# Work and Wages of Labour: A Study of Ancient India

Pratibha Goyal\*
Mini Goyal\*\*
Shailja Goyal\*\*\*

## **Abstract**

Among all the factors of production, labour plays a vital role. It is relatively easier to manage all other factors of production when compared with labour. Wages paid to labour undoubtedly sets the starting point while dealing with labour. In this research, many kinds of vadic literature have been studied to understand the models of division of labour and wage system that can be followed even today for sustainable business.

Keywords: Labour, Wages, Vedas, Smrities.

### Introduction

Success of trade and commerce and the resultant growth of economies depend a lot upon the hard work of labour. The fact that a happy and contented worker contributes better to the growth of business was very well realised in the ancient Indian period. Labour and their welfare were important aspects of the ancient Indian law. In India, by 2500 BC, pastoral stage gradually faded away and people took to agricultural profession. Till the Vedic period the scale of operation was such as did not require employment of hired labour. But in the post Vedic period (600 B C onwards) labour came to be employed in various types of occupations.

The main sources of information on ancient Indian labour and labour laws are Sukraniti, Manusmriti, Yajnavalkyasmiriti, Naradsmriti and Arthshastra. These

sources have given detailed provisions regarding payment of wages (vetanadana), employer-employee disputes (svamipala vivada), breach of contract of service (abhyupetyaasurusa) etc (Jayashree, 2002). These codes or provisions hold relevance even today. In ancient India, various types of workers were found. Narada divides workers in two broad classes-slaves (dasas) and labourers (karamkarahs) (figure 1). Karamkarahs are further divided into four categoriespupil or student, apprentice, hired servant or wage earner (Bhritakas) and official or commissioned servant. A pupil is the one who owed obedience to spiritual teacher for the purpose of acquiring knowledge of three Vedas and paid to the teacher by performing some work for him. Apprentice worked under the master craftsman and got on-the-job training. Bhritakas were hired servants or wage earners and they were soldiers, agriculture labourers and porters, husbandmen or

<sup>\*</sup>Associate Professor of Business Managemnt, Punjab Agricultural University, Ludhiana, Punjab, India

<sup>\*\*</sup>Associate Professor of Economics, Punjab Agricultural University, Ludhiana, Punjab, India

<sup>\*\*\*</sup>Head, History Department, LR DAV College, Jagraon, Ludhiana, Punjab, India

herdsmen while adhikarmakrit were officials or commissioned servants (Gupta, 1992).

Shukraniti classifies labour on the basis of devotion to master-as excellent (who is devoted to master), mediocre (who serves master well and yearns for remuneration) and worst (who serves another master while being

maintained by his own). Jain canons mention four kinds of labour- those who received daily wages in cash or kind, those who were specially engaged for a journey, those who were employed on contract to perform whole work and those employed on contract to perform a part of work. Brihaspati divides labour on the basis of caste, occupation and reason for service (figure 2).

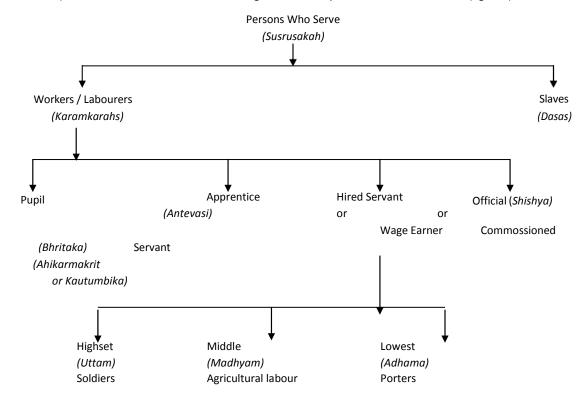


Figure 1: Narada's Classification of Labour in Ancient India

Nigam's classification of labour is quite comprehensive as he covers almost all types of labour prevalent in ancient India (figure 3). Besides this, labour was performed towards the payment of taxes. Gratuitous performance of public services was called visti but those who could not

pay taxes in cash or kind performed forced labour called simhanika. Division of labour is evident from pali Jataka stories where one man would fashion shaft of an arrow, a second would fix the flights and a third would make an fix the points (Basham, 1994).

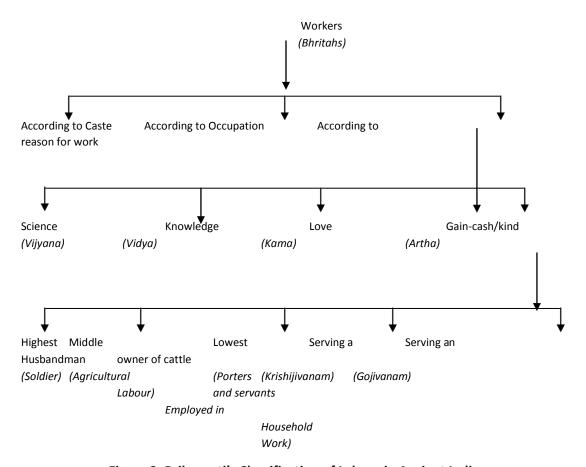
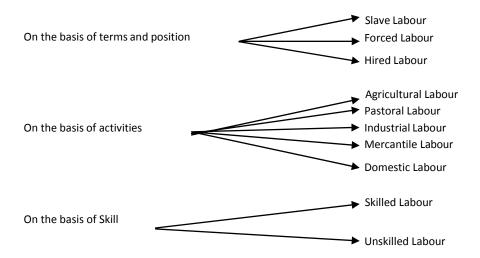


Figure 2: Brihaspati's Classification of Labour in Ancient India



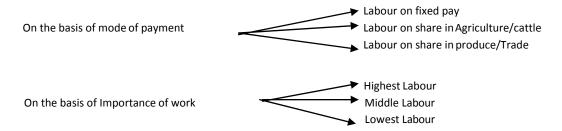


Figure 3: Nigam's Classification of Labour in Ancient India

## **Conditions of Employment**

Study of literature reveals that the conditions of employment varied with the status of labour. Slaves generally got their maintenance only in return while wage earners got their stipulated wages. Both Jatakas and Arthshastra suggest a humane attitude towards slaves. Children of a slave were not slaves. A slave was permitted to own that was earned by him or inherited from father. Proper treatment of women slaves was insisted upon. This suggests that slavery in India was not as severe as in Greece (Majumdar, 2007). Contrary to the other sources Magesthenes has stated in his account that there were no slaves in India. It is possible that Magesthenes having the Greek conception of slavery in mind did not recognise the Indian system which was different from that of the Greeks (Thapar, 1997). Mauryan slavery was organised according to the system described in Arthshastra where slaves had been given rights to own property, right to inherit property, right to regain freedom, right to earn for himself.

## Wages

It seems that wages in ancient India were fairly high. Law givers emphasised that the wages should enable the worker and his family to lead a normal standard of living. According to Sukraniti an equitable rate of wage was that which provided not just the basic necessities of life but that which recognised the standard of living and comfort as implied in the care of family and dependents. Unlike the modern concept of minimum wage which takes into consideration, as per recommendations of Indian Labour Conference, 1957, a family of three persons only, the ancient Indian wage paid to a worker aimed at fulfilling the needs of a 20 member family which included wife, mother, step mother, daughter, father, daughter in law,

widowed daughter, sister who has no off spring, aunt, brother's wife, sister of father or mother, grand father, preceptor who has no son, father-in-law, uncles, grand son who is a minor or an orphan, brother, sister's son. It is further said that wage earner should maintain the families of both parents, wife's family and the attendants, servants, maid servants, deformed, strangers, the poor and the helpless (Gupta, 1992) This shows that the wages must have been sufficiently high.

Manu also provided that for the payment to the most menial worker the consideration of maintenance of family is a must. Kautilya maintained that the salaries of the workers should be sufficient to enable workers to adequately meet bodily comforts, to serve loyally and enthusiastically and to be free from temptation and discontent. Besides good wages emphasis was also on proper treatment. According to Suktaniti low wages, harsh treatment, abuse, impositions of heavy fines or severe punishments are causes of unrest among workers. It was very well recognised that by payment of adequate wages in time, promoted honourably, cheered by gentle words and consoled in grief, the employees will never let down or desert their master (Jayshree, 2002). Low wages were considered dangerous to society for "those who get low wages are enemies by nature". That wages were high, is clear from the fact that, one Jataka speaks of even servants giving alms (Srikantan, 2011).

Sukracharya, the jurist who lived in 6th century AD, was of the opinion that wages of a worker ought to be so fixed as to enable him to meet all his necessary expenses. He sounded a note of warning that if worker was not paid adequate wage there was a likelihood of the worker getting frustrated and turning an enemy. They could become auxiliaries to others and opportunists and deserters (Saran, 1957).

For government servants wages were carefully fixed by king on the basis of surveys of cost of living. To decide wages, family budgets were studied and their assets and liabilities were estimated. Says Kautilya, "A gopa shall keep account of ten thousands, twenty thousands or forty thousands households. He shall not only know the caste, gotra, the name and occupation of the family members but also ascertain their income and expenditure (Srikantan, 2011).

Wages were decided by bargaining or mutual agreement between employer and employee but for certain occupations a pre-decided customary wage rate was given. In the cases where the wage was not settled earlier through an agreement or by bargaining, labourer was paid in accordance with the nature of work and the time spent on it at customary rates. The customary wage rate for the various categories was one tenth of what they had produced (Table 1).

Table 1: Customary wage rate in kind for certain occupations

Type of Occupation	Payment (One tenth of)
Cultivators	Crops
Cowherds	Ghee (Clarified Butter)
Merchants	Goods traded

But Brihaspatiniti gives higher wage rate providing that a fifth share of profit or produce was payable to a worker along with food and clothing and a third share in case nothing else was given to him. In case of self-employed professionals like artisans, craftsmen, doctors, story tellers, cooks etc remuneration was similar to others of the same profession or as decided by experts in their profession.

Wages were also based on quality and quantity of work. For example wages of a weaver depended on whether the threads spun were fine, coarse or of middle quality, and in proportion to the quantity woven (Shamasastry, 1951). The system of fixed wages for a given amount was also known. Further payment or reward was given for work done during holidays (Thapar, 2007). In case of domestic servants food was given in lieu of wages. As a general practice all needs of domestic servants were fulfilled by master (Saran, 1957).

In ancient India both time rate and piece rate system of payment were in vogue. Payment of wages was daily, weekly, fortnightly, monthly, quarterly, six-monthly, yearly or on the completion of work or as agreed upon. Shukracharya stated that time could be divided according to solar or lunar movements. Kautilya provided that workers could be made to work on holidays by payment of special wages. Most of the agricultural workers were paid in kind. According to Yajuvalakya if two persons were engaged to do a work jointly and if they could not finish the same, wages were paid only for work finished. Full wages were paid only when the work was completed. Narad observed that wages could be paid either at the beginning or in the middle or on the completion of work as agreed upon (Saran, 1957).

In this way the literature reveals that various factors influencing wage rates were agreement between employer and employee, standard fixed by state, opportunity cost, quantity and quality of work, time spent on work, caste and status of worker, skill, devotion, productivity, family needs and incentives. So wage payment was a dynamic concept as no single basis of payment was prevalent. The consideration of humanism and social justice were dominant in deciding wage rates.

Disputes regarding wages were settled on the basis of evidence of witness. If there was no witness, an on the spot enquiry was held. Denying the payment of wages that were due and not paying wages for the work done were both punishable offences (Rangarajan, 1992).

#### Conditions of Work

Shukraniti suggested that good treatment, sweet words, respect, love, praise appreciation of worker by employer, award of prizes and ranks, delicious food, fine clothing, betel leaves, umbrellas, promotion etc keep workers satisfied (Gupta, 1992). In case of illness or distress the employee had the right to have the contract annulled or to have the work completed by someone else. Unlike other law givers of ancient India, Kautilya provided that wages were to be given only for work done. An employee had right to full wages only if the employer prevented him from finishing a job of which he had already done a part. An employee was not obliged against his will to continue working for his previous employer if he had completed the task allotted to him and already accepted

employment under another. Employee had right to additional compensation if he did more work than agreed upon (Rangarajan, 1992). Workers and craftsmen were protected against injury and theft. If a craftsman was hurt the person responsible was put to death. A person accused of stealing the articles of an artisan had to pay a very heavy fine of 100 panas (silver coins). All artisans were protected by state and punishment was given on the person who impaired the efficiency of a craftsman (Mahajan, 1960)

There were equally strict rule against deception by workers. Strict supervision and examination of the product was enforced (Thapar, 1997). A servant neglecting or unreasonably putting off work for which he had got wages was fined 12 panas and caught hold of till the work was done. The loss incurred by employer owing to such delay was to be made good by extra work. An employer or supervisor not taking work from an employee was also fined 12 panas. Guilds of workmen had a grace of 7 nights over and above the period agreed upon for completing work and beyond that they had to find substitutes to get the work completed. A healthy person who deserted his company after work had begun was fined 12 panas. The fines for various offences varied from 1.25 panas to 500 panas (Cunninggham, 1891). Apart from guilds there were workers' bodies such as workers' nco-operatives. These generally included artisans and various crafts associated with a particular enterprise (Thapar, 1990). The person who was found to have neglected his share of work by stealth was shown mercy for the first time and given a proportional quantity of work anew with a promise of proportional share of earnings as well. In case of negligence for the second time he was thrown out of the company. If he was guilty of a glaring offence, he was treated as condemned (Shamasastry, 1951). If the work was not completed at the right time or in right way it could be disqualified for calculating wages. Workers were to report at the fixed time of work failing which one fourth wages were deducted and by way of punishment a fine equal to double the amount of such deductions was imposed, unless the failure to be punctual was due to some unforeseen obstructions.

Ancient Indian labour law had provision of leave for workers. Kautilya provided that if the worker was unwell or was in some trouble he could get leave but if a worker wanted leave for some other reason he could proceed on

leave by providing a substitute for himself. Under Manu's law the period of absence due to illness was treated as the period of leave with pay only if the worker returned to complete the work after recovery. According to Brihaspati a sick person was not forced to work but if a healthy person refused to perform assigned work punishment was given. Sukracharya provided for festival holidays in cases where work was not of emergency type. He observed that no deductions could be made from wages if the worker was ill for a week and also worker could have fifteen days annual leave with wages.

The workers attached to an employer for a long time were entitled to several concessions. The ancient law provided that the king should grant half the wages for life without work to the man who has passed forty years in service and f the worker was not living this be give to the widow or son or to his daughters. In this way pension was given to workers. In the form of bonus the servant was given one eighth of salary by way of reward every year when the work done was good. In fact bonus was considered as the claim of employee on the profits made by industry. The noteworthy point is that in Sukraniti bonus (1/8th of annual salary) was payable irrespective of the profit made or even in absence of profit. Bonus meant deferred wage (Jayashree, 2002).

The employers were expected to provide provident fund. Shukracharya says, "the master should keep with him as deposit one sixth or one fourth of wages of worker and should pay half of that amount in the whole or in two or three years" (Srikantan, 2011).

The condition of labour in ancient India must have been good. Hiuen Tsang, describing the conditions in those days writes, "People are not subjected to forced labour. When the public services require it, labour is exacted but is paid for; the payment is in strict proportion to the work done (Srikantan, 2011). In ancient India, employeremployee relations were based on Dharma. The guiding principle of Dharma was the mutual good. Deviation from the rules of fair conduct meant going away from the path of Dharma. The employer making profits from the hard labour of workers was bound to provide for their welfare. Right of one party was the duty of the other. The ancient Indian labour law provided for the rights of domestic labour also while in modern times the domestic labour and other workers in informal sector are not protected by law.

#### Conclusion

In ancient India labour was engaged in various occupations. Wages were fairly high and enabled the family of the worker to lead a normal standard of living. Wages were decided on the basis of careful surveys of standard of living and cost of living. Unlike the modern norm for wage fixation, the worker was supposed to support a larger family and thus the wages were paid accordingly. Just as efficient management in modern times recognises the importance of employee benefits and incentives, similarly in ancient India it was very well known that besides good wages the worker should be paid sufficiently so as to meet the day to day contingencies of life and arrangements were made for social security. It was very well known that timely payments, honourable promotions, gentle words, rewards for good work and appreciation keep the worker happy and satisfied. Ancient Indian literature reveals that, the modern practices of pension, provident fund, workmen's compensation, insurance, leave with wages etc are not new in our country. These are our old legacies. It is evident that India has been concerned about the welfare of labour right from the beginning of civilization. The ancient law givers have been as conscious of the rights and duties of workers as we are in the modern times.

#### References

- Basham A L (1994) The wonder that was India. Rupa and Company, New Delhi.
- Cunningham, A (1891) Coins of ancient India: From the earliest times down to the seventh century A D. Asian Educational Services (Reprint, 2000), New Delhi.
- Gupta B L (1992) Value and Distribution System in Ancient India. Gian Publishing House, New Delhi.
- Jayashree K S (2002) Labour relation in Sukraniti. Home>Digital Library>Index of Newsletters> 2002> Vol 1 Available at http/ignca.nic.in/n100 1905.html on 21.11.2011.
- Mahajan V D (1960) Ancient India. S Chand and Company Ltd, New Delhi
- Majumdar R C (2007) Ancient India. Motilal Banarsidas Publishers Pvt Ltd, Delhi.
- Rangarajan L N (1992) Kautilya: The Arthshastra.
   Penguin Books India Pvt Ltd, New Delhi.
- Saran K M (1957) Labour in ancient India. Vora and Company Pvt Ltd, Bombay.
- Shamasastry R (1951) Kautilya's Arthshastra. Bangalore Government Press, Bangalore.
- Srikantan K S (2011) Labour Legislation in ancient India. Available at http/yabaluri.org/TRIVENI/ CDWEB on 21.11.2011.
- Thapar R (1990) A History of India. Volume 1. Penguin Books, London.
- Thapar R (1997) Ashoka and the Decline of the Mauryas. Uxford Unversity Press, New Delhi.