labourers had left the company since 1927 due to the progress of Indianisation. This suggests that not only non-covenanted labourers but also covenanted labourers probably failed to receive a drastic rise in remuneration in nominal terms during this decade.\textsuperscript{233}

Regarding the exceptional period in 1927–29, an average remuneration per head per annum for both employees paid monthly and those paid weekly (excluding covenanted labourers) increased from Rs. 497 to Rs. 656, but stagnated after that period (Rs. 662 in


\textsuperscript{232} Datta, 167.

\textsuperscript{233} Datta mentioned that the average money wage increased quite steadily in 1922/23-1944/45 except two years in 1922/23 and 1932/33. Datta, 167-8. However, as is shown in the data presented by Datta himself, there were no apparent increase in nominal remuneration between 1928/29(Rs.35.35) to 1933/34(Rs. 36.54).
1929–30, Rs. 662 in 1930–31, Rs. 693 in 1931–32, and Rs. 688 in 1932–33), indicating a clear increase in nominal remuneration of labourers during the years of the strikes.\textsuperscript{234} Simeon points out the rise in remuneration at the time of strikes. He wrote, ‘The JLF was reminded that the 28,924 workers employed in 1927–29 drew an average monthly wage of Rs. 33.27, whereas the 25,623 workers in October 1929 earned Rs. 43.12.’\textsuperscript{235}

The lack of improvement in per capita remuneration in nominal terms after 1928–29 should be noted because the company repeatedly announced during the 1927–29 strikes that the money saved by reducing the number of labourers would be spent to increase remuneration of the labourers. The company’s view on this reducing was shared by JLA. At the meeting held at the General Manager’s room, C.F. Andrews, President of JLA, admitted on 29 March 1928: ‘they quite saw no grievances could legitimately exist if the reduction in staff were brought about by not replacing men who left and by distributing such savings to the remaining workmen’, although he added ‘that this view was not accepted by labour generally.’\textsuperscript{236}

The stagnated growth of per capita remuneration of TISCO labourers after 1927 indicates that TISCO succeeded in introducing an efficiency enhancing scheme without increasing per capita remuneration. This means that TISCO successfully began to raise labour productivity while reducing the cost of labourers. The decline in the cost of labourers is seen in Graph 1, which also indicates that profit rate represented by gross profit–capital ratio drastically increased – implying that rising labour productivity supported the increase in the company’s profitability in the 1930s.\textsuperscript{237}

Interestingly, the attempt to replace part of wages with the efficiency enhancing bonus did not provoke serious protests from labourers in the 1930s like those that occurred in the 1920s, although there were strikes to a lesser extent throughout the 1930s. This muted response from the labourers was probably attributable to the rising per capita remuneration of labourers in real terms during the period.

As is shown in line 8 of Table 8, the cost of living in Jamshedpur in the decade drastically decreased owing to the impact of the Great Depression, while nominal per


\textsuperscript{235} Siemon, 120.

\textsuperscript{236} Minutes of the meetings held in the General Manager’s office on 29 March 1928, Industrial Relations Papers, files 42 part 1, TISCO Archives, Jamshedpur, India, 77-85. Present: C.A.Alexander, R.Mather, A.A.Bryant, J.J.Ghandy, H.Chew, Naoroji, R.Kirkpatrick, and C.F.Andrews, G.Sethi, D.C.Ahuja, S.Gupta, M.K.Ghosh.

\textsuperscript{237} Datta also clearly pointed out the rising ratio of profit. He mentioned, after the early 1920s, except in a short period of the years of the depression, ‘TISCO definitely entered into a period of marked prosperity. Especially from 1933-34 onwards, the gross and net profits, dividend and managing agent’s commission rose remarkably.’ Datta, 171.
capita remuneration remained almost at the same level. Due to the drastic decrease in the cost of living over the course of the decade, all categories of labourers in the company enjoyed largely enhanced per capita remuneration in real terms. The remuneration in real terms increased almost 70 percent in the decade, meaning labourers experienced almost 6 percent growth of their real remuneration per annum. The real increase in per capita remuneration must have prepared an important foundation for the labourers’ acceptance of the efficiency enhancing remuneration system after 1927.

Last, we will see how the efficiency enhancing scheme affected the productivity of labour.

Although it is quite difficult to measure quantitatively a direct effect of the efficiency enhancing scheme on labour productivity, there is some evidence showing that the scheme was effective in raising labour productivity. First, as Table 9 indicates, the labour productivity of each production department improved notably after the efficiency enhancing scheme was introduced. Second, as is shown in Graph 2, the total factor productivity (TFP) of the company in the 1930s improved substantially over that in the 1920s, except exceptional strike years in 1926/27 and 1927/28, in implying that there was an improvement labourers’ skills during the decade. The improvement in labour productivity is suggested by a 1934 Indian Tariff Board Report as follows:

It has already been shown at earlier stages of this representation that the Company has during the last seven years succeeded in reducing its Works cost substantially, apart altogether from the effect of the fall in the prices of coal and speller; and general indications have been given of the economies effected in the use of coal and labour….Whereas in 1926 most of the departments were comparatively new or, if not new, were to a large extent equipped with new plant and machinery, the workmen have in the interval become familiar with the plant and the work required of them and it has generally been found possible in practically all departments to refrain from filling such vacancies as have occurred during the last few years and thus to obtain an appreciable reduction in the number of men and in the cost of labour per ton of product and an increase in the output per man.

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238 Datta commented that the enhanced remuneration in real term in this period as ‘a steady improvement’. Datta, 169.

239 Simeon also pointed out the effect of deflation on real wage of TISCO labour force. Simeon, 216.

5. The influence of the exchange rate policy on the management and working conditions of labourers

The final section will consider the effect of the appreciation of the Indian rupee in 1924–25 during the introduction of the reduction cum efficiency enhancing scheme of the company. The rupee appreciation had a negative effect on the financial position of the company, becoming one of the significant factors leading to the introduction of the reduction cum efficiency enhancing scheme. This section will also argue that the appreciation of the rupee in 1924–25 was one cause of the introduction of a similar reduction cum efficiency enhancing scheme in the cotton mill industry in Bombay, where large scale labour unrest occurred in 1928 as well, suggesting that the rupee appreciation policy might have been an important cause of the adoption of the reduction cum efficiency enhancing scheme as well as labour unrest in India in the second half of the 1920s – both of which marked this time period as an important phase in the economic and social history of India.

One of the important precursors to TISCO’s introduction of the reduction cum efficiency enhancing scheme was the recommendation of the Indian Tariff Board in 1926. The recommendation gave the company a strong impetus to establish the Labour Organization Department and to introduce an efficiency enhancing scheme such as the standardisation of wages and workloads.

Interestingly enough, almost at the same time that TISCO introduced efficiency enhancing scheme, the Indian Tariff Board also encouraged the adoption of a reduction cum efficiency enhancing scheme in the cotton mill industry in Bombay, which was the biggest manufacturing industry in colonial India. After WWI, the cotton mill industry in Bombay suffered from severe depression in its trade domestically as well as internationally. With the industry’s weakening internal and international competitiveness in mind, the Indian Tariff Board issued its first report on cotton mill industry in 1927. The report pointed out that the ‘only alternative to a reduction in wages is to increase labour efficiency’, recommending the introduction of a reduction cum efficiency enhancing scheme to the industry.241

The consequent events were quite similar to those which occurred in Jamshedpur. Morris summarised the events as follows: ‘the efforts of a few mills to introduce rationalized working engendered fears of unemployment in a labour force which was

already beginning to feel the pinch of declining employment opportunity. The tense situation culminated in great general strikes which broke out in April 1928 and lasted until October.\(^{242}\)

The strikes in the cotton mill industry in Bombay in 1928 were quite significant not only for the industry but also for almost all industrial enterprises as well as factory labourers in India after the 1930s. This is because the strikes were the beginning of a series of attempts to enact labour laws, including the Fawcett Committee recommendations in 1928–29, the Trade Disputes Act of the Government of India in 1929, the Trade Disputes (Amendment) Act of the Government of India in 1932, the Trade Dispute Conciliation Act of the Government of Bombay in 1934, the Factories Act of the Government of India in 1934, the Payment of Wages Act of the Government of India in 1936, and the Payment of Wages Act of the Government of Bombay in 1937.\(^{243}\) All of these were attempts to regulate work discipline – largely to secure working conditions as well as enhance labour productivity.\(^{244}\)

The survey above indicates that the two leading manufacturing industries in colonial India, the iron and steel industry at Jamshedpur and the cotton mill industry in Bombay, started introducing reduction cum efficiency enhancing schemes almost in simultaneous

\(^{242}\) Morris, 121. More detail is in Appendix 1.

\(^{243}\) Among these acts, the Trade Disputes Act in 1929 needs some further explanation since the successor act, the Industrial Trade Dispute Act of 1947, has, according to Panagariya in 2008, significant impact on present Indian economy. He wrote; [the Industrial Disputes Act of 1947] ‘has the most detrimental effect on the entry of large firms into unskilled-labour-intensive industries’, being one of the leading causes of ‘missing from the Indian manufacturing scene’ of ‘the large-scale firms producing unskilled-labour-intensive products.’ Arvind Panagariya. *India: the emerging giant*. Oxford: Oxford University Press, 2008, 287. Following the investigation of the Government of Bengal and Bombay in 1921 and 1922, the Government of India prepared a bill for the settlement of industrial disputes in 1924, although it was not until 1929 that the Trade Dispute Act, 1929, was passed. The main object of the Act, according to the ILO Industrial Labour in India 1938, ‘to make provision for the establishment of courts of enquiry and boards of conciliation with a view to investigating and settling trade disputes respectively’, meaning that government body such as court had a legal authority to intervene into the conflict between the management and labour. International Labour Office. *Industrial labour in India*. London: Published for the International Labour Office by P. S. King, 1938, 112. To provide further protection to members of courts, an amendment of one section, viz., section 13 that was designed to prevent the disclosure of confidential information by members, was recommended by the Royal Commission of Labour in 1929. The recommendation was embodied in the Trade Disputes (Amendment) Act, 1932; probably help form a part of the reduction of labour unrest in and after the 1930s. After a minor amendment in 1932, the Industrial Dispute Act of 1929 was remodeled after the independence to the Industrial Dispute Act of 1947, which has been employed to settle the troubles between management and labour until today. According to Panagariya, as is suggested above, an amendment to the Industrial Disputes Act of 1947 in 1976 had been a pro-labour legislation since the act ‘made it mandatory for firms with 300 or more workers to seek the permission of the Labour Department for layoffs, retrenchment, or closure’, although ‘the permission is seldom forthcoming’. Panagariya, 289.

\(^{244}\) Details of these attempts are, for instance, shown in Morris, 121-8.
timing in 1926–27, provoking serious episodes of labour unrest in the following years.245

One of the causes of the coincidence is that the both industries received the Indian Tariff Board’s recommendations to improve labour productivity almost at the same time. In addition to the recommendations, another factor that might be able to explain the simultaneous timing is the 1924–25 appreciation of the rupee, which was introduced by the government with the goal of keeping the Indian rupee at a high level.

In examining this factor, we will first briefly review the trend in the exchange rate in the 1910s and the 1920s. During WW1, an excessive demand for Indian goods resulted in considerable appreciation of the rupee from its pre-war level of 1s 4d (Rs. 15 per Pound Sterling) to 2s (Rs. 10 per Pound Sterling). The market value of the rupee dropped sharply when the period of excessive demand ended in 1919. Despite the recommendation of the Babington-Smith Committee in February 1920 to set up a gold standard in India with the rupee at 2s, the market value of the rupee dropped sharply to 1s 3d (Rs. 15 per Pound Sterling) in early 1921. For the following six years from 1921 to 1927, the Indian rupee was gradually appreciated, although, according to Tomlinson, ‘the Government of India was without a clear-cut or theoretically sound monetary policy.’246 Tomlinson explained the trends of the Indian rupee after 1921 as follows:

Improvement in trade and a slow rise of world prices following the depression of 1920-1 had pushed up the rupee exchange to 1s 4d sterling in 1923 and to 1s 6d sterling in October 1924…Then, in 1926, the announcement that a Royal Commission was to be appointed to consider the future of the rupee exchange caused the rate to weaken as rumors of a future 1s 4d ratio encouraged remittance and speculation. The Indian authorities now decided that the existing 1s 6d ratio should be maintained by currency contraction until the Commission had reported – not in an attempt to influence its decision, but simply to prevent the disruption of trade that a fluctuating exchange rate would produce.247

245 The railway industries also started introducing retrenchment cum efficiency enhancing scheme under a guidance of the Raven Committee in 1926. Shyamapada Bhowmik, History of the Bengal Nagpur Railway working class movements 1906-1947. Calcutta: Krantik Prakashani, 1998, chapter 4 and 5. The strikes in 1927-29 received an influence from a political upheaval that was originated from Simon Commission.


247 Tomlinson,73.
Then, the report of the committee, which was submitted in July 1926, recommended 1s 6d on the ground that ‘prices in India had adjusted substantially in relation to world prices’. The Government of India accepted the recommendation and enacted the Currency Act of March 1927, which fixed the Indian rupee at 1s 6d.

The committee’s recommendation was subject to serious attack from within India. Tomlinson summarised the attack as follows:

The most powerful section of Indian commercial and business opinion, that grouped around the Bombay cotton magnates, had always advocated cheap money policy to stimulate industrial growth and welcomed currency inflation as a way of easing credit and raising internal prices and purchasing power. The official policy of maintaining the 1s 6d ratio in 1926 was seen as a device to stunt India’s industrial growth and to open up the internal market to artificially cheapened imports…When the Royal Commission on Indian Currency and Finance (Hilton-Young Commission) began to take evidence, the Bombay school’s attack on Government policy concentrated into a lobby to fix the rupee exchange rate at 1s 4d. While the government witnesses argue that prices in India had already adjusted to the higher exchange, and that any increase in the level of circulating currency following a devaluation would lead to socially disruptive price inflation, most Indian witness before the Commission tried to show that prices were already too low to sustain a healthy level of internal commercial activity, and that they would fall still further if the 1s 6d ratio were maintained.

The stabilisation of the rupee at 1s 6d after 1924 affected real wages for managers and laboureres differently, possibly having been one of the important causes, on the one hand, of the introduction of reduction cum efficiency enhancing scheme after the mid 1920s, and, on the other hand, of the outbreaks of labour unrest.

Stabilizing the exchange rate of the rupee at 1s 6d after 1924–25, on the one hand, helped decrease rupee prices for manufactured articles, especially articles like cotton goods as well as iron and steel articles, whose domestic prices were determined fundamentally on the basis of international prices. As seen in Table 10, the prices of articles such as grey yarn, coloured yarn, iron, and steed decreased by more than 10 percent just after the appreciation of the rupee from 1s 4d to 1s 6d in 1924–25,

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249 Tomlinson, 73-4.
indicating that the appreciation helped push the prices of these manufacturing articles, which had already been declining for years in the post-war depression, further down.

On the other hand, the same appreciation had less of an effect on rupee prices for foods and other articles of everyday life, whose prices were less influenced by international markets. Despite the official opinion that prices in general had already adjusted to the exchange rate of 1s 6d, prices for everyday items such as food did not show similar declining trends after 1924–25, as is shown in Table 10.250 Rather, prices for items such as rice, wheat, jowar, bajra, and gram in India increased in general after 1924–25, although the causes of these increases have not, to my knowledge, been well studied. Because this was the period when India started experiencing high rates of population growth, the growing population may explain the rising prices of foods.251

We can see similar trends in the cost of living in Jamshedpur. According to Graph 3, food prices as well as the total cost of living in the city increased in the mid 1920s when TISCO suffered from a decreasing trend in steel prices, while prices of manufactured goods such as clothes show, as was a case with steel prices, a declining trend in the period. The increasing cost of living was especially affected by the prices of food grains, while grain prices at Jamshedpur can be considered to have followed the trends of the prices for the same articles in India during this period, the latter of which were less influenced by the rupee appreciation in 1924–25.

That prices of manufacturing articles such as steel and prices of articles of everyday life such as food showed opposite trends after 1924–25 meant that employers and employees were faced with different trends in their real wages after the appreciation of the rupee. On the one hand, rupee appreciation probably helped hasten the declining trend in the price of steel, resulting in raising real wages for employers of TISCO in the mid 1920s (nominal wage deflated by prices of steel or cotton goods). On the other hand, the same appreciation did not influence the price of food; rather, food prices increased in the 1920s, pushing down the real wages of employees (nominal wages

250 On a basis of price information from Index Number of Indian Prices, which is also an informational source of Table 10, McAlpin wrote that ‘after the First World War both the trends and many of the fluctuations in Indian agricultural prices are analogous to trends and fluctuations in US agricultural prices.’ Michelle McAlpin, “Price movements and economic fluctuations.” in The Cambridge economic history of India, ed. Dharma Kumar, vol.2. Cambridge: Cambridge University Press, 1983, 890. While the ‘analogues’ trends between international and domestic prices of agricultural products might have occurred in a long term perspective, the appreciation in 1924/25 did not effect on the domestic prices of major agricultural products in 1924/25 and a few years after the appreciation, as is seen in Table 10.

deflated by food prices). Similar opposite trends of real wages for employers and employees were probably also seen in Bombay, although we do not have the same cost of living indexes for Bombay in the 1920s. According to Morris, the index (unweighted) of [nominal] monthly full-time wages for seventeen selected occupations in the Bombay cotton mills in 1921, 1923, and 1926 were 291.2, 293.9 and 298.2, respectively, meaning there was almost no increase or decrease in nominal wages during this period.\(^{252}\) Since there must have been a similar increase in food prices in Bombay, as occurred in Jamshedpur and in India in general, on the one hand, the stagnated trend of nominal wages at the cotton mills in Bombay means that there was decrease in real wages for labourers in the mid 1920s. On the other hand, there was an increase in real wages for employers in Bombay cotton mills in the period, since the employers suffered from declining trends in the price of their cotton goods in the mid 1920s, as is indicated in Table 10.

Since TISCO raised nominal remuneration to labourers in the mid 1920s, the trend of increase in real wages was a serious headache for the company. The increasing trend is demonstrated in Table 11. According to the table, per head payment to labourers increased 68 percent between 1923–24 and 1927–29.\(^{253}\) In addition to the recommendation of Indian Tariff Board, this increasing burden of labourers must have been an important factor in the decision to introduce a reduction cum efficiency enhancing scheme.

On the other hand, the rising trend in the prices of food, an essential component of the cost of living for the majority of labourers, suppressed the effect of the increase in the nominal remuneration of labourers. The rising prices of daily necessities must have caused the labourers to consider the fact that they were asked to raise their efficiency without proper compensation in remuneration in real terms for the increasing workload. And the increasing workload without a rise in real wages must have been one of the important foundations of the frustrations of labourers against the company in 1927–29. That managers and labourers were faced with different real wages is clearly illustrated in Graph 4.

\(^{252}\) Morris, 223.
\(^{253}\) According to data presented by Datta, there was no marked increase in nominal wage paid to un-covenanted direct labours such as fitter, turner and mason in the 1920s. Datta, 168 and 169. The original source of the data Datta used is daily wage paid to the posts of labours at TISCO in 1922 and 1928 indicated in Royal commission on labour in India. Royal commission on labour in India: evidence. vol.4, Bihar and Orissa with Coalfields, part 1, London: H. M. Stationery Off., 1931, 67. The report, however, simplified the wide range of rate on daily payment to each post just into a single rate of Rs. 2 for fitter and turner and Rs. 1.5 for mason without any explanation.
6. Conclusion

In this paper, we have clarified four aspects of the labour unrest in Jamshedpur in 1927–29. First, we have seen that the strikers included the majority of the skilled and semi-skilled labourers who were leading source of labour in the company, making the strikes in 1927–28 a historically significant period of labour unrest at Jamshedpur. Second, we have shown that the failure of person in charge of coordinating the grievances of skilled and semi-skilled labourers and the preferences of the management was one of the important causes of the strikes, although the strikes were caused by an interaction of multiple factors, such as the coordination failures of labour management, the post-war depression, government policy, and the appearance of powerful politicians such as S.C. Bose. Third, we have indicated that the strikes might have been caused by the introduction of the government’s rupee appreciation policy in 1924–25, which had opposite influences on the real wages of managers and labourers of TISCO. This paper also suggested that the same introduction of the rupee appreciation policy could have resulted in different trends regarding real wages for the employees and employers of cotton mills in Bombay as well, causing serious labour troubles in Bombay in the second half of the 1920s. Since the episodes of labour unrest in Bombay in the second half of the 1920s marked the beginning of the important pieces of labour legislation of Bombay as well as of India, this paper commented, the introduction of the rupee appreciation policy could be considered one of the important causes of these pieces of legislation, some of which still govern labour transactions in India now. Fourth, we have clarified that the strikes in 1927–29 resulted in the formation of a blueprint for building the ‘shop committee’ as a first step towards attaining shopfloor democracy, although the blueprint was not actually realised until the 1950s.
Table 1  Officers of the Jamshedpur Labour Federation

<table>
<thead>
<tr>
<th>Name</th>
<th>Age</th>
<th>Post</th>
<th>Department</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>President</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>President</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manek Homi</td>
<td>36</td>
<td>Pleader</td>
<td>-</td>
</tr>
<tr>
<td><strong>Vice President</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vice President</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amar Singh</td>
<td>30</td>
<td>Fitter</td>
<td>Mechanical</td>
</tr>
<tr>
<td>Dasonda Singh</td>
<td>39</td>
<td>Fitter</td>
<td>Mechanical</td>
</tr>
<tr>
<td>Abdul Rechman</td>
<td>45</td>
<td>Mill wright</td>
<td>n.a.</td>
</tr>
<tr>
<td>Bharat Rao</td>
<td>37</td>
<td>Fitter</td>
<td>Mechanical</td>
</tr>
<tr>
<td>Hardit Singh</td>
<td>28</td>
<td>Pleader</td>
<td>n.a.</td>
</tr>
<tr>
<td>Hardit Singh</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Abdul Rechman</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bharat Rao</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hardit Singh</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Kuppa Rao</td>
<td>26</td>
<td>Corrugator</td>
<td>n.a.</td>
</tr>
<tr>
<td>Mangal Singh</td>
<td>30</td>
<td>Fitter</td>
<td>Electrical</td>
</tr>
<tr>
<td>Bhawani Prasad</td>
<td>35</td>
<td>Fitter</td>
<td>Mill Wright</td>
</tr>
<tr>
<td>Santa Singh</td>
<td>28</td>
<td>Clerk</td>
<td>Loco-shop</td>
</tr>
<tr>
<td>Sesham</td>
<td>22</td>
<td>Store clerk</td>
<td>Mills</td>
</tr>
<tr>
<td>Giridhari Maharaj</td>
<td>32</td>
<td>Sarang clerk</td>
<td>Mills</td>
</tr>
<tr>
<td>Nand Singh</td>
<td>38</td>
<td>Turner</td>
<td>n.a.</td>
</tr>
<tr>
<td>S.K. Misra</td>
<td>35</td>
<td>Clerk</td>
<td>Loco-shop</td>
</tr>
<tr>
<td>Ram Prasad</td>
<td>32</td>
<td>Store clerk</td>
<td>Mills</td>
</tr>
<tr>
<td>Pancha</td>
<td>38</td>
<td>Sarang. general.</td>
<td>Construction</td>
</tr>
<tr>
<td>Kalia</td>
<td>42</td>
<td>Sarang</td>
<td>Mill Wright</td>
</tr>
<tr>
<td>Sonia</td>
<td>34</td>
<td>Sarang</td>
<td>Electrical</td>
</tr>
<tr>
<td>Budja</td>
<td>38</td>
<td>Sarang</td>
<td>Electrical</td>
</tr>
<tr>
<td>Makhna</td>
<td>34</td>
<td>Sarang</td>
<td>Blast Furance</td>
</tr>
<tr>
<td>Badri Prasad</td>
<td>30</td>
<td>Fireman</td>
<td>Boilers</td>
</tr>
<tr>
<td>Samad Khan</td>
<td>35</td>
<td>Pit foreman</td>
<td>O.H.</td>
</tr>
<tr>
<td>Abdul Aziz</td>
<td>35</td>
<td>Pit foreman</td>
<td>O.H.</td>
</tr>
<tr>
<td>Farid Bux</td>
<td>34</td>
<td>Foreman</td>
<td>Mill Wright</td>
</tr>
<tr>
<td>Khaliq</td>
<td>30</td>
<td>Roller</td>
<td>Sheet Mills</td>
</tr>
<tr>
<td>Ghissa</td>
<td>34</td>
<td>Fitter</td>
<td>Boiler</td>
</tr>
<tr>
<td>Tara Singh</td>
<td>26</td>
<td>Mechanic</td>
<td>n.a.</td>
</tr>
<tr>
<td>Name</td>
<td>Age</td>
<td>Position</td>
<td>Department</td>
</tr>
<tr>
<td>-----------------</td>
<td>-----</td>
<td>--------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Yasin Khan</td>
<td>30</td>
<td>n.a.</td>
<td>Machine shop</td>
</tr>
<tr>
<td>Yakubali</td>
<td>28</td>
<td>Clerk</td>
<td>General Office</td>
</tr>
<tr>
<td>Jagannath Roth</td>
<td>25</td>
<td>Roll turner</td>
<td>n.a.</td>
</tr>
<tr>
<td>Sunda Ram</td>
<td>26</td>
<td>Office secretary</td>
<td>n.a.</td>
</tr>
<tr>
<td>Srinivash Rao</td>
<td>32</td>
<td>Assistant secretary</td>
<td>Basti Comm.</td>
</tr>
<tr>
<td>Musayab Khan</td>
<td>36</td>
<td>n.a.</td>
<td>Coke Oven</td>
</tr>
<tr>
<td>L. Francis</td>
<td>40</td>
<td>Fitter</td>
<td>Mills</td>
</tr>
</tbody>
</table>

Source: List of officers, 25 January, 1930, Industrial Relations Papers, file 64 part 1, TISCO Archives, Jamshedpur, India, 15.
### Table 2  List of officers and executive committee members of the Jamshedpur Labour Association in May 1927

<table>
<thead>
<tr>
<th>Office bearers</th>
<th>Name</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>C.F. Andrews</td>
<td>President</td>
</tr>
<tr>
<td></td>
<td>D.C. Ahuja</td>
<td>Vice president</td>
</tr>
<tr>
<td></td>
<td>S. Gupta</td>
<td>Vice president</td>
</tr>
<tr>
<td></td>
<td>G. Sethi</td>
<td>Honorary secretary</td>
</tr>
<tr>
<td></td>
<td>M.K. Ghosh</td>
<td>Honorary secretary</td>
</tr>
<tr>
<td></td>
<td>V.J. Sathayo</td>
<td>Honorary secretary</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Executive committee members</th>
<th>Name</th>
<th>Designation</th>
<th>Department</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>P. Aiyaswamy</td>
<td>Stenographer</td>
<td>Coke oven</td>
</tr>
<tr>
<td></td>
<td>Abdul Gani</td>
<td>General foreman</td>
<td>Pig casting machine</td>
</tr>
<tr>
<td></td>
<td>Fazlur Rahman</td>
<td>Stockyard foreman</td>
<td>Open hearth</td>
</tr>
<tr>
<td></td>
<td>B.N. Chaudhury</td>
<td>General utility man</td>
<td>Bar &amp; Rail mills, west</td>
</tr>
<tr>
<td></td>
<td>S.B. Kary</td>
<td>Mill provider</td>
<td>Bar mills</td>
</tr>
<tr>
<td></td>
<td>V.K. Paranjapee</td>
<td>Assistant electric engineer</td>
<td>Electric armature shop</td>
</tr>
<tr>
<td></td>
<td>Baijnath</td>
<td>General mechanical foreman</td>
<td>Rail mills mechanical, west</td>
</tr>
<tr>
<td></td>
<td>V.N. Sitaram</td>
<td>Chaser</td>
<td>Machine shops</td>
</tr>
<tr>
<td></td>
<td>V.S. Ganesh Rao</td>
<td>Cupola supervisor</td>
<td>Foundries</td>
</tr>
<tr>
<td></td>
<td>B. Ghattack</td>
<td>Marker</td>
<td>Mill wright dept.</td>
</tr>
<tr>
<td></td>
<td>J.C. Minness</td>
<td>Loco foreman</td>
<td>Mechine dept., west</td>
</tr>
<tr>
<td></td>
<td>B. Mahapatra</td>
<td>Clerk and typist</td>
<td>Brick dept., west</td>
</tr>
<tr>
<td></td>
<td>N.G. Mukherjee</td>
<td>Clerk</td>
<td>Main store</td>
</tr>
<tr>
<td></td>
<td>S. Gupta</td>
<td>Land officer</td>
<td>n.a.</td>
</tr>
<tr>
<td></td>
<td>R.N. Haldar</td>
<td>Estate clerk</td>
<td>Town engineer office</td>
</tr>
<tr>
<td>Name</td>
<td>Position</td>
<td>Department</td>
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</tr>
<tr>
<td>--------------------</td>
<td>---------------------------------------</td>
<td>-----------------------</td>
<td></td>
</tr>
<tr>
<td>M.K. Ghosh</td>
<td>Chemist</td>
<td>Laboratory</td>
<td></td>
</tr>
<tr>
<td>P.C. Mitra</td>
<td>Chief clerk</td>
<td>Traffic dept.</td>
<td></td>
</tr>
<tr>
<td>P.T.C. Achary</td>
<td>Prob. roller</td>
<td>Plate mill</td>
<td></td>
</tr>
<tr>
<td>Chia Singh</td>
<td>General mechanical foreman</td>
<td>Duplex plant</td>
<td></td>
</tr>
<tr>
<td>U.L. Mukherjee</td>
<td>Rougher</td>
<td>S.B. &amp; B. mill</td>
<td></td>
</tr>
<tr>
<td>S.K. Roy Chaudhury</td>
<td>Assistant annealer</td>
<td>Sheet mill</td>
<td></td>
</tr>
<tr>
<td>H.M. Moitra</td>
<td>Shift foreman</td>
<td>Merchant mill</td>
<td></td>
</tr>
<tr>
<td>S.K. Pramanick</td>
<td>Assistant stock clerk</td>
<td>Old shipping</td>
<td></td>
</tr>
<tr>
<td>B.N. Hazra</td>
<td>Foreman</td>
<td>Electrical (east plant)</td>
<td></td>
</tr>
<tr>
<td>B. L. Chakravarthy</td>
<td>Material chaser</td>
<td>East plant mechanical</td>
<td></td>
</tr>
<tr>
<td>B. R. Sharma</td>
<td>Foreman</td>
<td>Agrico</td>
<td></td>
</tr>
</tbody>
</table>

(Source) List of office bearers and executive committee members of JLA elected in May 1927, Industrial Relations Papers, file 45, TISCO Archives, Jamshedpur, India, 16.
Table 3  Statement showing the number of members of the Jamshedpur Labour Association and the Jamshedpur Labour Federation in June 1929

<table>
<thead>
<tr>
<th>Department</th>
<th>Number</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of men on roll</td>
<td>The Labour Association</td>
</tr>
<tr>
<td>General construction</td>
<td>349</td>
<td>51</td>
</tr>
<tr>
<td>Open hearth</td>
<td>1216</td>
<td>116</td>
</tr>
<tr>
<td>Mechanical</td>
<td>2,553</td>
<td>354</td>
</tr>
<tr>
<td>Blast furnaces</td>
<td>763</td>
<td>89</td>
</tr>
<tr>
<td>Rolling mills, West</td>
<td>939</td>
<td>213</td>
</tr>
<tr>
<td>Foundry</td>
<td>506</td>
<td>64</td>
</tr>
<tr>
<td>Boilers</td>
<td>654</td>
<td>129</td>
</tr>
<tr>
<td>Locomotive</td>
<td>255</td>
<td>61</td>
</tr>
<tr>
<td>Coke ovens</td>
<td>1,050</td>
<td>215</td>
</tr>
<tr>
<td>Scrap</td>
<td>132</td>
<td>22</td>
</tr>
<tr>
<td>Sheet mill</td>
<td>1,183</td>
<td>193</td>
</tr>
<tr>
<td>Ice and soda</td>
<td>51</td>
<td>6</td>
</tr>
<tr>
<td>Pattern shop</td>
<td>147</td>
<td>26</td>
</tr>
<tr>
<td>Plate mill</td>
<td>350</td>
<td>76</td>
</tr>
<tr>
<td>Work guard</td>
<td>192</td>
<td>n.a.</td>
</tr>
<tr>
<td>Duplex plant</td>
<td>842</td>
<td>114</td>
</tr>
<tr>
<td>Merchant mill</td>
<td>345</td>
<td>92</td>
</tr>
<tr>
<td>Rolling mills, east</td>
<td>1,509</td>
<td>303</td>
</tr>
<tr>
<td>Roll turning</td>
<td>100</td>
<td>37</td>
</tr>
<tr>
<td>Sleeper press</td>
<td>71</td>
<td>9</td>
</tr>
<tr>
<td>Traffic</td>
<td>792</td>
<td>148</td>
</tr>
<tr>
<td>Main stores</td>
<td>114</td>
<td>23</td>
</tr>
<tr>
<td>Labour</td>
<td>52</td>
<td>14</td>
</tr>
<tr>
<td>Electrical</td>
<td>1,303</td>
<td>506</td>
</tr>
<tr>
<td>Brick</td>
<td>702</td>
<td>108</td>
</tr>
<tr>
<td>Shipping and merchant mill</td>
<td>362</td>
<td>152</td>
</tr>
<tr>
<td>Department</td>
<td>Hours 00</td>
<td>Hours 01</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>----------</td>
<td>----------</td>
</tr>
<tr>
<td>Laboratories</td>
<td>124</td>
<td>75</td>
</tr>
<tr>
<td>Work engineering</td>
<td>35</td>
<td>4</td>
</tr>
<tr>
<td>Metallurgical</td>
<td>51</td>
<td>22</td>
</tr>
<tr>
<td>General time office</td>
<td>167</td>
<td>59</td>
</tr>
<tr>
<td>Work hotel</td>
<td>40</td>
<td>n.a.</td>
</tr>
<tr>
<td>General time office/boys</td>
<td>101</td>
<td>n.a.</td>
</tr>
<tr>
<td>General administrative office/boys</td>
<td>78</td>
<td>n.a.</td>
</tr>
<tr>
<td>Drawing office</td>
<td>51</td>
<td>21</td>
</tr>
<tr>
<td>General administrative office</td>
<td>351</td>
<td>122</td>
</tr>
<tr>
<td>Town department</td>
<td>1,279</td>
<td>211</td>
</tr>
<tr>
<td>Inspection</td>
<td>27</td>
<td>16</td>
</tr>
<tr>
<td>Purchasing</td>
<td>13</td>
<td>4</td>
</tr>
<tr>
<td>Coal inspection</td>
<td>29</td>
<td>7</td>
</tr>
<tr>
<td>General manager’s office</td>
<td>85</td>
<td>20</td>
</tr>
<tr>
<td>Prospecting</td>
<td>25</td>
<td>2</td>
</tr>
<tr>
<td>Sales office</td>
<td>111</td>
<td>n.a.</td>
</tr>
<tr>
<td>Co’s bar</td>
<td>3</td>
<td>n.a.</td>
</tr>
<tr>
<td>Agrico</td>
<td>129</td>
<td>n.a.</td>
</tr>
<tr>
<td>Total</td>
<td>19,231</td>
<td>3,684</td>
</tr>
</tbody>
</table>

(Source) Industrial Relations Papers, file 60, TISCO Archives, Jamshedpur, India, 10-1.
Table 4  Statement showing the number and nature of complaints

<table>
<thead>
<tr>
<th>Nature of complaints</th>
<th>Jamshedpur Labour Federation</th>
<th>Jamshedpur Labour Association</th>
<th>Complaints directly proposed to the Company</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarters</td>
<td>25</td>
<td>18</td>
<td>13</td>
<td>56</td>
</tr>
<tr>
<td>Compensation and gratuity</td>
<td>11</td>
<td>1</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Re-instatement</td>
<td>26</td>
<td>1</td>
<td>13</td>
<td>40</td>
</tr>
<tr>
<td>Increment and grade</td>
<td>36</td>
<td>5</td>
<td>13</td>
<td>42</td>
</tr>
<tr>
<td>Suspension</td>
<td>11</td>
<td>n.a.</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>Discharge</td>
<td>2</td>
<td>n.a.</td>
<td>n.a.</td>
<td>2</td>
</tr>
<tr>
<td>Transfer</td>
<td>5</td>
<td>n.a.</td>
<td>13</td>
<td>6</td>
</tr>
<tr>
<td>Wages and leave pay</td>
<td>6</td>
<td>1</td>
<td>13</td>
<td>10</td>
</tr>
<tr>
<td>Loan and advance</td>
<td>n.a.</td>
<td>2</td>
<td>13</td>
<td>3</td>
</tr>
<tr>
<td>House rent</td>
<td>4</td>
<td>1</td>
<td>13</td>
<td>5</td>
</tr>
<tr>
<td>Service complaint</td>
<td>26</td>
<td>1</td>
<td>13</td>
<td>31</td>
</tr>
<tr>
<td>House construction</td>
<td>2</td>
<td>n.a.</td>
<td>n.a.</td>
<td>2</td>
</tr>
<tr>
<td>Acting allowance</td>
<td>12</td>
<td>2</td>
<td>n.a.</td>
<td>14</td>
</tr>
<tr>
<td>Overtime</td>
<td>2</td>
<td>n.a.</td>
<td>n.a.</td>
<td>2</td>
</tr>
<tr>
<td>Deduction and short payment</td>
<td>n.a.</td>
<td>n.a.</td>
<td>13</td>
<td>1</td>
</tr>
<tr>
<td>Leave</td>
<td>4</td>
<td>1</td>
<td>n.a.</td>
<td>5</td>
</tr>
<tr>
<td>Designation</td>
<td>4</td>
<td>n.a.</td>
<td>n.a.</td>
<td>4</td>
</tr>
<tr>
<td>Apprentice</td>
<td>2</td>
<td>1</td>
<td>13</td>
<td>7</td>
</tr>
<tr>
<td>Shop committee and meetings</td>
<td>9</td>
<td>n.a.</td>
<td>n.a.</td>
<td>9</td>
</tr>
<tr>
<td>Shop construction</td>
<td>3</td>
<td>n.a.</td>
<td>n.a.</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>190</td>
<td>34</td>
<td>43</td>
<td>267</td>
</tr>
</tbody>
</table>

(Source)  Statement showing the number and nature of complaints received through Labour Federation, Labour Association and direct, August 1929, Industrial Relations Papers, file 74 part 2, TISCO Archives, Jamshedpur, India, 230.
Table 5  Number of labour and labour productivity of TISCO between 1925/26 and 1938/39

<table>
<thead>
<tr>
<th>Year</th>
<th>Saleable steel production</th>
<th>Number of labour</th>
<th>Labour productivity</th>
<th>Estimated necessary number of labour based on Tariff Board’s assumption that one labour produce 25.59 ton of saleable steel</th>
</tr>
</thead>
<tbody>
<tr>
<td>1925/26</td>
<td>320,000</td>
<td>27,900</td>
<td>11.5</td>
<td>12,505</td>
</tr>
<tr>
<td>1926/27</td>
<td>374,000</td>
<td>25,100</td>
<td>14.9</td>
<td>14,615</td>
</tr>
<tr>
<td>1927/28</td>
<td>429,000</td>
<td>21,800</td>
<td>19.7</td>
<td>16,764</td>
</tr>
<tr>
<td>1928/29</td>
<td>288,000</td>
<td>19,025</td>
<td>15.1</td>
<td>11,254</td>
</tr>
<tr>
<td>1929/30</td>
<td>425,000</td>
<td>17,607</td>
<td>24.1</td>
<td>16,608</td>
</tr>
<tr>
<td>1930/31</td>
<td>443,000</td>
<td>17,745</td>
<td>25.0</td>
<td>17,311</td>
</tr>
<tr>
<td>1931/32</td>
<td>456,000</td>
<td>16,771</td>
<td>27.2</td>
<td>17,819</td>
</tr>
<tr>
<td>1932/33</td>
<td>431,000</td>
<td>15,587</td>
<td>27.7</td>
<td>16,843</td>
</tr>
<tr>
<td>1933/34</td>
<td>535,000</td>
<td>16,346</td>
<td>32.7</td>
<td>20,907</td>
</tr>
<tr>
<td>1934/35</td>
<td>610,000</td>
<td>17,420</td>
<td>35.0</td>
<td>23,837</td>
</tr>
<tr>
<td>1935/36</td>
<td>661,000</td>
<td>18,199</td>
<td>36.3</td>
<td>25,830</td>
</tr>
<tr>
<td>1936/37</td>
<td>680,000</td>
<td>18,381</td>
<td>37.0</td>
<td>26,573</td>
</tr>
<tr>
<td>1937/38</td>
<td>674,000</td>
<td>19,200</td>
<td>35.1</td>
<td>26,338</td>
</tr>
<tr>
<td>1938/39</td>
<td>715,000</td>
<td>19,861</td>
<td>36.0</td>
<td>27,941</td>
</tr>
</tbody>
</table>

(Source) Annual report of the Company, TISCO Archives, Jamshedpur, India.

(Note) Number of labour in 1925/26 in the table is not same with the number pointed out in the Tariff Board report. This is probably because of the difference in their choices of starting month of calendar years.
### Table 6  List of contents of efficiency enhancing scheme (scientific labour management system)

<table>
<thead>
<tr>
<th>Strategies</th>
<th>Explanations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Efficiency wage</td>
<td>Payment is made to depend on individual effort wherever possible, and when individual results are not assessable, departmental results or failing that, the total works results are taken, and remuneration always includes a variable figure based on some standard of achievement, whether it is costs, production, or profits.</td>
</tr>
<tr>
<td>Equalization of wages</td>
<td>This in itself is a big subject and one which we need to tackle at Jamshedpur.</td>
</tr>
<tr>
<td>Standardization</td>
<td>Time studies are carried out to find out exactly how the worker spends his time. I was told of a case of a plant which considers itself efficient, and on making use of time studies discovered that often 30 to 40 per cent of its workers’ time was wasted due to the bad arrangement of equipment or materials.</td>
</tr>
<tr>
<td>equalization of wages</td>
<td>Study of condition of work. In some cases a 7 hour shift has proved to be more productive that an 8 hour.</td>
</tr>
<tr>
<td>Multi purpose labour</td>
<td>Labour will cooperate better on receiving an assurance that men will be recruited and promotion will be made wherever possible from amongst the labour rather than from outside. This encourages men to study and one big employer allows men to learn other work in their own time. For instance, men working in department served by over-head cranes are encouraged during their own time to get into the cabs and learn to operate them with the result that operators who are already aware of the peculiar needs of the department are available when vacancies occur.</td>
</tr>
<tr>
<td>On the Job Training</td>
<td>Promising young men are put personally under the care of the senior man who tries to teach them more than they will learn in the ordinary course of their work.</td>
</tr>
<tr>
<td>TISCO review</td>
<td>Importance is attached to works bulletins. Employers explain changes and practice in simple language and generally these bulletins act as teaching mediums.</td>
</tr>
</tbody>
</table>

(Source)  General Manager's Correspondence Papers, file 151, TISCO Archives, Jamshedpur, India.
Table 7  Share of bonus payment in total remuneration of labour in 1927, 1932, 1937

<table>
<thead>
<tr>
<th>July 1927</th>
<th>Number of employees</th>
<th>Wages Rs.</th>
<th>Bonus Rs.</th>
<th>Total remuneration Rs.</th>
<th>Total share of bonus in total remuneration %</th>
<th>Per capita remuneration per month Rs.</th>
<th>Share of bonus in per capita remuneration %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category of employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Weekly paid coolies</td>
<td>7,796</td>
<td>82,324</td>
<td>n.a.</td>
<td>82,324</td>
<td>0.0</td>
<td>10.6</td>
</tr>
<tr>
<td>2</td>
<td>Less than Rs.100 per month</td>
<td>20,361</td>
<td>700,364</td>
<td>1,445</td>
<td>701,809</td>
<td>0.2</td>
<td>34.4</td>
</tr>
<tr>
<td>3</td>
<td>Rs.100 to Rs. 250 per month</td>
<td>555</td>
<td>77,966</td>
<td>1,378</td>
<td>79,344</td>
<td>1.7</td>
<td>140.5</td>
</tr>
<tr>
<td>4</td>
<td>Rs. 250 to Rs. 500 per month</td>
<td>133</td>
<td>42,395</td>
<td>3,297</td>
<td>45,692</td>
<td>7.2</td>
<td>318.8</td>
</tr>
<tr>
<td>5</td>
<td>Rs. 500 and above per month</td>
<td>36</td>
<td>28,583</td>
<td>283</td>
<td>28,866</td>
<td>1.0</td>
<td>794.0</td>
</tr>
<tr>
<td>6</td>
<td>Covenanted</td>
<td>136</td>
<td>155,663</td>
<td>33,200</td>
<td>188,863</td>
<td>17.6</td>
<td>1,144.6</td>
</tr>
<tr>
<td>7</td>
<td>Total</td>
<td>29,017</td>
<td>1,087,295</td>
<td>39,603</td>
<td>1,126,898</td>
<td>3.5</td>
<td>37.5</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Category of employees</th>
<th>Number of employees</th>
<th>Wages Rs.</th>
<th>Bonus Rs.</th>
<th>Total remuneration Rs.</th>
<th>Total share of bonus in total remuneration %</th>
<th>Per capita remuneration per month Rs.</th>
<th>Share of bonus in per capita remuneration %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Weekly paid coolies</td>
<td>5,180</td>
<td>57,876</td>
<td>n.a.</td>
<td>57,876</td>
<td>0.0</td>
<td>11.2</td>
<td>0.0</td>
</tr>
<tr>
<td>2 Less than Rs.100 per month</td>
<td>17,338</td>
<td>587,368</td>
<td>25,549</td>
<td>612,917</td>
<td>4.2</td>
<td>33.9</td>
<td>4.3</td>
</tr>
<tr>
<td>3 Rs.100 to Rs. 250 per month</td>
<td>991</td>
<td>138,027</td>
<td>4,094</td>
<td>142,121</td>
<td>2.9</td>
<td>139.3</td>
<td>3.0</td>
</tr>
<tr>
<td>4 Rs. 250 to Rs. 500 per month</td>
<td>196</td>
<td>68,775</td>
<td>3,642</td>
<td>72,417</td>
<td>5.0</td>
<td>350.9</td>
<td>5.3</td>
</tr>
<tr>
<td>5 Rs. 500 and above per month</td>
<td>37</td>
<td>33,816</td>
<td>1,296</td>
<td>35,112</td>
<td>3.7</td>
<td>913.9</td>
<td>3.8</td>
</tr>
<tr>
<td>6 Covenanted</td>
<td>78</td>
<td>100,252</td>
<td>33,368</td>
<td>133,620</td>
<td>25.0</td>
<td>1,285.3</td>
<td>33.3</td>
</tr>
<tr>
<td>7 Total</td>
<td>23,820</td>
<td>986,114</td>
<td>67,949</td>
<td>1,054,063</td>
<td>40.7</td>
<td>41.4</td>
<td>6.9</td>
</tr>
<tr>
<td>Category of employees</td>
<td>Number of employees</td>
<td>Wages Rs.</td>
<td>Bonus Rs.</td>
<td>Total remuneration Rs.</td>
<td>Total share of bonus in total remuneration %</td>
<td>Per capita remuneration per month Rs.</td>
<td>Share of bonus in per capita remuneration %</td>
</tr>
<tr>
<td>-----------------------</td>
<td>--------------------</td>
<td>-----------</td>
<td>-----------</td>
<td>-------------------------</td>
<td>-------------------------------------------</td>
<td>--------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>Weekly paid coolies</td>
<td>6,293</td>
<td>72,843</td>
<td>7,420</td>
<td>80,263</td>
<td>9.2</td>
<td>11.6</td>
<td>10.2</td>
</tr>
<tr>
<td>Less than Rs.100 per month</td>
<td>21,005</td>
<td>736,667</td>
<td>254,063</td>
<td>990,730</td>
<td>25.6</td>
<td>35.1</td>
<td>34.5</td>
</tr>
<tr>
<td>Rs.100 to Rs. 250 per month</td>
<td>1,117</td>
<td>167,364</td>
<td>41,826</td>
<td>209,190</td>
<td>20.0</td>
<td>149.8</td>
<td>25.0</td>
</tr>
<tr>
<td>Rs. 250 to Rs. 500 per month</td>
<td>243</td>
<td>74,638</td>
<td>25,338</td>
<td>99,976</td>
<td>25.3</td>
<td>307.2</td>
<td>33.9</td>
</tr>
<tr>
<td>Rs. 500 and above per month</td>
<td>73</td>
<td>59,714</td>
<td>10,038</td>
<td>69,752</td>
<td>14.4</td>
<td>818.0</td>
<td>16.8</td>
</tr>
<tr>
<td>Covenanted</td>
<td>36</td>
<td>56,594</td>
<td>22,985</td>
<td>79,579</td>
<td>28.9</td>
<td>1,572.1</td>
<td>40.6</td>
</tr>
<tr>
<td>Total</td>
<td>28,767</td>
<td>1,167,820</td>
<td>361,670</td>
<td>1,529,490</td>
<td>23.6</td>
<td>40.6</td>
<td>31.0</td>
</tr>
</tbody>
</table>


(Note 1)  Monthly average of annually paid sharing bonus is added in the total remuneration.

(Note 2)  Regarding cost of living, 100 is an average cost of living at Jamshedpur for 5 years preceding 1914.

(Note 3)  Wage includes including overtime, acting allowance and leave pay.
<table>
<thead>
<tr>
<th>Category of employees</th>
<th>July 1927</th>
<th>July 1932</th>
<th>July 1937</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekly paid coolies</td>
<td>10.6</td>
<td>11.2</td>
<td>11.6</td>
</tr>
<tr>
<td>Less than Rs.100 per month</td>
<td>34.4</td>
<td>33.9</td>
<td>35.1</td>
</tr>
<tr>
<td>Rs.100 to Rs. 250 per month</td>
<td>140.5</td>
<td>139.3</td>
<td>149.8</td>
</tr>
<tr>
<td>Rs. 250 to Rs. 500 per month</td>
<td>318.8</td>
<td>350.9</td>
<td>307.2</td>
</tr>
<tr>
<td>Rs. 500 and above per month</td>
<td>794.0</td>
<td>913.9</td>
<td>818.0</td>
</tr>
<tr>
<td>Covenanted</td>
<td>1,144.6</td>
<td>1,285.3</td>
<td>1,572.1</td>
</tr>
<tr>
<td>Total</td>
<td>37.5</td>
<td>41.4</td>
<td>40.6</td>
</tr>
<tr>
<td>Cost of living at Jamshedpur</td>
<td>171</td>
<td>117</td>
<td>106</td>
</tr>
</tbody>
</table>

(Source)  Wages and bonuses: Industrial Relations Papers, file 35 part 2, TISCO Archives, Jamshedpur, India, 55-7; Cost of living: Industrial Relation Papers, file 35 part 2, TISCO Archives, Jamshedpur, India, 74, and The TISCO answers to the questionnaire of the Labour Enquiry Committee, Bihar, 1938, p.28.

(Note 1) Monthly average of annually paid sharing bonus is added in the total remuneration.

(Note 2) Regarding cost of living, 100 is an average cost of living at Jamshedpur for 5 years preceding 1914.
Table 9   Index number showing labour productivity of each department based on 1332/33 [1932/33 = 1]

<table>
<thead>
<tr>
<th></th>
<th>Coke oven</th>
<th>Blast furnaces</th>
<th>Open hearth</th>
<th>Duplex plant</th>
<th>Total steel melting plant</th>
<th>Blooming mill</th>
<th>Rail and finishing mill (East)</th>
<th>Bar mill (west)</th>
<th>Plate mill and sleeper plant</th>
<th>Sheet bar and billet mill</th>
<th>Merchant mill</th>
<th>Sheet mills</th>
</tr>
</thead>
<tbody>
<tr>
<td>1932/33</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>1933/34</td>
<td>1.07</td>
<td>1.24</td>
<td>1.55</td>
<td>1.21</td>
<td>1.38</td>
<td>1.24</td>
<td>1.01</td>
<td>1.12</td>
<td>1.24</td>
<td>1.22</td>
<td>1.10</td>
<td>1.00</td>
</tr>
<tr>
<td>1934/35</td>
<td>1.11</td>
<td>1.26</td>
<td>1.69</td>
<td>1.32</td>
<td>1.47</td>
<td>1.45</td>
<td>1.43</td>
<td>1.11</td>
<td>0.87</td>
<td>1.46</td>
<td>1.11</td>
<td>1.00</td>
</tr>
<tr>
<td>1935/36</td>
<td>1.13</td>
<td>1.23</td>
<td>1.62</td>
<td>1.42</td>
<td>1.52</td>
<td>1.47</td>
<td>1.35</td>
<td>1.07</td>
<td>1.14</td>
<td>1.45</td>
<td>1.19</td>
<td>1.02</td>
</tr>
<tr>
<td>1936/37</td>
<td>1.18</td>
<td>1.12</td>
<td>1.76</td>
<td>1.25</td>
<td>1.45</td>
<td>1.45</td>
<td>1.41</td>
<td>1.26</td>
<td>1.36</td>
<td>1.49</td>
<td>1.15</td>
<td>1.00</td>
</tr>
<tr>
<td>1937/38</td>
<td>1.32</td>
<td>1.16</td>
<td>1.74</td>
<td>1.35</td>
<td>1.50</td>
<td>1.41</td>
<td>1.27</td>
<td>1.41</td>
<td>2.04</td>
<td>1.93</td>
<td>1.69</td>
<td>1.32</td>
</tr>
<tr>
<td>1940/41</td>
<td>1.71</td>
<td>1.25</td>
<td>n.a.</td>
<td>n.a.</td>
<td>1.73</td>
<td>n.a.</td>
<td>n.a</td>
<td>n.a</td>
<td>n.a</td>
<td>n.a</td>
<td>n.a</td>
<td>n.a</td>
</tr>
<tr>
<td>1941/42</td>
<td>1.77</td>
<td>1.25</td>
<td>n.a.</td>
<td>n.a.</td>
<td>1.64</td>
<td>n.a.</td>
<td>n.a</td>
<td>n.a</td>
<td>n.a</td>
<td>n.a</td>
<td>n.a</td>
<td>n.a</td>
</tr>
</tbody>
</table>

(Source) 1932/33-1937: A note on increase in labour force in the works at Jamshedpur, General Managers” Correspondence Papers, file 165 part 1, TISCO Archives, Jamshedpur, India, 126-63
(Note) Labour means here a direct labour (monthly and weekly employee).
### Table 10  Price index based on 1923

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Exported materials</th>
<th>Imported materials</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rice</td>
<td>Wheat</td>
<td>Jowar</td>
</tr>
<tr>
<td>1920</td>
<td>122.1</td>
<td>87.1</td>
<td>160.7</td>
</tr>
<tr>
<td>1921</td>
<td>115.3</td>
<td>101.1</td>
<td>183.2</td>
</tr>
<tr>
<td>1922</td>
<td>105.8</td>
<td>88.5</td>
<td>134.1</td>
</tr>
<tr>
<td>1923</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>1924</td>
<td>108.8</td>
<td>69.1</td>
<td>111.7</td>
</tr>
<tr>
<td>1925</td>
<td>114.3</td>
<td>82.6</td>
<td>132.2</td>
</tr>
<tr>
<td>1926</td>
<td>116.6</td>
<td>78.9</td>
<td>137.9</td>
</tr>
<tr>
<td>1927</td>
<td>119.5</td>
<td>75.0</td>
<td>136.9</td>
</tr>
<tr>
<td>1928</td>
<td>115.9</td>
<td>74.2</td>
<td>118.2</td>
</tr>
</tbody>
</table>

Table 11  Estimated annual average nominal wage plus bonus of un-covenanted direct labour of some productive departments (per head)

<table>
<thead>
<tr>
<th>Year</th>
<th>Blast furnaces</th>
<th>Open hearth</th>
<th>Duplex mill</th>
<th>Bar mill</th>
<th>Merchant mill</th>
<th>Plate mill</th>
<th>Sheet mill</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>1923/24</td>
<td>405</td>
<td>507</td>
<td>n.a.</td>
<td>428</td>
<td>n.a.</td>
<td>860</td>
<td>n.a.</td>
<td>408</td>
</tr>
<tr>
<td>1924/25</td>
<td>407</td>
<td>578</td>
<td>460</td>
<td>571</td>
<td>318</td>
<td>825</td>
<td>n.a.</td>
<td>415</td>
</tr>
<tr>
<td>1926/27</td>
<td>512</td>
<td>719</td>
<td>557</td>
<td>447</td>
<td>536</td>
<td>583</td>
<td>550</td>
<td>557</td>
</tr>
<tr>
<td>1927/28</td>
<td>568</td>
<td>622</td>
<td>590</td>
<td>502</td>
<td>500</td>
<td>549</td>
<td>566</td>
<td>566</td>
</tr>
<tr>
<td>1928/29</td>
<td>476</td>
<td>650</td>
<td>524</td>
<td>419</td>
<td>486</td>
<td>613</td>
<td>348</td>
<td>490</td>
</tr>
</tbody>
</table>

(Source)  Wages of direct labour between 1923/24 and 1924/25 Government of India: Indian Tariff Board. *Report of the Indian Tariff Board regarding the continuance of protection to the steel industry.* (Vol. 2. Miscellaneous written and oral evidence given before the Indian Tariff Board). Calcutta: Government of India, Central Publication Branch, 1927, 119-26; wages of direct labour between 1925/26 and 1928/29: Tariff Board file 24, TISCO Archives, Jamshedpur, India; bonus of covenanted labour for years from 1925/26 and 1928/29 was from ‘Supplementary statement no 41’, Tariff Board file 24, TISCO Archives, Jamshedpur, India; bonus of covenanted labours for years before 1925/26 was estimated on an assumption that amount of bonus was 30 per cent of total wage to covenanted labours; wage of indirect labour was Rs. 10 monthly on a basis of a statement on Industrial Relations Papers, file 35 part 2, TISCO Archives, Jamshedpur, India, 55-57.

(Note 1)  Original source for payment of wage at each department in Tariff Board file 24, TISCO Archives, Jamshedpur, India, for years from 1925/26 and 1928/29 and in Government of India: Indian Tariff Board. *Report of the Indian Tariff Board regarding the continuance of protection to the steel industry.* (Vol. 2. Miscellaneous written and oral evidence given before the Indian Tariff Board). Calcutta: Government of India, Central Publication Branch, 1927, 119-126 for years 1923/24 and 1924/25, contains data of total number of labour (labour of covenanted labour, un-covenanted direct labour as well as un-covenanted indirect labour) as well as amount of wage per head. We estimated annual wage per head of un-covenanted direct labour in the following way: (Total number of labour *wage per head – wage and bonus paid to covenanted labour – number of indirect labour * 10) / (number of un-covenanted direct labour)

(Note 2)  Drop in wage in 1928/29 was due to strikes and lock out.
Graph 1  Labour cost and profit of TISCO (%)

(Note)  Total payment to labour includes wages, bonuses, leave pay, etc.
Graph 2  Total factor productivity growth of TISCO (%)

(Source)  Annual Report, TISCO Archives, Jamshedpur, India.
(Note)   G: rate of growth, Y: saleable steel products, L: man-hour of labour working in TISCO only, K: real gross block capital. Labour income share (wL/pY): 0.55.
Graph 3  Cost of living at Jamshedpur (1914 = 100)

(Source)  Government of Bihar and Orissa: Department of Industries.  
Index numbers showing rise and fall in cost of living in Bihar and Orissa.  
Graph 4  Trends of annual nominal wage (Rs.) and real wages (deflated by steel price and primary sectors’ price)

Chart 1  Rough sketch of an organizational set up of TISCO at Jamshedpur in 1926

Appendix 1  Short history of labour unrest in India in the second half of the 1920s

There were two principal centres of the strikes in the second half of the 1920s: railway companies such as the East Indian Railway and the South Indian Railway, and textile mills in Bombay. Although the numbers of industrial disputes as well as the figures involved in the strikes were at low levels still in 1927, the working days lost in the strikes. The increasing tension of labours indicated by rise in number of working day lost in 1927 was largely due to the two strikes on the Bengal Nagpur Railway, ‘which alone accounted for a loss of about 9 lakhs of working days.’\(^{255}\) Since the strikes at Bengal Nagpur Railway, which had a branch line to Tatanagar station at Jamshedpur, influenced on strikes at TISCO in 1928/29 in various ways, we will review detail of the strikes briefly.

At the Bengal Nagpur Railway Company, there was serious growing discontent among the labours, particularly labours at the Kharagpur Workshop, which provided a number of skilled and semi-skilled labour forces to TISCO, over a number of grievances such as insecurity of service, ill treatment of the subordinate staff, insufficiency of wages, or racial discrimination.\(^{256}\)

The decision of the Bengal Nagpur Railway Company to transfer a popular Union member of a local branch led an outbreak of first strikes. On 11 February 1927, a number of labours made a sudden attack on the Kharagpur Railway Station, resulted in all traffic being suspended. The Bengal Nagpur Railway Indian Labour Union supported the strikes of the labours, declared a general strike. The labour unrest continued till early March when the labours went back to work after some assurance was given by the Agent of the Railway Company to representatives of the Labour Union.

The labour unrest was followed by second industrial unrest at the Kharagpur Workshops of Bengal Nagpur Railway again in 1927. The labour unrest took place in October 1927 as a response to the decision of the Agent to introduce a reduction policy ‘which was made possible by the introduction of automatic machine and by improved methods of arranging work as a result of the recommendations of the Raven Committee.’ Against the introduction of the reduction policy, ‘the entire staff of the Kharagpur Workshops adopted an attitude of ‘passive resistance’ and refused to do any work.’ The strikes continued from 13 October till the early December 1927 when the Agent agreed

\(^{254}\) International Labour Office, 137-43.


\(^{256}\) Bhowmik, Chapter 5. Regarding the supply of labour force of Kharagpur workshop to TISCO, see Nomura, 2010.
to pay the men their full wages for the period of strikes. As is shown in section 1, a sect of these strikers deeply influenced on the strikes of TISCO in 1927-29.

The waves of large scale strikes expanded to the other industrial fields in 1928. Although the cost of living in most industrial centres declined in the year, 'a fresh wave of industrial unrest swept through the country and gave rise to a series of prolonged strikes which seriously affected some of the important industries of the country.'

Labour unrest was most serious in 1928 in the centre of the cotton mills, Bombay city and island. In accordance with suggestion of reduction policy of Cotton Mill Industry by the Indian Tariff Board, some of the cotton mill decided to employ new methods of labour management in April to increase efficiency of labours, led to a general strike. The strikes continued until early October when capital and labour agreed to an appointment of a Committee of Inquiry by the Government of Bombay. This strike alone was responsible for a loss of over 22.5 million working days.

After 1929, it was in 1934 when there was an increase in the figures for disputes, workers involved and working days lost, all of which reached the highest records since 1929. Among various possible causes of the easing tense after 1929 between capital and labour, according to ‘Bulletins of Indian Industries and Labour No.62, 1937’, successive enactment of labour legislations after recommendation of the Royal Commission of Labour in India in 1931 was, the bulletin says, most important. The bulletin describes:

The following brief record of some of the chief labour enactments undertaken by the Central Government will show that the labour leader may have had good cause to feel that the strikes weapon, and in particular the weapon of the general strikes, was unlikely to achieve more for the worker than could be attained by an atmosphere of peace in industry and co-operation with official efforts to improve conditions: The Employers and Workmen’s (Disputes) Repealing Act (2 of 1932); The Trade Dispute (Amendment)
Act (14 of 1932); The Tea Districts Emigrant Labour Act (22 of 1932); The Children (Pleading of Labour) Act (2 of 1933); The Workmen’s Compensation (Amendment) Act (15 of 1933); The Land Acquisition (Amendment) Act (16 of 1933); The Factories Act (25 of 1934); The Trade Disputes (Extending) Act (13 of 1934); The Indian Dock Labourers’ Act (19 of 1934); The Indian Mines (Amendment) Act (5 of 1935); The Payment of Wages Act (4 of 1936); The Indian Mines (Amendment) Act (11 of 1936)\(^{262}\)

As is indicated by the bulletin, the labour unrest in the second half of the 1920s formed an important foundation for successive legislation of labour acts in the following decades, some of which have influenced on various aspects of India still now.

Appendix 2  TISCO’s terms for settlement of the dispute and representation on behalf of the skilled and semi-skilled labours

<table>
<thead>
<tr>
<th>Concession by the Company (Notice circulated on 28th July 1928 by the Chairman)</th>
<th>Representation on behalf of workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Rs. 10 lakhs bonus scheme announced in April 1928 will be in force</td>
<td>While we are of opinion that the proposed bonus of Rs. 10 lakhs that the Directors desire to distribute among the workmen, should be consolidated with their salaries as a straight increase</td>
</tr>
<tr>
<td>The Company is prepared to spend about Rs. 5 lakhs a year on increments of wages in the works</td>
<td>The workers gratefully accept this concession.</td>
</tr>
<tr>
<td>The Company is entitled to employ only the number of men which it thinks necessary for efficient operation.</td>
<td>This right of the Company has never been questioned. It is thought that a sudden reduction of about 5000 men will cause much hardship. It is anticipated that the proposed reductions would not take more than nine months’ time, during which period it is hoped the necessary reduction will have automatically been effected as the number of vacancies of monthly rated men which occur monthly is stated to be about 450. It is understood that outside the weekly paid workers, the number to be so reduced will not exceed 3500. In case it is found necessary to transfer men from one separate to another to fill up vacancies of the same grade and designation, the workers will not object. Men who desire to retire immediately on the terms offered by the Company (one month’s gratuity for every year of services and railway fare to their homes) should be permitted to do so.</td>
</tr>
<tr>
<td>The men in the boiler and the sheet mills department will be restored to continuity of services after 12 months satisfactory work.</td>
<td>This condition may kindly not be insisted upon.</td>
</tr>
<tr>
<td>The Company will definitely not pay any man for the period for which he has not worked.</td>
<td>Mr. Homi claims that the workers are entitled to payment of the Lock-out wages for the whole period, or in the alternative, the matter be settled by arbitration</td>
</tr>
</tbody>
</table>
three months after resumption of work.
Mr. Jamndas M Metha has suggested the following alternatives:-
(a) The lock-out wages should be paid from 7th July to 23rd July
(b) Co-operative Scheme to help workers for relief of debt during lock-out
All proper debt not exceeding Rs. 5 lakhs which have been incurred by the workers from 1st June to 15th August for the purpose of maintaining themselves should be paid by the Company

<table>
<thead>
<tr>
<th>The announced alternation in the Works Service rules will not be put in force at present</th>
<th>This is accepted with thanks.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The men who are reduced will be given amount of their railway fares to their homes, and also the full amount of their Provident Fund</td>
<td>This is accepted with thanks.</td>
</tr>
<tr>
<td>There will be no victimization. Exception will be made in the case of a very few men who have grossly misbehaved.</td>
<td>The men said to have misbehaved may be pardoned after an apology or a fine of Rs. 1/- The President of the Labour Association is also prepared, if necessary, to express regret on behalf of workmen who are alleged to have indulged in gross and foul personalities on receiving the names of such men and the occasion on which they are alleged to have so indulged.</td>
</tr>
</tbody>
</table>

Additional terms proposed on behalf of workers

<table>
<thead>
<tr>
<th>Recognition of all properly constituted Trade Unions formed under the trade Union Act of 1926</th>
</tr>
</thead>
<tbody>
<tr>
<td>All privileges and facilities accorded to the old Labour Association should be extended to those formed hereafter</td>
</tr>
<tr>
<td>The men who have gone to their homes should be given reasonable time (15 days) to enable them to resume work</td>
</tr>
<tr>
<td>Workmen who require some advances against their salaries when they resume work should be granted</td>
</tr>
</tbody>
</table>
some, say, at least a week’s wages.

(Sources) Industrial Relations Papers, file 52 part 1, TISCO Archives, Jamshedpur, India, 215-221.
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