

Labour Situation in an Indian Steel Plant During the Colonial Period: A Case Study of the IISCO Steel Plant

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ABSTRACT

The present paper wishes to explore the labour situation at the IISCO Steel Plant during the colonial period. In 1918, the Indian Iron and Steel Company (IISCO) was established at Burnpur, near Asansol. Labourers had played a vital role in the development of the IISCO plant. The real history of the development of iron industry in this region can be traced back in the second half of the 19th century. In 1870, the Bengal Iron Works Company was established at Kulti, a few miles away from Asansol. This Bengal Iron Company was amalgamated with IISCO in 1936, therefore, the present paper includes the labour situation of Kulti works too. The present paper, thus, deals with the working condition and wages of the labourers at IISCO (Burnpur works) as well as at Kulti works. The paper also deals with the labour union and strikes during the late 1930s and early 1940s, facilities provided to the labourers such as housing, medical and health etc. during the colonial period. While a number of historical researches on labour have been done on the other steel plants of India, but IISCO has failed to attract attention of the scholars, therefore, the present paper has tried to explore the labour situation at IISCO and at Kulti works during the colonial period.

Keywords: *IISCO, Kulti works, skilled and unskilled labour, wages, labour union, strike*

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1. Introduction

The IISCO Steel Plant of SAIL (Steel Authority of India Limited) is an integrated steel plant located at Burnpur, adjacent to Asansol. Burnpur, under the Asansol Sub-division of Paschim Bardhaman District of West Bengal (India) is a well-known town for its iron and steel industry. The Indian Iron and Steel Company (IISCO) was established in 1918 at Burnpur. The establishment of IISCO is no doubt a major economic venture in the colonial period and that too happened with the involvement of the labourers. Both skilled and unskilled labourers had played an important role in the development of IISCO. But it should be remembered that, before the establishment of IISCO, the Bengal Iron Works Company was established in 1870 at Kulti, about 10 miles away from Asansol and this company was amalgamated with IISCO in 1936, therefore, the present paper also deals with the Kulti works. While a number of historical researches on labour have been done on TISCO but the other important steel-centre i.e. Asansol (Burnpur-Kulti) has failed to attract attention of the scholars, therefore, the present paper has attempted to explore the labour situation at IISCO and at Kulti works during the colonial period.

The present paper has been divided into five parts (excluding introduction and conclusion). Part I briefly deals with the evolution of IISCO in the colonial period. Part II deals with the working condition and wages of the labourers at the Kulti works. Part III deals with the working condition and wages of the labourers at IISCO. In part IV, labour union and strikes from the late 1930s to 1947 have been discussed. In part V, facilities provided by IISCO to the labourers—housing facility, medical facility—have been discussed.

2. Evolution of IISCO: A Brief Analysis

Before we start to discuss the labour situation at Kulti and Burnpur works, it is necessary to understand the evolution of IISCO during the colonial period. The Indian Iron and Steel Company (IISCO) was established on 11th of March 1918 at Burnpur.¹ Famous Bengali entrepreneur Sir Rajendra Nath Mookerjee (1854-1936) along with T. A. Martin and Mr. G. H. Fairhurst had played a vital role in the establishment of IISCO. Though IISCO was incorporated in 1918 but it has its own history and it can traced back in the second half of the 19th century. In 1870, India's first recognisably modern iron works was established in the Barakar-Kulti region under the name of the Bengal Iron Works Company.² The company began to produce pig iron in 1877.³ But there was no demand for pig iron, therefore, it was closed down in 1879.⁴ In 1881, the Government of Bengal took over the works and operated it as public enterprise under the name of the Barakar Iron Works. In 1889, the works was sold to the Bengal Iron and Steel Company (BISCO). Towards the beginning of the 20th century, steel work was also initiated by BISCO, however, after few years the project was abandoned in 1906.⁵ In the post-First World War phase, BISCO went through several modifications and the company was renamed as the Bengal Iron Company in 1926.⁶ Meanwhile, IISCO was established in 1918 at Burnpur, and finally the Bengal Iron Company was amalgamated with IISCO in 1936. This amalgamation laid the foundation of the establishment of a new steel plant in 1937 at Burnpur namely the Steel Corporation of Bengal (SCOB). SCOB was formed for the manufacture of steel from pig iron and the plant was set up adjacent to the blast furnaces of IISCO.⁷ The establishment of SCOB certainly helped the Government of India during the Second World War, when most of the steel was commandeered for military purposes.⁸ Thus, SCOB was developed in a significant way and merged with IISCO a few years after the independence.⁹

3. Labour at the Kulti Works

Labour was available cheaply during the colonial period. There is no evidence that any industry faced a problem of inadequate supply of labour in the long run.¹⁰ At the Kulti works, labour force was one of the most important human resources which enabled the development of the works over the decades. Labour, both skilled and unskilled, had played a vital role in the development of the works. The Kulti works employed about 1,900 hands by the close of the 19th century.¹¹ The works had a total output (pig iron) in 1903-4 of 43,737 tons, which valued at 24.6 lakhs.¹² At that time it was perhaps the largest industrial employer in Bengal. Both skilled and unskilled labour were available at the works. Though unskilled labour was available in plenty in and around the work place, but skilled labour had to be brought from Calcutta, Bombay or Cawnpore, at prohibitive wages. Even the European skilled labour was available at the works. But the problem was, they (European skilled labour) were quite expensive than their Indian counterpart. But as the demand of the works increased, the European skilled labour had to be employed compulsorily, because the technique of making iron by modern methods was unavailable indigenously. The number of workers at the Kulti works was increased in the first decade of the twentieth century. In 1908, the average number of operatives, employed daily, was 2,934.¹³ It may be noted that, most of the workers were housed in coolie lines near the factory. The system of working was by shifts in the iron works and the blast furnaces, and by midday stoppages in the foundry. About 1700 persons were employed daily in the iron mining, in order to procure a supply of the mineral for iron and steel works at Barakar.¹⁴ It may be said that, the company was aware of their workers, and took care of their workers. Apart from that, we need to understand the wages of different kind of labourers at the Kulti Works. Labour was cheap in those days. The daily rates of different category of labourers are given in table 1.

Table -1 Daily rates of labour at Kulti works

Category	Rate (Rupees--Annas--Paisa)
Blacksmith	0 8 0
Helper	0 4 0
Carpenter	0 12 0
Coolies	0 3 0

Source: N. R. Srinivasan, *History of the Indian Iron and Steel Company*, Public Relations Department of IISCO, Burnpur, 1983. p.31.

Apart from the above table, if we look into the J. C. K. Peterson's *Bengal District Gazetteers, Burdwan* (1910) then we will be able to understand about the wages. Peterson stated (1910), "Wages both for skilled and unskilled labour are fairly high. The monthly wages paid in the factories during 1908 were as follows,..... Blacksmiths Rs. 12 to Rs. 17; potters Rs. 13-12-6 to Rs. 20;

Carpenters Rs. 14 to Rs. 20; brick-layers Rs. 11; engine drivers Rs. 11 to Rs. 16; potters Rs. 15; moulders Rs. 14-6 to Rs. 16-6; boiler-men Rs. 10 to Rs. 23; fire-men Rs. 8 to Rs. 10. For unskilled labour the wages were Rs. 6 to Rs. 9 and for a woman Rs. 4 to Rs. 5.”¹⁵

4. Labour Force at IISCO (Burnpur)

The Indian Iron and Steel Company (IISCO) began to produce pig iron by the end of 1922. As we know that, labourers had played a vital role in the development of IISCO, therefore, it would be interesting to know about the labour strength, the conditions of service, conditions of living, wages etc. It may be noted that both male and female labourers were employed at the works. Moreover, child labour was also employed at the Burnpur works. According to the Royal Commission on Labour in India in 1929, IISCO had employed 2800 men, 750 women and 5 were boys and this labour strength was exclusive of the contract labour of 1000 to 1500, who worked under the contractors.¹⁶ There was a gradual increase in the labour strength over the years and sufficient skilled and unskilled labour were available in the area. N. R. Srinivasan has shown, the company had adopted a policy of generally promoting useful men to fill up vacancies and, as a consequence, it was found that there was very little tendency on the part of labour to leave the company's employment. The company looked after the absence of the employees, ensuring strict discipline in dealing with absence. Strict discipline was maintained at the works, moreover, there was system of fines for bad attendance and damage to tools, which had a beneficial effect on maintaining discipline. Both daily labour and shift labour were available at the Burnpur works. Daily labour worked for six days in a week with a Sunday off and their working hours were 6-30 a.m. to 11-30 a.m. and again 12-30 p.m. to 4-00 p.m. Shift labour was practised once in 14 days and overtime was made only under special exceptional case.¹⁷

It has been mentioned earlier that though unskilled labour was available plenty surrounding the works but skilled labour had to be brought from Calcutta, Cawnpore, Bombay. European and Anglo-Indian skilled labour were also available at the works. Prof. Tirthankar Roy has shown that, until well into the interwar period, skilled workers in cotton, jute, steel and other large-scale industries had a significant percentage of foreigners.¹⁸ At IISCO, most of the skilled workers were Europeans. Professor Roy also argues that, all large-scale industries involves a hierarchy of workers on the factory floor.¹⁹ The system of hierarchy was also maintained at the IISCO plant. The works were divided into 13 main departments, each with a departmental manager, who was further responsible to the General Manager.²⁰ Out of 13 departmental managers, 8 were covenantal Europeans, while 5 were Indians.²¹ Each department had a foreman In-charge and under him there were several rungs of labour. The company had various types of labour at the works, such as blacksmith, coolie, carpenter, helper, driller, painter, electricians, fitter, mason mistry, boiler khalasi, driver, welder, dice moulder and many more. So, in this context, it would be interesting to know the wages of the labour. With regard to wages, there were no wage negotiations of any kind at that time and all payments were made in cash. It may be noted that the wages were paid monthly on daily rate and, there was no bonus or profit sharing scheme.

The wages were attractive by the standard which prevailed at that time. The daily rates of pay of labour at the Burnpur works (IISCO) are shown in the table 2.

Table- 2 Daily rates of pay of labour at IISCO

Category	Rate (Rupees- Annas-Paisa)	
	From	To
1. Armature winder	2-0-0	2-2-0
2. Blacksmith	1-0-0	2-8-0
3. Boiler khalasi	0-10-0	0-12-0
4. Carpenter	0-13-6	2-0-0
5. Coolie	0-6-0	0-10-0
6. Crane driver-steam	1-0-0	1-8-0
7. Dice moulder	0-14-0	0-14-0
8. Driver-turbine	1-4-0	1-8-0
9. Driver-coke ram	1-4-0	1-8-0
10. Electrician	1-12-0	1-14-0
11. Keeper – General	2-4-0	3-8-0
12. Mason Mistry	1-11-0	2-14-0
13. Wireman	1-0-0	1-0-0
14. Welder	3-8-0	4-0-0

Source: Cited in N. R. Srinivasan, *History of the Indian Iron and Steel Company*, Public Relations Department of IISCO, Burnpur, 1983, p. 52.

5. Labour Union and Strike

During the 1920s at Burnpur and prior to that at Kulti, the industrial climate was quite peaceful. That was an era, when the law of supply and demand operated in respect of labour, especially unskilled, but the industrial employment opportunity was limited to Bengal. Consequently, the few thousands who found themselves fortunate in having been employed by the company were keen to retain their foothold. Those were the days when labour was not organised. There was no works committee. In fact, in the testimony which was submitted by IISCO in 1929 to the Royal Commission on Labour, it was stated that there was no organization of the employees to the knowledge of the employer.²²

The labour movement had a late start in Burnpur-Kulti. Apart from some agitation in Kulti during the Non-cooperation movement, trade unionism started properly only after 1937.²³ The workers of IISCO also formed a union and contacted Manek Homi the renowned labour leader of Jamshedpur and requested him to take charge of the newly founded union as its President.²⁴ Homi had an absolute control over the labour of Burnpur and Kulti since 1937 but he lost his ground with the outbreak of the Second World War (September, 1939).²⁵ A trouble was noticed in 1938 when a strike was started by the employees, but the company was aware about this strike, therefore took strict steps and suppressed the strike.²⁶ The key elements were discharged and the entry of those suspected of fomenting trouble was banned into the district of Burdwan.²⁷ In 1938, 13 men were discharged, when there was a lockout for 28 days. Mr. Habib Ahmed Khan was one of those who took an active part in the strike and his entry into Burdwan was banned.²⁸

It may be noted that the most of the labour organisations in Asansol-Burnpur were set up in the post-independence phase, but in the 1940s, IISCO saw few labour strikes (movement?). The organisation of labour into a movement at Burnpur should be credited to Prof. Abdul Bari, in the early 1940s. As Professor Nirban Basu has shown, labour representatives inside the union decided to invite Prof. Abdul Bari, the famous labour leader of Jamshedpur to visit Burnpur and take charge of the Asansol Iron & Steel Workers' Union.²⁹ Prof. Abdul Bari was actively associated with trade union activities at Burnpur. It may also be noted that the Asansol Iron & Steel Workers' Union (AISWU), which was affiliated to the Indian National Trade Union Congress (INTUC), was formed in 1944.³⁰ At that time it (AISWU) was the premier labour union at Burnpur, with prof. Abdul Bari as its head. In March, 1946, Prof. Bari gained absolute control over the union and a new Executive Committee was formed with Prof. Bari as President.³¹ Prof. Bari led a strike in December, 1946, and consequently, the union gained the recognition of the company on 1st February 1947 and this strike must be regarded as an event of singular significance in the labour movement at IISCO.³² As the head of the union organisation, Prof. Bari had noted all the demands of the employees and placed a charter of demands before the company, which covered all the companies operating at Burnpur and Kulti and this charter was sent for adjudication before justice Mr. Mc Sharpe of the Calcutta High Court.³³ It was the effort of Prof. Bari and his men, however it fixed a minimum wage at Rs 1.00 per day, the company gave cash dearness allowance instead of kind, regularized acting allowance and fixed promotion by seniority.³⁴ So it can be easily understood that the above facilities were gained through the strike or we can say that the above facilities were the direct result of the strike which took place just before the independence.

6. Facilities Provided to the Labourers: Housing and Medical Facilities

6.1 Housing Facility

The company looked after their workers very well and provided all necessary facilities. With respect to housing, 1500 labourers were provided with houses in Burnpur town and in Napuria village, which represented 54 per cent of male labour.³⁵ Quarters were also provided to the labourers of IISCO. The labour quarters were of 'pucca' building with cement floor and tiled roof, but no artificial lighting was provided.³⁶ It may be noted that the all quarters were rent free. It is necessary to recall the name of Sir Rajendra Nath Mookerjee, who took a great interest in promoting the life condition of labour. Sir Rajendra Nath Mookerjee was associated with the construction of the labour houses in Burnpur town. A water project, to supply fresh drinking water for the workers of IISCO, was also started by Rajendra Nath Mookerjee.³⁷ The main source of water supply to meet the requirements of the Works both filtered and unfiltered was the River Damodar.³⁸ Similarly, at the Kulti works, the company had taken necessary steps towards the housing facilities of the workers. As E. R. Watson had stated (1907) that- 'A large number of the workers at Barakar are housed by the company, and great care is taken that the dwelling shall be kept in a perfectly sanitary condition. Distilled water that is being produced in quantity in the works is supplied to all.'³⁹ So, it may be said that the company was aware about their workers and took necessary steps regarding the upliftment of the life condition of the workers.

6.2 Medical Facility

In any industry the labour force is one of the most important parts for the development of a plant. Therefore, it is necessary for a worker to keep himself or herself disease free. Every company look after their workers very well, IISCO was one those

companies who looked after its workers perfectly, as the workers were directly involved in the blast furnaces and in the iron smelting departments. Therefore, it was mandatory to arrange medical facilities for the workers, and IISCO did it very well. Free medical check-up and medicines were supplied to the labourers. The origin of providing medical facilities at Burnpur can be traced back in 1918, when a hospital with three little huts was set up at Burnpur.⁴⁰ At that time the hospital had only 10 beds. It may be noted that the facilities of the hospital were only for the workers of IISCO. Over the years, the hospital had improved its bed strength and by the early 1940s, the hospital improved its bed capacity from 10 to 30.⁴¹ As the Bengal Iron Company was amalgamated with IISCO (in 1936), therefore, it is also necessary to recall the medical facilities provided to the labourers at Kulti. It has been mentioned earlier that most of the labourers of the Kulti works were housed in coolie lines near the factory. According to E. R. Watson (1907), 'company's own medical officer systematically inspects the lines, and a through system of control is in vogue'.⁴² Moreover, the origin of providing medical facilities at Kulti can be traced in 1911, when the Kulti hospital was constructed by the Company (BISCO) with 10 beds.⁴³ So, it can not be denied that the labourers of Kulti and Burnpur were greatly benefitted by the medical facilities.

7. Conclusion

In the last retort it may be said that IISCO (Burnpur works) and Kulti works had played an important role in the economic development of Asansol-Kulti. These industrial developments in the region of Asansol-Burnpur-Kulti were no doubt a major economic venture in the colonial period and labourers (skilled and unskilled, male and female) had played vital role in these industrial developments. Thus, during the 1920s, IISCO became one of the largest producers of pig iron and supplied its products to the foreign countries. During this period, Japan was the largest purchaser of IISCO's pig iron.⁴⁴ While IISCO was developing in a significant way, the company faced labour strikes in the late 1930s and 1940s. As Prof. Nirban Basu has shown that trade unionism at Burnpur-Kulti was started properly only after 1937.⁴⁵ But every time the company managed the situation fiercely. Due to the scarcity of managerial talents and specialised managers, most large-scale enterprises in colonial India recruited labour through contractors, that too happened at IISCO. Regarding the gender of the workers, it may be said that female workers were also employed by the company but we do not yet have any careful studies of the distribution of female employment at IISCO. But it can not be denied that the company took care their labourers very well and provided standard wages and many other facilities. But there was a wage hierarchy at IISCO, the top could usually enjoy a lifestyle better and more secure than the lowers. Apart from that, both at the Kulti works and Burnpur works, the company had provided medical facility to their labourers, for this purpose, Kulti hospital and Burnpur hospital were established. Moreover, housing facility was also provided to labourers. So, it may be said that IISCO had provided standard wages and many other facilities to the labourers in respect to development of their socio-economic condition, and the labourers had also given their whole life's hard work in return to made IISCO's existence in the global market.

Notes and References

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² 'KULTI WORKS', an official publication of the Indian Iron and Steel Company, 1961.

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⁴ *Indian Industrial Commission-Inspection Notes, 1916-18*, Superintendent Government Printing, Calcutta, 1918, p. 24.

⁵ *The Imperial Gazetteer of India, Vol-VI*, Oxford Clarendon Press, 1908, p. 426.

⁶ 'KULTI WORKS', *op. cit.*

⁷ A. Z. M. Iftikar-Ul-Awwl, *The Industrial development of Bengal, 1900-1939*, Vikash Publishing House P. Ltd., New Delhi, 1982, p. 23.

⁸ Amiya Kumar Bagchi, 'Private Investment in India 1900-1939', Cambridge University Press; 1st edition, 1972, p. 331.

⁹ The Steel Corporation of Bengal (SCOB) began to produce steel in 1939 and was merged with IISCO in 1953. Thus, IISCO became country's third integrated steel plant. The earlier two integrated steel plants were the TISCO and the Mysore Iron and Steel Works (MISW). TISCO was established in 1907 and the steel section of the MISW was started in 1936.

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¹¹ *The Imperial Gazetteer of India*, *op. cit.*, p. 426.

¹² *Ibid.*

¹³ J. C. K. Peterson, 'Bengal District Gazetteers, Burdwan', Bengal Secretariat Book Depot, Calcutta, 1910, p. p. 119.

¹⁴ *Ibid.*

¹⁵ The wages are not only of the Kulti works, it can be taken as general wages during that time in Burdwan district, see- J. C. K. Peterson, *op. cit.*, p. 109.

¹⁶ N. R. Srinivasan, *History of the Indian Iron and Steel Company*, Public Relations Department of IISCO, Burnpur, 1983, p. 49.

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- ²⁰ N. R. Srinivasan, *op. cit.* p. 49.
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