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INTERNATIONAL LABOUR OFFICE
INDIAN BRANCH

Industrial and Labour Development in December 1951.

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Chapter 2. International and National Organisations

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India - December 1951.

International Statistical Conferences, New Delhi,
5 December 1951.

At the invitation of the Government of India the 27th Session of the International Statistical Institute was held in India. At the same time a number of other conferences were held by different international societies on statistics. These meetings constituted the International Statistical Conference which began in New Delhi from 5 to 11 December and resumed in Calcutta from 16 to 18 December.

Besides India, delegates from 36 other countries participated. The countries were: Afghanistan, Australia, Austria, Brazil, Burma, Canada, Ceylon, Chile, China, Denmark, Egypt, Eire, Finland, France, Germany, Greece, Indonesia, Iran, Israel, Italy, Japan, Kenya and Southern Rhodesia, Malaya, Nepal, the Netherlands, Norway, Pakistan, Portugal, Spain, Sweden, Switzerland, Syria, Thailand, Turkey, the U.K., the U.S.A., Viet-Nam and Yugoslavia. In addition, representatives of the U.N., the F.A.O., E.C.A.F.E., U.N.E.S.C.O., W.H.O., and I.L.O. also took part in the deliberations.

The formal session of the conference was inaugurated by the President of the Indian Republic. Mr. Nehru, Prime Minister, and Mr. C.D. Deshmukh, Finance Minister, addressed the session. Other speakers included Dr Stuart A. Rice, President of the International Statistical Institute and Prof. P.C. Mahalanobis, General Secretary of the Indian Statistical Institute, which acted as the host society for the conference.

Mr. Nehru's address.— Mr. Nehru, in the course of his address, said that for a country like India, the primary needs of the 361 million people were more important - food, housing, clothing, education, health services, employment and the like. He explained that the Planning Commission's draft five-year plan had been drawn up on these considerations. For the success of the plan, Mr. Nehru said, statistics were an essential basis. Constant scrutiny to check if anything was being done wrong was necessary. One primary problem in India was the land problem. It affected many other problems and a great majority of the people. The Government was trying to solve it peacefully and with a large measure of goodwill. Connected with the land problem was the food problem. That too was acute.

After stressing the human aspect of the problem and pointing out that in India even a lay man was coming to the conclusion that the development of statistics was necessary for progress, Mr. Nehru referred to the functioning of the specialists in a way somewhat cut off from the rest of the world and thereby creating a hiatus between them and the people. But, he said, the science of statistics itself had developed in recent years much more with the human aspect. It had considered problems from the human point of view and how to solve those ailments which humanity was suffering from. At the same time the cultural or other aspects of life were at least as important as the material aspect.

Mr. Deshmukh's speech.- Mr. C.D. Deshmukh, in his speech, traced the growth of statistical studies and researches in India, particularly the work of the Indian Statistical Institute, and said that the work of Indian scholars had won recognition abroad, and in mathematical statistics India enjoyed high reputation. In statistical sampling India could justifiably claim with the U.S.A. the foremost rank in the world. Interest in quality control was first aroused as a result of a visit by Dr W. Shewhart three years ago and was slowly spreading. In education and training the position of India was ~~is~~ also fairly satisfactory. Since independence an increasing interest in statistics was also being taken by the Government of India.

He assured the conference that India fully recognized the need of international standards in the field of statistics and the importance and advantages of continuing international contacts, in improving the statistical surveys of the country and in increasing the international comparability of statistical information. The Government of India was fully aware of the importance of encouraging the development of statistical methods and practices in India. Explaining the Government's policy, Mr. Deshmukh said that the Government desired to build up an organized statistical system in the country and discussions on national systems of statistics would be of great interest ~~is~~ to India. Whether food was in good or short supply was a question of critical interest to this country, and the plenary session on the system of agricultural statistics should be of great help in giving shape to constructive ideas. There were big differences of opinion on the technical side in this country as well as in others relating to the relative merits of a complete count and of a sample count. An international gathering of statisticians afforded a unique opportunity for dispassionate review of such technical questions.

The size and growth of the population of India were subjects of immediate and continuing concern to

the ~~Sarvamanya~~ Government. The problem was complex and had to be studied from many different points of view requiring the close collaboration of specialists in public health, social sciences, and economics. The solution of the population problem also was not simple and might not even be attained in a single direction. Economic organization and development, increase of industrial productivity and creation of more and more work on one side and rational family planning on the other were two important lines of action.

Mr. Deshmukh said that although industrial development in India was not great compared to the vast population and resources of the country, she already had several millions of industrial workers which had created many problems requiring continuing attention from the Government. An efficient system of labour statistics would be of great help and in this field India could learn much from statisticians who came from more highly industrialized countries. He added that the Government appreciated the benefits which would be secured through the building up of an active International Statistical Centre for the Asian countries, and would give its support to any suitable programme of work. Such an organization would prove a valuable adjunct to the Colombo Plan.

Dr. Rice's address.- Dr. Stanley A. Rice, President of the International Statistical Institute, in the course of his address, explained at length the numerous limitation upon the internationalization of statistics, and said that many seemingly ~~irreconcilable~~ irreconcilable differences of viewpoint had however been reconciled by analysis in the forum of free discussion. He added that geographical restrictions were now in the process of disappearance. This was symbolized by the conferences the Institute was now beginning in a non-Atlantic country that had already made significant contributions to the world's development of statistical theory. These conferences would strengthen the principle and practice of internationalism in statistics.

That was not to say that internationalism in statistics had become a reality; that statisticians were in full agreement upon their premises; that they had become a fully selfconscious international fraternity, imbued with the same conceptions of their tasks and objectives. He thought it appropriate to take note of some of the limitation upon international statistical development that remained to be overcome. Most ~~of~~ conspicuous was the underdevelopment of statistics in some countries. In general, these were countries with vast resources and bright potentialities for the future which at present were economically underdeveloped. When the statistical needs of economically underdeveloped countries had been recognised, it had usually been discovered that an

insufficient number of trained personnel was available to obtain the needed data. The immediate requirements were then seen to include a programme of statistical education and training. That was why the International Statistical Institute placed high among its responsibilities the furtherance of statistical education throughout the world.

(The Hindustan Times, 5, 6 and
19-12-1951).

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25. Wage-Earners' Organisations.

India - December, 1951.

Working of Indian Trade Unions Act in Madras
during 1950-51.

Number of Unions.- According to the report on the working of the Indian Trade Unions Act, 1926, in the State of Madras during the year ending 31 March 1951, there were 593 unions on the register at the beginning of the year. One hundred and seventy-four unions were registered under the Act during the year and the registration of 187 unions was cancelled. The total number of unions registered since the commencement of the Act on 1 June 1927 to 31 March 1951, was 1,248 of which 580 were on the register at the end of the year under report.

Two hundred and seventy-six unions out of 580 unions submitted the returns. The registration of 25 unions was cancelled and 3 unions were dissolved after 31 March 1951. One union applied for dissolution.

Membership.- The total membership of the registered unions at the end of the year was 174,608 as against 316,274 for the previous year.

Agricultural unions.- The number of agricultural unions at the end of the year was six. Only four unions submitted the returns for 1950-51. The total number of members of these unions at the end of the year was 1,354.

Assets.- The balance in the General Fund at the end of the year was 433,225 rupees as against 385,455 rupees in the previous year.

One hundred and nine unions availed themselves of the concession of the free official audit as against 97 in the previous year. The audited statement of accounts of ~~xxx~~ 56 out of the 109 unions which have availed themselves of the concession of free official audit were not received in time.

(The report on the working of the Act for the year 1949-50 was summarised at pages 14-15 of the report of this Office for February 1951).

(The Government of Madras, Development
Department G.O.No.3897, dated 29 August,
1951).

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Vindhya Pradesh: Vindhya Pradesh Trade
Unions Regulations, 1951.

The draft Vindhya Pradesh Trade Unions Regulations, 1951 (vide page 4 of the report of this Office for June 1951) have been approved and gazetted on 15 December 1951.

(The Gazette of India, Part III, Section 3,
15 December 1951, pages 1223-1227).

27. Salaried Employees' Organisations.

India - December 1951.

Working Conditions of Journalists: Executive Council urges Inquiry.

A meeting of the Executive Council of the Indian Federation of Working Journalists was held at New Delhi on 16 December 1951. Mr. Chalapathi Rau, President of the Federation, presided.

The Council passed a resolution taking note of the growing deterioration of the conditions of working journalists, such as large-scale retrenchments, delayed and irregular payments as well as non-payment of salaries. The resolution urged the Central Government to institute an early inquiry into the working conditions of journalists.

By another resolution the Council expressed its disappointment at the non-inclusion of working journalists from the beneficiaries of ~~work~~ the compulsory provident fund scheme (vide pages 56-57 of the report of this Office for November 1951). The Council appointed a sub-committee comprising Mr. K. Rama Rao, Mr. T. Fernandez, Mr. S.A. Sastri, Mr. J.P. Chaturvedi and Mr. S.G. Roy to discuss the matter with the Labour Minister.

The Council decided to hold the Federation's annual delegates' conference in Calcutta on 12 and 13 April 1952.

(The Hindustan Times, 17-12-1951).

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28. Employers' Organisations.

India - December 1951.

Annual General Meeting of the Associated
Chambers of Commerce, Calcutta, 10 December
1951: Finance Minister reviews Economic
Situation: Stability to Foreign Investors
guaranteed.

Addressing the annual general meeting of the Associated Chambers of Commerce at Calcutta on 10 December 1951, Mr. C.D. Deshmukh, Finance Minister, Government of India, stated that in India's development plan there was great scope for benevolent international co-operation as well as for collaboration from Indian business men and industrialists. Mr. A.R. Elliott Lockhart presided.

Mr. Deshmukh assured foreign investors that "India was prepared to guarantee stability and fair treatment in return for assistance extended to her on terms consistent with her dignity, self respect and economic interests". Mr. Deshmukh mentioned two "significant steps" taken this year to arrest inflation, namely, the part financing of capital expenditure from revenue surplus and the raising of the bank rate.

Mr. Deshmukh announced three "concessions" to Indian industry. Firstly the Government did not intend to ask for retrospective application of the provisions of the Indian Income-Tax Bill now before Parliament. Secondly, the Government had no intention to tax certain amenities provided to workers such as medical costs, free tiffin, tea and supply of food in staff

canteens and supply of rations at concession rates. Thirdly, the Government would re-examine the draft amendment to the controversial Section 23A of the Indian Income-Tax Act to see how best the danger of genuine public companies coming to be treated as private companies could be minimised.

Mr. A. R. Elliott Lockhart's presidential address: lack of incentive to private sector deplored. - Mr. Elliott Lockhart in his presidential address said that the Association accepted the inevitability of the mixed economy on which India's first five-year plan was essentially based. He agreed broadly that the plan put first things first, among them the all-important and controversial problem of population control. The employers, however, had their own reservations on the country's ability to finance the plan as a whole under the present restrictive policy towards private enterprise and the burdensome taxation it suffers. He also expressed his doubts on whether the private sector was going to get sufficient incentive to play fully its part in the field the plan allotted to it. Mr. Lockhart took strong exception to the sweeping attacks which were made and implied in the plan both on private enterprise generally and on the managing agency system in particular, and said that the employers deprecated the setback to investors' confidence both here and overseas which generalisation of this nature involved.

Enactment of industrial legislation: prior consultation with industry urged. - Referring to "the most important piece of industrial legislation enacted during the year", the Industries (Development and Regulation) Act, Mr. Lockhart said the industrialists disliked and were apprehensive of the very wide powers of investigation, control and direction which it conferred on an Administration very largely inexperienced in industrial matters. He suggested exercise of these powers "with the greatest restraint".

Making a strong plea for "prior consultation" with industry before taking any industrial measure, he said that when the Government had any such legislation in mind the general principle should first be placed before the standing committee concerned or in the absence of any such committee it should be forwarded to the responsible representatives of the industry concerned. On receiving general support from them, further consultation with industry should take place before the Bill was tabled in Parliament.

Survey of taxation structure suggested.- Mr. Lockhart said that the Indian Income-Tax (Amendment) Bill had also given rise to much misgiving during the year. He pressed most anxiously "for the recasting of the Bill". He said that the time had come for a complete survey and overhaul of the taxation structure of the country.

Need to arrest inflation.- As regards the problem of inflation Mr. Lockhart advocated reduction in price of foodgrains which, he said, was an essential prerequisite to stop inflation. There was a creeping price inflation, expressed very largely in the price of food, because in India food costs formed a very large proportion of the total cost of living. While food prices remained so high, so also did the wages of what had become the privileged class of industrial workers and the prices of cash crops forming the raw material for several of India's major industries. Thus production costs rose and with them the overdraft without which few industrialists could function today, leading in all to a further twist in the spiral and a thoroughly unhealthy position. He hoped that the recent step of increasing the bank rate would materially help in achieving the objective of a recession in prices without bringing about a recession in industrial activity.

Indo-Pakistan trade.- Linking up jute industry with Indo-Pakistan relations, Mr. Lockhart said that the belief that jute mills can be fed from India alone to the capacity at which they should be working if they were to keep their markets was mere wishful thinking. He was glad that this had now been realised. The biggest factor in Indo-Pakistan economic relations was the fixing of rupee ratio. This was a big step forward, helped by the trade agreement, which was itself however largely one of barter. Much remained to be done towards those conditions of freer trade and freer remittance which were so essential to both countries.

Finance Minister's address.- Mr. C.D. Deshmukh in the course of his presidential address referred to the continuing stress and difficulties all over the world and said that in India the economic disequilibrium had been less marked than in other countries and there were certain concrete gains to show.

Reviewing the steps taken by the Government from time to time to check the upward movement of prices. Mr. Deshmukh said that during 1950 there was a steady upward movement of prices, the general index number showing a rise of 31 points from an average of 381.3 in December 1949 to an average of 412.6 in December 1950. This increase was largely due to developments in the international situation such as the war in Korea and the intensification of the rearmament

of the USA and the Western democracies. In spite of the Government doing everything possible to hold down prices, this upward movement continued this year also, although in recent months there had been a slow but steady movement downwards of the index number.

The peak of the rise in prices was reached last April when the index number rose to 457.5. There had since then been a steady fall, for which the Government desired credit no more than it merited blame for the preceding rise, and the average for November had dropped to 435.6. While this development was welcome and while recent increases had largely been due to factors beyond the Government's control, such as increases in the price of imported raw material, the Government intended to persevere in their policy of trying to hold prices by all available means. In this connection Mr. Deshmukh referred to two significant measures taken during the year to arrest inflation. The first was the provision of a substantial surplus in the revenue budget at the Centre to meet a part of the essential requirements for capital expenditure. While there was widespread criticism of this when the budget was first presented, there was a fuller realization of the wisdom of this step in the present inflationary conditions. The second was the recent action of the Reserve Bank in raising the bank rate. This again had aroused criticism in certain quarters on the score that it was ill-advised or ill-timed or both. Mr. Deshmukh emphasised that a rise in the bank rate was deliberately adopted as a measure of tightening credit and was not intended merely to put an official seal on prevailing trends in the money market.

Food rationing.- Reviewing the food situation and particularly the impact of the price of foodgrains on the general price and wages level, Mr. Deshmukh pointed out that floods in certain parts of the country and the failure of the monsoon in others have aggravated the food problem and made India dependent on foreign imports on a considerable scale in the coming year as in the past. The losses due to these natural calamities had been at least three times the gains from efforts to grow more food and may be put for the two years at about 9 million tons on a conservative estimate. Moreover, the natural result of scarcities was to aggravate the difficulties in the way of procurement. Foodgrains from abroad were costly to obtain and, imported foodgrains were subsidised on a substantial scale by the Centre in order to keep food prices from rising. But even so, small increases now and again had been found inescapable, although it still remained the Government's policy to keep food prices from rising unduly.

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Relations with Pakistan.- On the question of relations with Pakistan, Mr. Deshmukh referred to the improvement in the economic relations between India and Pakistan in recent months in spite of the political tension, particularly after the trade agreement negotiated last February, and the settlement of the differences about the par value of the Pakistan rupee. The trade agreement had been working reasonably well and he assured the Association that it was the earnest desire of the Government to facilitate the freer flow of trade and remittances between the two countries for the benefit of both. He added the Government was fully aware both of the importance of the jute industry to West Bengal and to the Centre as a substantial producer of the country's foreign exchange and that the continued prosperity of the industry and the conservation of its overseas markets would be taken into full consideration in regulating the trade and export policies of the Government.

Five-year Plan.- As regards the Planning Commission's draft outline of the first five-year plan, Mr. Deshmukh said that the general welcome accorded to this plan as a comprehensive and realistic approach to the problems of the country's development must be heartening to those charged with the task of drawing up a co-ordinated plan of development. The Association had taken an unduly pessimistic view both in regard to the country's ability to sustain and finance a plan of this magnitude and also to the plan's approach towards private enterprise. He assured the gathering that the estimate of resources on which the plan had been based had been worked out after very careful consideration and in his opinion the finance envisaged by the plan was not beyond the country's resources, if they set about in earnest to raise it. As regards the private sector of the country's economy, Mr. Deshmukh felt that the approach of the plan to its place in the future economy was the most realistic part of the plan. It was based on the conviction that it was possible to secure a reasonably planned economy while maintaining a substantial private sector ~~wh~~ side by side with the public sector. It was true that in the earlier years of the plan a high priority had been given in the disposition of public funds to the development of agriculture, irrigation and power and there had been some criticism that the Commission should have allocated more resources for industrial development. But in the present conditions in this country, with shortages in food as the most urgent problem, it was inevitable that the first emphasis should be on irrigation schemes which would produce larger quantities of food and to which power schemes were ancillary. This stress on irrigation, agriculture and power had however not led to indifference to the requirements of development in other sectors of the country's economy, and the scope left to private enterprise, was, in ~~kk~~ his view, not merely adequate but left ample play for such capital

as the private sector was likely to raise in the next few years. With respect to the Association's criticism of the Planning Commission's report on private enterprise and the managing agency system, Mr. Deshmukh pointed out that widespread abuses of the managing agency system existed and had produced adverse effects on the capital market. Moreover a number of managing agency firms had failed to make improvements in the administrative set-up, factory management, purchase and sales organisation, system of accounting, etc., which were essential for industrial efficiency.

Industrial legislation.- Mr. Deshmukh ^{refuted} ~~reported~~ the Association's charge that the Government had failed to consult the industry before enacting legislation. He pointed out that except in matters requiring urgent action where obviously the Government had to take a decision on the material available to it, it had been the consistent policy of the Government to hold the fullest consultation with representatives of industry and labour before it formulated any legislation affecting them.

As regards the Industries (Development and Regulation) Act, Mr. Deshmukh emphasised that the Act had been conceived as an instrument of planning and one of its main features was the provision for the continuous association of industry with the Government in the implementation of policy. The licensing of industry under the Act amounted to nothing more than the consolidation of what was already being done under a variety of other powers. It was the Government's intention to use the powers of regulation under the Act only after ~~xxx~~ taking into account all aspects of an industry. The Development Council contemplated by the Act constituted a new departure and as these came into being they would provide a fruitful forum for consultations between the Government and each industry.

Labour-management relations.- Referring to the problem of labour-management relations, Mr. Deshmukh mentioned the Labour Relations Bill which provides for the settlement of disputes wherever possible through mutual consultation and conciliation. He said that it was not the Government's policy to use the power to refer disputes for adjudication lightly and that it was only where the parties had exhausted their efforts at reaching an agreement and there was a final breakdown of negotiations and attempts at conciliation that adjudication was resorted to. This method of settling disputes was at any time preferable to a settlement by a trial of strength between employers and labour, with all the waste such a trial generally entails.

Before proceeding further with the Labour Relations Bill he had no doubt that the Government would ~~kk~~ take into account the results of the attempt made in the Joint Consultative Committee for the evolution of an agreed procedure for dealing with the problem of labour relations.

Taxation of amenities.- After explaining the purpose of the Indian Income-Tax Amendment Bill, Mr. Deshmukh assured the Association that it was not the intention of the Government to tax such perquisites as medical costs, free tiffin, tea and supply of food in staff canteens and supply of rations at concessional prices. The amendment to Section 7 of the Income-Tax Act was aimed merely at closing a loophole of evasion of which advantage was being taken by some enterprises to evade their tax liability.

In regard to the suggestion for a complete overhaul and survey of the taxation structure of the country, Mr. Deshmukh said that the question of appointing a taxation inquiry committee had been before the Government for some time. Conditions were now so fluid and unstable that the appointment of a committee at this stage might hardly be appropriate. The matter would however be reconsidered after the elections and after the Government had had before them the recommendations of the Finance Commission which had just been appointed.

Resolutions.- The meeting passed several resolutions. It urged a reduction in the level of taxation on income with a view to "stimulating business enterprise and investment so vital to the development and expansion of the country's economy envisaged in the five-year plan".

Another resolution requested the Government of India to invite State Governments to agree to Parliament also enacting a uniform Sales Tax Act, to be administered either by the Centre which would distribute the proceeds to the units, or by the units themselves under a Central Act in their own jurisdictions as the consensus of State opinion might incline. It suggested the Government should appoint a committee to evolve and recommend a comprehensive tax system adequate to the financial needs of the country.

Welcoming the recent improvements in the working of the machinery of import control, the Association, in another resolution, emphasised the importance of making a clear distinction between such cases where indigenous production was protected as the result of a Tariff Board decision, and those where the protection was only an incidental result of India's shortage of foreign exchange. It reminded the Government of the long-term risk of the loss of important foreign markets through the imposition of high export duties,

and the restrictive effect of the quota system and the desirability of its abolition as regards both quantities and destinations.

Describing the Planning Commission's draft outline of the first-five-year plan as the "most realistic contribution yet made to the problem of planning India's future development", the Association expressed the opinion that if private enterprise was to perform successfully the role allotted to it, it should have the freedom without which it could neither plan its own expansion nor even raise its own finances in the way the draft plan assumed it would.

Expressing alarm at the increase in the manufacture of spurious drugs, it suggested that the Drugs Act should be so amended as to make the manufacture of such drugs and the practice of misrepresenting and misbranding chemicals and pharmaceutical preparations cognizable offences and to enhance the penalties for them.

Two other resolutions were also adopted one urging immediate rationalisation of steel distribution by increasing steel allocations to the steel processing and fabricating industry, and the other urging the assumption of responsibility by the Government for the distribution of rationed foodstuffs to plantation and colliery labour or making arrangements for supplies being issued to them to meet their requirements at the level of the all-India ration scale.

(The Statesman, 11-12-1951).

Annual General Meeting of Employers' Federation of India, Calcutta, 11 December 1951: Chairman's Address.

The annual general meeting of the Employers' Federation of India was held at Calcutta on 11 December 1951. Sir Paul Benthall, Deputy President of the Federation, presided.

Presidential address.— In his presidential address Sir Paul Benthall assured the Government of the Federation's best endeavour not only to maintain the present volume of production but to increase it in every possible way. He, however, reminded the Government that the cumulative effect of the difficulties under which they laboured might prove more than they could overcome.

Sir Paul urged the Government to proceed slowly and cautiously with industrial legislation and give full consideration to the adverse effect on industries

of some of the steps that had recently been taken, specially the labour and taxation policies, during the last decade. All expensive schemes for labour welfare and unnecessary projects conceived with the object of improving the economic situation of the country in the distant future should be avoided until India was assured of the vital and immediate needs of industry without which production and employment could not be continued.

Referring to the problem of labour in the country, Sir Paul said that the recent decisions of industrial labour tribunals on the issue of reinstatement had caused considerable anxiety to employing interests. Labour tribunals seemed to feel that they had a right to order the reinstatement of a discharged or dismissed worker, their contention being that the common law relating to master and servant was not applicable in industrial matters. This, he alleged, had completely undermined ~~the~~ discipline and respect for authority and had done much both to discourage conscientious management and to interfere with efficiency. Employers were strongly of the opinion that no outside authority, whether it was an industrial tribunal or a civil court, could order the reinstatement of a discharged or dismissed worker. He maintained that retrenchment of staff should not be opposed when it was necessary to increase efficiency.

Sir Paul said that as a result of a dozen years of high taxation, coupled with inflation, almost all industries had failed to set aside reserves adequate to maintain their plant in proper condition and to replace it with modern equipment. The most striking instance of this difficulty was to be seen in the Indian jute industry of which almost the whole of the spinning and preparing machinery was now obsolete. Aided by the enormous export duties, which India had imposed on manufactured jute goods, their competitors in Europe and other parts of the world had recently made fabulous profits much of which they had ploughed back into their business by the purchase of the most modern type of preparing and spinning machinery which could yield superior products with very much lower cost. He regretted that much of their available resources had in recent years been spent on items which were not of a directly productive nature, and were not likely to help in their struggle for greater output and for success in the competition with foreign industrialists.

Election of President.— Sir Vithal Chandavarkar was re-elected President of the Federation for 1952.

29. International Co-operation.

India - December 1951.

W.H.O. to aid in Family Planning: Pilot Projects to be started.

At the request of the Government of India the World Health Organisation deputed Dr. Abraham Stone, its consultant on family planning, to India to study the present condition of family planning in India and to advise the Government on the subject.

Dr. Stone arrived in India during the latter end of November and during his stay of six weeks in India he visited many cities under Government auspices and had opportunities to discuss the problem of family planning with leading men and women in Government service, doctors and persons engaged in social work. Dr. Stone visited existing family planning centres in Bombay, Hyderabad, Madras, Lucknow, Nagpur, Bangalore and Delhi.

It is understood that Dr. Stone's report would cover the field of education, steps for the establishment of Government-sponsored family planning centres, and the development of research into indigenous methods of family planning and also into new methods for the prevention of conception. The importance of studying both the physiological and psychological aspects of human reproduction and the patterns of sexual behaviour in India would also be stressed.

In an interview with the representative of 'the Hindu' in Madras on 17 December 1951, Dr. Stone said that he was very much impressed by the awareness of the people in India, both in the Government and outside, to the vital need for some sort of family planning. He was also happy to note that they wanted to develop a network of family planning centres throughout the country so as to provide the necessary knowledge and information to people who sought guidance on family planning.

(The Hindu, 18-12-1951).

Chapter 3. Economic questions.

34. Economic Planning Control and Development.

India - December 1951.

All-India Economic Conference, Patna, 23-25 December 1951: Presidential Address.

The 34th Session of the All-India Economic Conference was held at Patna on 23, 24 and 25 December 1951, under the presidentship of Dr. H.L. Dey, President of the Indian Tariff Board. A number of papers concerning economic problems, such as fiscal and monetary policy in planning, survey of concentration of wealth, land reforms, population analysis, etc. were read at the conference. A brief account of the discussions at the conference is given below.

Mr. Sarangdhar Sinha, Vice-Chancellor of Patna University, inaugurating the conference, said that the greatest contribution to national good which the conference could make was to suggest ways and means for reducing the spiral of rising prices.

Presidential Address: Measures for combating inflation outlined.- A uniform 30 per cent cut in all internal prices and a 16-2/3 per cent appreciation in the exchange value of the Indian rupee were advocated by Dr. H.L. Dey during his presidential address, as a means of controlling the grave distortions "wrought by inflation in the structure of Indian economy". Characterising inflation as India's problem ~~number~~ number one, Dr. Dey felt that a wage, dividend and rent freeze for two years would combat the inflationary trend in the country - at the moment too far advanced to be "effectively tackled by normal fiscal and monetary measures". Until prices could be brought down by the Government to the pre-decontrol index of 302 in November 1947, from the index of 436 in October 1951, there could be no economic and social stability in the country, nor any solid basis for economic progress. He added that the middle class was worst hit by the high price level. This level, he said, while being four times the pre-war level, was higher than that in most important countries. To bring down the price level, would mean "a definite, clear-cut, consistent and comprehensive programme of integrated controls" over prices and the distribution of essential commodities.

Appreciation justified.- Dr. Dey justified the appreciation of the exchange value of the rupee on the following grounds: (1) Whilst stimulating the demand for imports to a certain extent, it would reduce the cost of foodgrains, raw materials and machinery; (2) A 30 per cent cut in internal prices would make exports cheaper and would stimulate export trade, thus causing no serious deterioration in the

balance of payments position; (3) The expected ~~probably the price of imports and exports~~ fall in the prices of imports and exports, which would probably be partially compensated by an expansion in the volume of trade, might result in a decrease in the value of imports and exports and, therefore, in a reduction in customs revenue. But this loss would be offset by the saving ~~the~~ in the cost of imports of foodgrains, railway locomotives and other Government stores; (4) With the rapid progress of recovery in Western Europe and the attainment of economic freedom by Japan, the special advantages enjoyed by Indian industry, both in the export market and internally owing to the continuance of shortages in many articles and also to the operation of import and export controls, were likely to be dissipated soon. Therefore, an appreciation of the ~~exchange~~ exchange value of the rupee would be a substantial factor in bringing the prices and costs into alignment with those prevailing in foreign countries.

Dealing with the measures currently adopted by the Government in fighting inflation, Dr. Dey said that, while the existing fiscal and monetary measures had succeeded in moderating the upward trends in prices they had so far failed to achieve positive results by way of a significant reduction in the level of costs and prices.

Teaching of Economics.— Speaking on "the teaching of economics" after Dr. Dey's speech, Dr. C. N. Vakil, Director of the Bombay University School of Economics and Sociology, said that one of the important ways in which an impetus might be given to the study of economics would be by "its proper recognition in the public services".

Dr. Vakil, who recently attended a conference on the teaching of economics convened by the International Economic Association at Talloires in France, deplored the concentration of too many specialised administrative powers in the hands of civil servants not specially trained for the purpose. The specialised task of economic administration required a technically qualified body of men. He, therefore, suggested the institution of a separate economic administrative service for which persons should be recruited on ground of advanced knowledge of economic principles, methods and techniques, besides general capacity.

Fiscal and Monetary Policy in Planning.— Prof. K. N. Bhattacharya of the Delhi School of Economics who addressed the conference on the subject of "Fiscal and Monetary Policy in Planning", suggested that if the technique of new economics failed to serve the purpose, then newer economics might be tried. The paramount need was to accelerate the tempo of development.

The question of freeing of income need not be altogether ruled out as an alternative method. A larger measure of deficit financing was also a theoretical possibility. The problem of foreign borrowing might be considered afresh. A difficult situation needed desperate remedies. Democratic planning did not seem to foresee achieving anything more than the pre-war level of production - and obviously that was not enough for planning in India. The draft five-year plan, which sought to utilise the fiscal policy - and a little of monetary policy - could obviously attain very limited objectives. "The Fiscal Commission", could not give an outline of a planned expenditure for more than 3,000 million rupees a year and the five-year draft plan did not contemplate raising internal finance even to that extent.

Plans for development, he said, must lay down a programme for an annual rate of investment. It must lay down conditions in which people are induced to make ~~some~~ sacrifices and undergo the necessary austerity and hardship for future prosperity. In other words, the country needed a plan which was dynamic and must devise techniques which made plans dynamically operative.

Concentration of economic power. - Initiating a discussion on concentration of economic power, Mr. M.C. Munshi (Bombay) said that the managing agency system which had been regarded by several economists as a highly fruitful source of concentration of economic power had taken so deep a root in the scheme of things that the only means to eradicate it was by providing some alternative.

Mr. B.J. Bajpai of Punjab said that it was wrong to say that economic power in India was heavily concentrated in the hands of a few groups of individuals and families consisting of speculators, black-marketers and capitalists. He said that the temporary National Economic Committee on Concentration of Economic Power in U.S.A. had investigated into this and there was little support in any evidence for such a view.

Dr. B.R. Mishra of Patna University said that never before in the history of the country was concentration of economic power greater than in the period after the last world war. The managing agency system perpetuated this feature. He suggested that for preventing such concentration there should be proportional representation on the ~~board~~ board of directors of even those who held minority of capital.

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Dr. V.K.R.V. Rao of the Delhi School of Economics agreeing with Dr. Mishra stated that this concentration was manifesting itself by such things as distributing jobs to individuals. Dr. R.V. Rao of Hyderabad was of the opinion that properly organised small-scale industries with their goods marketed through industrial co-operatives would be a guarantee against future concentration of economic power.

Concentration of Wealth: Survey suggested.- Mr. J.J. Anjaria, Chief of the Economic Division, Planning Commission, suggested that Government should undertake a survey of the ownership of private capital in various forms, in terms of classes and ranges of income. Concentration of wealth, and not unequal distribution of incomes, was associated with concentration of power. Nationalisation might mean merely substitution of one type of concentrated economic power by another, and it was necessary to be continually vigilant about the growth of power centres, economic as well as political.

Mr. Anjaria said the Planning Commission had given some thought to the problem and had recommended a system of land ownership and management based on the co-operative principle. The principle should be applied to cottage and small scale industries. He recommended the early enactment of legislation to impose death duties, encouragement of small capitalists and entrepreneurs through Central and State Industrial Finance Corporations and the setting up of trading estates.

Mr. S.R. Bose, Director of Statistics, Government of Bihar, said if further concentration of wealth was to be checked it was necessary that inflationary tendencies should be controlled at all costs. But the Five-year Plan contained within itself the needs of further inflation.

Land Reform.- Dr. R.V. Rao, member, Agrarian Reforms Committee, Government of Hyderabad, who addressed the Conference on the subject of "Land Tenures and their reform in India" said that a lasting solution of the agrarian problem involved elimination of intermediary interests between the State and the cultivators, delimitation of holdings, improvement in the relations between the landlord and tenant and prevention of land from going into the hands of non-cultivators.

Population Analysis.- Dr. S. Chandrasekhar, Professor of Economics, Baroda University said that the population analysis in the Planning Commission's draft outline was very elementary and quite inadequate. Dr. Chandrasekhar, who was addressing on the "Planning Commission's Report" said that a lot of analysis and demographic data from the 1951 census must be taken into consideration before any real planning on national

national lines could be undertaken. He was told, he said that the final report might be coming in a few months time before the Census Commissioner's report. This would be most unfortunate as the Planning Commission would not know the age distribution and the occupational structure of the population and without knowing these data, among others, it would be absurd to think of any planning on any realistic lines.

Office-bearers.- Prof. P.A. Wadia of Bombay was elected President of the All-India Economic Conference and Dr. R. Balkrishna as Secretary for the year 1952. The next session of the Conference will be held at Trivandrum.¹

Standard-Vacuum Oil Company and Burmah-Shell to set up Refineries in Bombay: Agreements signed with Government of India.

The Government of India has accepted the proposals made by the Standard Vacuum Oil Company of New York and the Burmah-Shell group of oil companies to set up two oil refineries near Bombay.

Standard-Vacuum Oil Company.- Under the terms of the agreement, the Standard-Vacuum Oil Company will invest about 35 million dollars for the proposed refinery. It will form an Indian Company, which will own and operate the refinery. Cumulative preference stock of the refinery company, amounting to 25 percent of the issued capital, will be offered to Indian investors, while the ordinary shares of the company will be owned by Standard-Vacuum.

To facilitate the project, the Government of India has given certain assurances to Standard-Vacuum, including exemption from compulsory acquisition for a period of 25 years and exemption from certain provisions of the Industries (Development and Regulation) Act.

Standard-Vacuum, on their part, have assured Government that the refinery will be completed as early as possible, that an adequate number of Indian personnel will be trained in refinery operations for employment in the refinery and that by-products of

1. The Bombay Chronicle, 27 December 1951.

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the refinery will be made available for subsidiary Indian industries.

The company has already brought out to India a group of marine engineers and refinery experts, who will collaborate with the Government of Bombay and the Bombay Port Trust officials for the necessary improvements in the dock and harbour facilities near the site where the refinery will be set up and for the solution of other preliminary technical problems. The company hopes to bring the refinery into actual production within four years at the site.

It is understood that the Government has undertaken to permit the import of duty-free crude oil until this commodity is produced in India in sufficient quantities.

In its early stages, the refinery, it is believed, will produce motor spirit, diesel oil of various kinds and certain types of fuel oil, but other varieties of production connected with crude oil will be undertaken later.

Burmah-Shell.— The agreement with the Burmah-Shell group of oil companies provided for an investment of about 200 million rupees in sterling capital. The Burmah-Shell group will form an Indian Company, which will own and operate the refinery. Of the total capital employed in the business 200 million rupees will be made available by the Burmah-Shell organization, either as capital for the Indian company or partly as capital and partly as loan, and 20 million rupees will be offered in the shape of cumulative preference shares to Indian investors. Burmah-Shell are agreeable to raise the Indian participation to 30 million rupees, if so desired by the Government of India.

The Government of India, in order to facilitate the project, has given certain assurances to the Burmah-Shell organization, including exemption from compulsory acquisition for a period of 25 years and from certain sections of the Industries (Development and Regulation) Act. The Company will be free to make its own arrangement for the import of crude oil and for the distribution of refined products in India; also to export such products as may not be required for the Indian market.

On their part, among other things, the Burmah-Shell group have given assurances which relate to the training and employment of suitable Indians where available, in all ranks, use of Indian crude oil when available, use of Government tankers (if any should be required), non-use of tankers of countries discriminating against India. It is expected that the refinery will commence operations by January 1956 and reach full production by July 1956.

It is understood that discussions are currently proceeding with the Caltex Oil Company for the establishment of a third refinery somewhere on the East coast.

(The Statesman, 1 and 16-12-1951).

35. Productivity.

India - December 1951.

Compilation of Indices of Labour Productivity:
Government considering ILO Proposals.

Compilation of labour productivity indices to measure variations in the productivity of Indian industries is understood to be engaging the attention of the Government of India.

The seventh international conference of labour statisticians held in Geneva in October 1949, adopted a resolution suggesting that the International Labour Office should examine the possibility of obtaining comparable data in the different countries by means of special enquiries. The I.L.O. has compiled a bulleting explaining the methods of compiling labour productivity statistics for the guidance of the various member nations.

The Government of India is now considering the I.L.O. proposal to initiate a pilot study to throw light on the special problems and difficulties that might be peculiar to India vis-a-vis international comparisons. The proposed pilot study has suggested five groups of products for purposes of the study - industrial equipment products, electrical equipment products, machine tools, fertilizers and soap.

(The Statesman, 3-12-1951)

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36. Wages.

India - December 1951.

Minimum Rates of Wages fixed for Employees in
Madras Port and Employees in Construction or
Building Operations of the Central Public Works
Department.

In exercise of the powers conferred by the Minimum Wages Act, 1948 and by a notification dated 12 November 1951 the Central Government has fixed the minimum rates of wages payable to the class of employees specified in a schedule to the notification and employed under the local authority administering the Port of Madras. The minimum rates of wages take effect from 12 November 1951.

By another notification dated 14 November 1951 the Central Government has fixed the minimum rates of wages payable to certain specified employees in construction and building operations under the Central Public Works Department. The minimum rates of wages take effect from 14 November 1951.

(The Gazette of India, Part II, Section 3,
24 November 1951, pages 2029-2033).

Quantum of Bonus: General Principles formulated
by the Labour Appellate Tribunal.

recently The Labour Appellate Tribunal has, in a number of its decisions, laid down the general principles on which bonus should be awarded in industrial establishments. A brief account of the decisions is given below.

General principles. In its decision dated 9 October 1950 in the Millowners' Association, Bombay V. Rashtriya Mill Mazdoor Sangh, Bombay and another (Appeal No. 1 of 1950)¹, the Full Bench of the Tribunal has formulated the general principles for the purposes of determining the questions relating to bonus. This case related to the textile mills in Bombay State. The Tribunal pointed out that bonus was cash payment made to employees in addition to wages. It could be

1. Labour Law Journal, December 1950, pages 1247-1258.

not be regarded as an ex-gratia payment as it had been recognised that a claim for bonus, if resisted, gave rise to an industrial dispute. Where the goal of living wages had been attained bonus, like profit sharing, would represent more as the cash incentive to greater efficiency and production. The Tribunal refused to accept the broad contention that a claim to bonus was not admissible where wages had been standardised at a figure lower than what was said to be the living wage. Where the industry had capacity to pay, and had been so stabilised that its capacity to pay might be counted upon continuously, payment of "living wage" was desirable; but where the industry had not that capacity or its capacity varied or was expected to vary from year to year, so that the industry could not afford to pay "living wages", bonus must be looked upon as the temporary satisfaction, wholly or in part, of the needs of the employee.

As regards the general principles governing bonus, the Tribunal observed that as both capital and labour contributed to the earnings of the industrial concern, it was fair that labour should derive some benefit, if there was a surplus after meeting prior or necessary charges. The gross profits were arrived at after payment of wages and dearness allowances to the employees, and other items of expenditure. As investment necessarily implied the legitimate expectation of the investor to secure recurring returns on the money invested by him in the industrial undertaking, it was essential that the plant and machinery should be kept continuously in good working order for the purpose of ensuring that return, and such maintenance of plant and machinery would also be to the advantage of ~~ensuring~~ labour, for the better the machinery the larger the earnings, and the better the chance of securing a good bonus. The first charges on the gross profits should, therefore, be the amount of money that would be necessary for rehabilitation, replacement and modernisation of the machinery. As depreciation allowed by the income-tax authorities was only a percentage of the written down value, the fund set apart yearly for depreciation and designated under that head would not be sufficient for these purposes. An extra amount would have to be annually set apart under the heading of "reserves" to make up that deficit. There could be no dispute, nor could it be denied that the paid up capital was entitled to a fair return, and it was common ground that the fair return on paid up capital should be 6 per cent.

The ~~average~~ reserves which was carried over from year to year in law belong to the company, and the company was entitled to some return for the money employed as working capital. The company was entitled to deal with this return as it chose, and neither the ~~share~~ shareholders individually nor the employees could as of right claim any direct benefit accruing out of the employed capital; therefore this amount had to

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be credited to the company. There could not be any doubt that the employment of the reserves as working capital obviated the borrowing of money pro tanto from outside sources for the same purpose, and might be at higher rates of interest. The payment of higher interest would necessarily reduce the gross profits; to that extent the employment of reserves as working capital would be beneficial to the employees.

The paid-up capital, however, ran a double risk, viz., (1) normal trade risks and (2) risks incidental to trade cycles; whereas in the case of the reserves employed as working capital which was more liquid than fixed capital the incidence of risk was rather small. So the fair return on reserves employed as working capital must necessarily be much lower than the fair return on paid-up capital.

The claim of the employees for bonus would only arise if there should be a residue after making provision for (a) prior charges and (b) a fair return on paid-up capital and on reserves employed as working capital.

The Tribunal did not accede to the view that in the matter of payment of bonus a unit of an industry in a particular region should be ordered to pay on the ground that some amongst them were able to pay by reason of having surpluses, particularly when that unit of the industry which had suffered a loss had been permitted to appear separately and to raise a ~~special~~ special defence.

Quantum of Bonus.— In its decision dated 18 October 1950 in Goodlass Wall and Elephant Oil Mills Employees union, Bombay V. The Goodlass Wall Ltd., Bombay¹, the Labour Appellate Tribunal held that the quantum of bonus payable to the employees out of the residuary surplus in an industrial establishment must depend upon a consideration of the sum total of the facts and circumstances of each case.

Qualifying conditions.— In its decision dated 12 July 1951 in Textile Mills, Sholapur V. Their Workers² the Labour Appellate Tribunal ~~held~~ held that its views in the matter of the terms of grant of bonus had not been finalised.

1. Labour Law Journal, January 1951, pages 21-23.

2. Labour Law Journal, October 1951, pages 497-498.

These principles are being applied to all industrial concerns in adjudications before various tribunals in India.

The above principles were applied by the Labour Appellate Tribunal in its decision dated 15 December 1950 in Indian Vegetable Products Workers Union V. Indian Vegetable Products Ltd., Bombay¹. The Tribunal observed that ~~it~~ it was well established that depreciation, reserves, taxes and a fair return on capital employed should be the first charges on gross profits. The capital consisted of paid-up share capital and the reserve employed as working capital and it was equally well established that a fair return on the former should be six per cent and on the latter four per cent.

Employees' Right for a Share in the Reserve Fund.² In its decision dated 3 July 1951 in Lahore Electric Supply Co. Ltd., V. Lahore Electric Supply Employees' Union² the Labour Appellate Tribunal observed that the employees could have no legal basis for a claim to the reserves on the winding up of a company and also in the case where the undertaking was permanently closed. Consequently there would be no liability of the company to its employees in respect of ~~undistributed~~ undeclared bonus ⁱⁿ ~~on~~ the respect of any part of the reserves. The Tribunal rejected also the employees' claim for a share in the reserve fund on broad grounds of equity and justice.

Bonus in Sugar Industry.³ In its decision dated 7 March 1951 in the Sugar Mills, Bihar V. Their Workmen³ the Labour Appellate Tribunal held that the rule of linking bonus to profits could not be applied in view of the unreliability of the balance sheets produced by the employers and that the question of bonus should be considered on an industry-wise basis and not on an unit-wise basis, as the sugar industry was an established industry in which the conditions of service and wages ~~are~~ were standardised.

The Tribunal awarded bonus on the basis of production as it was found that the balance sheets filed by various factories were unreliable and that malpractices had crept in to a large extent in the mode of preparing balance sheets and profit and loss accounts and it became difficult to determine as to

1. Labour Law Journal, March 1951, pages 240-244.
2. Labour Law Journal, September 1951, pages 346-351.
3. Labour Law Journal, May 1951, pages 469-485.

whether the industry as a whole had made profits and to what extent. Therefore the Tribunal held that it would be wrong to link bonus to profits and that it would be safer to proceed on other data. The Tribunal rejected also the contention of the employers that the question of bonus should be considered unit-wise and not industry-wise. The Tribunal observed that the sugar industry in Bihar was an established industry and, therefore, standardization of the conditions of labour and of the industry as a whole, if not necessary was, at least, desirable. In fact, all factors which entered into the cost of production had been standardized for each year by awards or otherwise, e.g., wage scale, price of cane, etc., and price of sugar produced by all the factories in the periods of decontrol had been fixed by agreement with the industry. The conditions of labour employed in the sugar factories of Bihar should be as far as possible uniform and this should be attained only if the same wage scale and the same scale of bonus be adopted for all the factories which had made profits. Thus the correct principle to adopt would be to entertain a collective claim from labour and to adopt a uniform scale of bonus, where it was shown that the industry as a whole was able to pay; leaving it to a particular unit to escape the liability by positively proving loss.

Allowances for Night Shift: Industrial Tribunal's Decision.

The Industrial Tribunal, Bombay, in its award dated 21 September 1951 (IT No.36 of 1951) held that even where night shift was in rotation, there was need for payment of an allowance for night shift, as man was a diurnal and not a nocturnal animal and no expert evidence was necessary to establish that night work even by turn was more onerous than labour during day and was bound to have deleterious effect on the health of the worker.

The industrial dispute between the Bombay Metal and Alloys Manufacturing Co., Ltd., and their Workmen referred to the Tribunal related to a demand for a revision of the night shift allowance. The company had been paying night shift allowance since about 1942. The payment to the workers engaged in the night shift was made on the following basis: (1) to workers engaged in the engineering department annas 3 per rupee of basic wages and (2) to workers engaged in the foundry and smelting departments 5 per cent of basic wages. The union's demand was that there should be a uniform payment of night shift allowance to all the workers and the basis of annas 3 in the rupee existing for the workers of the engineering department should be adopted uniformly for all, that is, for the workers in the foundry and smelting departments also.

The union submitted that there was hardly any justification for this discrimination between the scales obtaining in different departments; that the strain as a result of night shift working in all departments was the same and there was therefore no reason for the discrimination. The company vehemently opposed the demand and submitted that night shift in the foundry and smelting departments was necessary to keep the furnace busy, that it was an incidence of employment and therefore there was no justification for a demand for a night shift allowance ~~that~~ in these departments at all; that the payment that was actually made was ~~ex~~-gratia payment; and that the demand for an increase should therefore be rejected. The company also relied upon several awards where demands for night shift allowance were considered and rejected.

The Tribunal pointed out that it was true that in a large number of awards, a demand for night shift allowance had been consistently rejected whenever it was by rotation and conceded only where workers were permanently on night shift. The Tribunal considered those awards and did not agree that there was no necessity to pay any night shift allowance where the same was by rotation. Man being essentially a diurnal and not a nocturnal animal, no expert evidence was even necessary to establish that night work even for a few days by turns was more onerous than labour during day and was bound to have some deleterious effect on health of the worker. Therefore night work needed to be compensated by some allowance and in fixing night shift allowance a distinction might have to be made also between: (i) cases where night shift was resorted to on account of the processes being continuous and (ii) where night shift was not a necessity but had been resorted to voluntarily.

After considering the facts of the case the Tribunal observed that it would not be ~~fix~~ fair to compel the company to pay the same amount of night shift allowance to workers in the foundry and smelting department. However every worker who was required to ~~work~~ attend to night work should be given a minimum allowance of annas two per night if the concern could afford to pay the same. After taking into consideration the allowances paid in other engineering companies, the Tribunal directed that the existing scale of 5 per cent of the basic wages should be continued as night shift allowance subject to a minimum of annas 2 per night.

38. Housing.

India - December 1951.

Central Government Alternative Industrial Housing Scheme: 20 Per Cent of Cost of Houses to be paid as Subsidy.

The Government of India has evolved an alternative industrial housing scheme, under which houses would be built by employers and the Government would pay subsidies to employers not exceeding 20 per cent of the cost of industrial housing including the cost of land.

The houses so constructed would be the property of the employers, but the Government of India would lay down certain conditions for observance, viz., (i) the houses will be let out only to genuine workers; (ii) the rent that may be recovered from the tenant will be 2 1/2 per cent of the total cost of the houses (including the cost of land), but not exceeding 10 per cent of the total earnings of the worker and members of his family; (iii) the houses will be built to the general specifications prescribed by the Central Government; and (iv) the inspection staff of the Central Government and State Governments and the Housing Boards will be given reasonable facilities for the inspection of the buildings.

(Information obtained from the
Ministry of Labour, Government of
India).

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CHAPTER 4. PROBLEMS PECULIAR TO CERTAIN
BRANCHES OF THE NATIONAL ECONOMY.

INDIA - DECEMBER 1951.

41. Agriculture.

Standard of Living of Agricultural Workers:
Sample Survey of Conditions in Madhya Pradesh
Village.

The Ministry of Labour, Government of India, has published recently the fifth of a series of monographs relating to the Agricultural Labour enquiry conducted in Khapri Village in Madhya Pradesh in 1949*. Khapri was one of the 27 villages scattered all over India which were selected for a preliminary agricultural labour enquiry. Khapri is a malguzari village, situated at a distance of eight miles from Nagpur, the capital of the Madhya Pradesh State. Under the malguzari system villages were settled in the name of an intermediary called malguzar who is responsible for collecting rents from cultivators who are known as tenants and for paying a certain fixed proportion of the assets of the village determined at the time of settlement by Government as land revenue. The village had no irrigation facilities.

Population.— The total population of the village at the time of the enquiry was 587 consisting of 298 males and 289 females. Of these, 172 were adult men, 185 adult women and 230 children. There were 206 earners, of whom 139 were men, 55 women and 12 ~~children~~ in children. In addition, there were 74 helpers consisting of 17 men, 41 women and 16 children. There were 125 families of which 75 or 60 per cent were agricultural families and 50 or 40 per cent were non-agricultural. Of the 75 agricultural families, there were 11 non-cultivating and 38 cultivating owners' families, one tenant's family, one casual worker's family with land, four attached workers' families and 20 casual workers' families without land. Of the 25 families of agricultural workers, 18 were intensively surveyed.

* Government of India: Ministry of Labour: Report on an Enquiry into the Conditions of Agricultural Workers in Village Khapri in Madhya Pradesh State: ~~Printed~~ Published by the Manager of Publications, Delhi, 1951, pp.73. Price Re 1 annas 6 or 2 sh.

Size of families and earners.- The average size of the family was 4.7 persons for the village as a whole. Of these 1.6 were earners, 0.6 helpers and 2.5 dependents. Of the 1.6 earners 1.1 were men, 0.4 women and 0.1 children. The average size of the 25 agricultural workers' families was 3.9 with a standard error of 1.7 and a coefficient of variation equivalent to 44.1 per cent. The average number of earners in the case of landless casual workers' families was 1.9, composed of 1.1 men, 0.7 women and 0.1 children. The standard error and the co-efficient of variation of the earning strength in respect of agricultural labour families were 0.8 and 46.2 percent respectively.

Size of holdings.- The average size of holdings in Khapri was 17.7 acres. The variation in the size of holdings was as follows:-

Below 2 acres	Nil.
Between 2-5 acres	6.9 per cent
Between 5-10 acres.....	24.2 per cent
Between 10-15 acres.....	25.8 per cent
Between 15-20 acres.....	10.4 per cent
Between 20-30 acres.....	17.2 per cent
Between 30-40 acres.....	5.2 per cent
Above 40 acres	10.3 per cent.

Rate of wages.- The rates of daily wages for casual workers were generally 1 rupee to 1 rupee 4 annas including value of kind payment in juar. Women and children were paid annas five to 8 annas in cash or in juar. Children received the same wages as women. On the other hand, an attached worker received an yearly income of about 300 rupees both in cash and kind.

Employment.- On an average, the number of days for which a casual worker without land was employed was 165.3 in the case of men, of which agricultural work alone accounted for 162.1 days and other non-agricultural occupations for the remaining 3.2 days.

Income and expenditure.- The casual workers' families without land earned, on an average, an income of 312 rupees ~~2 annas~~ per annum. Of these, work in the fields fetched, on an average, 270 rupees ~~7 annas~~ or 86.5 per cent of the total income. As many as 12 families of casual agricultural workers without land derived income ranging between 181 rupees to 420 rupees. The larger income was partly due to the larger earning strength. The income per earner was of the order of ~~186.2 rupees~~ 186.2 rupees with a standard error of 84 rupees and co-efficient of variation of 45.1 per cent.

The agricultural workers' diet was poor, both in quantity and quality. Juar, tur and gram dals and rice were commonly taken while vegetables and wheat were consumed by well-to-do sections of the village. On an average the expenditure per casual worker's family without land was 376.5 rupees per year as against an annual income of 342.8 rupees. The expenditure on food was the highest being 81 per cent of the total. Clothing accounted for 10.3 per cent, fuel and lighting for 1.2 per cent only and miscellaneous items for 6.9 per cent. The main items under the miscellaneous group were pan-supari, tobacco, soap and drinks accounting for about 10 rupees, 1.6 rupees and 2.1 rupees respectively.

The average expenditure per family on the ~~different~~ different groups and the percentages to the total in the case of all the agricultural workers' families are given below:-

Group	Expenditure in Rupees.	Percentage to total
Food	312.1	80.4
Clothing and Footwear.....	40.0	10.3
Fuel and lighting.....	4.4	1.1
House rent.....	3.0	0.8
Miscellaneous (including services services)...	28.5	7.4
Total.....	388.0	100.0

The high percentage expenditure on food and the low expenditure on miscellaneous items reflect a low standard of ~~low~~ living.

The annual average consumption per family of cereals in respect of landless casual workers amounted to about 15.7 maunds made up of 4.9 maunds of rice, 10.5 maunds of juar and 0.3 maunds of wheat. The average annual expenditure per consumption unit was 129.7 rupees (taking all the families) with a standard error of 30.9 rupees and a coefficient of variation of 23.8 per cent.

Indebtedness.— Of the 18 agricultural worker's families, 6 showed excess of income over expenditure, while 12 showed excess of expenditure over income. Of the 14 casual landless workers' families, 4 were in debt, the average debt per indebted family being 52.5 rupees.

44. Merchant Marine and Fisheries.

India - December 1951.

Uttar Pradesh: Uttar Pradesh Inland Steam
Vessels Registration Rules, 1951.

The draft Uttar Pradesh Inland Steam Vessels Registration Rules, 1951 (vide page 42 of the report of this Office for August 1951) have been approved and gazetted on 17 November 1951. These Rules have been framed under the Inland Steam Vessels Act, 1917 and relate to licensing and registration of inland steam vessels.

(Notification No. 4191-W/XXIII-160-50, - dated 14 November 1951, Government Gazette of the Uttar Pradesh, Part I-A, 17 November, 1951, pages 715-724).

Burma: Draft Rules relating to the Home Trade
Masters and Mates.

The Government of the Union of Burma published on 17 November 1951 the draft of certain rules, which it proposes to make in exercise of the powers conferred by section 21 of the Burma Merchant Shipping Act, for the examination of masters and mates in the Burma Mercantile Marine for Home Trade Certificates of Competency. The Rules prescribe, inter alia, the qualifications required for the various grades of masters and mates including syllabus of examination, rules for estimating sea service, the conduct of the examinations, etc. The rules will be taken into consideration after 20 December 1951.

(The Burma Gazette, Extra Supplement,
17 November 1951, pages 31-39).

Conditions of Work of Seamen recruited in Bombay:
Paid Holidays to be Granted.

All seamen recruited in Bombay will get 12 paid holidays in a year and will receive a few other benefits, following a decision of the Maritime Board at its annual meeting. At present, the seamen are not entitled to any holidays. They will also receive full wages i.e., basic pay plus war bonus for 12 weeks in case of sickness whereas, the rules stand, the seamen receive ~~the~~ only basic pay.

The Board, which represents shipping firms, the seamen's unions and Government officials as observers, has also agreed that the shipping lines should contribute their share of the money if Government decided to introduce social insurance scheme for the seamen.

The National Seamen's Union which is the representative body for the seamen in Bombay had put forth these and other demands at ~~xxxx~~ its annual general meeting in May last. A spokesman of the Union said that since the agencies and shipping lines operating in Calcutta were the same, the seamen there would also benefit ~~for~~ from these concessions.

The question of the medical test of the seamen, which had been the bone of contention between the seamen and the authorities culminating in a strike in May last, has also been satisfactorily solved. The Board has appointed a six-member committee comprising three representatives each of the liners and the seamen including two doctors, with a view to work out an agreed formula in respect of a uniform standard of medical examination of the seamen.

(The Bombay Chronicle, 27-12-1951).

held on 21 December
1951 h

CHAPTER 5. WORKING CONDITIONS AND
LIVING STANDARDS.

INDIA - DECEMBER 1951.

50. General.

Bombay: Bombay Industrial Statistics (Labour)
Rules, 1951: Collection of Statistics relating
to certain Matters directed.

The Government of Bombay published on 15 November 1951 the Bombay Industrial Statistics (Labour) Rules, 1951, made in exercise of the powers conferred by section 12(1) of the Industrial Statistics Act, 1942. The rules prescribe, inter alia, the method of service of notice on the employer of industrial establishment by the Statistics Authority and furnishing of returns in the prescribed forms by the employer.

By a notification dated 5 November 1951 and in exercise of the powers conferred by the Industrial Statistics Act, 1942, the Government of Bombay has directed that statistics relating to employment and unemployment, attendance, wages and other earnings and hours of work shall be collected so far as they relate to welfare of labour and conditions of labour in factories, tramways and ports in the State of Bombay.

(The Bombay Government Gazette,
Part IVA, 15 November 1951,
pages 486-499).

Mysore: Industrial Statistics (Labour) Rules, 1951.

The draft (Mysore) Industrial Statistics (Labour) Rules, 1951 (vide page 43 of the report of this Office for August 1951) have been approved and gazetted on 29 November 1951.

(The Mysore Gazette, Part IV, Section 2C,
29 November 1951, pages 283-291).

Vindhya Pradesh: Vindhya Pradesh Industrial Statistics (Labour) Rules, 1951.

In exercise of the powers conferred by section 12(1) of the Industrial Statistics Act, 1942, the Chief Commissioner, Vindhya Pradesh, has made the Vindhya Pradesh Industrial Statistics (Labour) Rules, 1951, for carrying out the purposes of the Act concerning the collection of statistics relating to some of the matters specified in the Act. The rules prescribe, inter alia, the method of service of notice on the employer of industrial establishment by the Statistics Authority and furnishing of returns in the prescribed forms by the employer.

(The Gazette of India, Part III, Section 3, 15 December 1951, pages 1214-1222).

Mysore: Draft Mysore Factories Rules, 1951.

The Government of Mysore published on 15 December 1951 the draft Mysore Factories Rules, 1951, proposed to be framed in exercise of the powers conferred by section 112 of the Factories Act, 1948. The Rules deal with, inter alia, licensing of factories, powers and duties of inspecting staff, detailed standards of cleanliness, artificial humidification, etc., safety provisions to be observed in cotton textile mills, cotton ginning factories, ~~and~~ wood working machinery, rubber mills, printing presses, tea factories, brick and tile works, welfare measures such as working shelters, creches, working hours of adults, employment of young persons, leave with wages and special safety provisions relating to dangerous operations. The draft rules will be taken into consideration after 1 April 1952.

(The Mysore Gazette, Extraordinary, 15 December 1951, pages 1-150).

52. Workers' Welfare and Recreation.

India - December 1951.

Trade Union Training Class, Bombay, 7-16
December 1951.

The second session of the Trade Union Training Class conducted by the Social Service League, Bombay, was held in Bombay from 7 to 16 December 1951. The classes were inaugurated by Dr. P.P. Pillai of this Office, who apart from the inaugural address, also gave a lecture on the I.L.O. and its work.

Dr. Pillai's inaugural address.- Inaugurating the class, Dr. Pillai congratulated the Social Service League on its organising this seminar and thus doing a great service to the trade union movement and to industry in general. After tracing the evolution of the Indian Trade Union movement, he pointed out that trade unions must expand their horizons in the same way as industry had done in recent times. Industry was now so complicated that its problems cannot be settled on a local or regional basis and called for national treatment on international standards. Moreover, the growth and complexity of industry had led to the principle of the public good assuming greater importance to the detriment of the idea of private profit. Under these circumstances, a new concept of trade unionism, which would fit in with the new social concept of industry, was needed. It should be the function of this new unionism to drive home the lesson that the purpose of all production is the public good. Worker's share in the control of industry is justified in the circumstances and the ILO principle regarding the distribution of authority and control as regards ILO matters may well be adapted to industrial management also.

Concluding he called upon trade unions to show preparedness to meet the changing situation and assume the responsibilities of the new ~~era~~ era of production. Specialisation in all fields not only in methods and techniques, but in taking higher policy decisions also, was required. For this purpose, training courses of this type were welcome. He wished the Seminar all success.

I.L.O. and Trade Unions.- In the course of his lecture on the I.L.O., Dr. Pillai described in detail its constitution and work, and its quickened interest in Asia as typified by the Asian Regional Conferences, the Asian Advisory Committee and the Technical Assistance Programme. He then discussed the impact of the I.L.O. on Indian trade unions. The I.L.O. constitution provided for equal representation of workers and employers. Further, it laid down that in

selecting labour and employer delegates to its meetings, the Government should act in agreement with the most representative organisations of labour and employers. This new dignity of choosing their representatives to attend ILO meetings acted as a powerful incentive, in the first place, for the creation of strong trade unions in countries where such organisations did not exist, and, secondly, for the further strengthening of the existing ~~organisations~~ organisations in order to be recognised as the most representative workers' organisations. A study of the Indian trade union movement would show that, under the spur provided by the ILO constitution, there was an extraordinary rise in the number of trade unions during the years immediately following the setting up of the I.L.O. Another result was that by the constant association of workers' representatives in the I.L.O. meetings there came into being in India a set of front rank labour leaders, wellversed in the international aspects of labour questions. For an economically backward country like India, where the workers are illiterate, the calibre of leadership is fairly high. Much of this might be ascribed to contacts consequent upon the setting up of the I.L.O. ~~Ex~~ Dr. Pillai then referred to the various ways in which the I.L.O. was helping trade union organisation, such as the adoption of the Rights of Association Convention and the setting up of an international authority to protect trade union rights.

Other topics on which lectures were given included the International Trade Union Movement, Conciliation and Arbitration and Adjudication, the Settlement of Disputes in India, the Organisation and Management of Nationalised Industries in the U.K. and the U.S.S.R., the Nationalisation of Industries and their problems in India, Trade Unions in Soviet Russia, Salaried Employees' and their Organisations and the Problems of Unionisation.

Uttar Pradesh Factories Welfare Officers Rules, 1949: Certain Rules held Invalid.

The Allahabad High Court (Mr. Justice Mushtaq Ahmed and Mr. Justice V. Bhargava) in its decision dated 2 August 1951 in Employers' Association of Northern India V. Secretary for Labour, Uttar Pradesh Government held, inter alia, that the word "qualifications" of welfare officers in section 29(2) of the Factories Act, 1948, means the qualifications of the officer, such as his academic qualifications, his training and other accomplishments. Rules made by a Government that a list of welfare officers shall be maintained by the Government and that only officers on such list should be appointed would amount to

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prescribing the procedure for recruitment and would not be a matter relating to qualification. Such Rules will be ultra vires. But a Rule laying down the various grades of Welfare Officers and their scales of pay will be within section 49 of the Act.

Section 49 of the Factories Act, 1948, provides that in every factory wherein 500 or more workers are ordinarily employed the occupier shall employ in the factory such number of welfare officers as may be prescribed. The State Government is empowered to prescribe the duties, qualifications and conditions of service of welfare officers. The petitioners in the writ applications on the file of the High Court contended that the Uttar Pradesh Factories Welfare Officers Rules, 1949, made under section 49 of the Act (vide page 28 of the report of this Office for July 1949) not merely prescribed the duties, qualifications and conditions of service of welfare officers but went far beyond them and consequently they were beyond the rule-making powers of the State Government. The petitioners therefore applied for a writ of mandamus restraining the Government of Uttar Pradesh from enforcing and promulgating Rules 5 to 9 of the Factories Welfare Officers Rules, 1949.

Rule 5 lays down that the Labour Commissioner shall invite applications from amongst candidates qualified under Rule 4 and shall maintain a list of approved candidates for appointment as Welfare Officers in factories. The names shall be arranged in order of merit and with due regard to the qualifications laid down in Rule 4. Rule 6 lays down that there shall be three grades of Welfare Officers, drawing different scales of pay. Rule 7 lays down the manner of appointments to the various grades by selection from the list prepared under Rule 5. Rule 8 enjoins the factories to send their requisition to the Labour Commissioner, when they require a Welfare Officer of Grade III, who shall send the first ten names of candidates available in the list and then requires the employer to select and appoint a candidate from amongst the names sent to him within one month. Rule 9 similarly governs the procedure to be adopted by an employer who requires a Welfare Officer of Grade ~~XXXXXX~~ I or Grade II and again the selection has to be made either from the names requisitioned from the Labour Commissioner in the same manner as under Rule 8 or from amongst eligible officers of the lower grades.

With regard to Rule 6 prescribing the three grades of welfare officers drawing different scales of pay, the High Court held that it was quite obvious that the prescription of these officers and their scales of pay was nothing except the conditions of service of these officers. It was obviously competent for the State Government, when prescribing the grades of officers, to make a distinction between welfare

officers employed for factories employing more workers and those employing a smaller number. The prescription of the scales of pay was also quite clearly relating to the conditions of service of the officers. This rule, therefore, clearly fell within the purview of the rule-making power of the State Government under sub-section (2) of Section 49, Factories Act, 1948, and was therefore, a valid rule. With regard to the other four Rules, viz., Rules, 5, 7, 8 and 9, the Court held that the contention of the petitioners was correct and must be accepted. It was quite obvious that none of these rules dealt with the duties, qualifications or conditions of service of Welfare Officers. They dealt with the method of selection of candidates and their appointments. The Government argued that the conditions embodied in these rules should really be considered to be qualifications of officers for appointment as Welfare Officers and it should, therefore, be held that these rules did not go beyond the scope of the rule-making power of the Government who could prescribe the qualifications of the Welfare Officers. The Court found itself unable to agree with this contention. The word 'qualifications' used in sub-section (2) of Section 49 of the Act was obviously meant to be qualifications of the officer, such as his academic qualifications, his training and his other accomplishments. The contention that the existence of his name in the list prepared by the Labour Commissioner should be treated as a qualification could not be accepted as it would give rise to an anomalous position. If this contention were accepted, it would mean that while prescribing qualifications, the Government might even go to the extent of so making the rules that the employers were left with no choice at all as to the individual to be appointed by them and had to accept the selection by some other person mentioned in the rules. The procedure ~~for~~ prescribed in these rules was really procedure for recruitment; the method of recruitment could not be considered to be a matter relating to qualifications. The High Court pointed out also that Section 112 of the Factories Act which enabled the State Government to make rules to give effect to the purposes of the Act, could not make these rules valid as the notification issuing the rules made no mention of section 112. The Court held therefore that Rules 5, 7, 8 and 9 of the Factories ~~Act~~ Welfare Officers Rules, 1949, were ultra vires of the State Government.

Chapter 6. General Rights of Workers.

66. Strikes and Lockout Rights.

India - December 1951.

Bihar: Sugar Industry declared a Public
Utility Service.

In exercise of the powers conferred by the Industrial Disputes Act, 1947, the Government of Bihar has declared the sugar industry in the State to be a public utility service for a period of six months from 1 November 1951.

(Notification No. 111-D1-80144/51-L(A)-103 dated 25 October 1951; The Bihar Gazette, Part II, 14 November 1951, page 2031).

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67. Conciliation and Arbitration.

India - December 1951.

Industrial Disputes (Amendment) Ordinance, 1951
(No. IX of 1951) promulgated: Scope of the
Industrial Disputes Act, 1947, widened.

The President promulgated on 5 December 1951 an Ordinance further to amend the Industrial Disputes Act, 1947. The Ordinance which comes into force at once gives power to the appropriate Government to include within the scope of a general adjudication even units in which no disputes might actually exist. The Ordinance makes a number of amendments to section 10 of the Industrial Disputes Act, 1947.

Section 10 of the old Industrial Disputes Act contemplated adjudication "if any industrial dispute exists, or is apprehended". After amendment, however, adjudication will be legally correct "where the appropriate Government is of opinion that any industrial dispute exists or is apprehended". The "apprehension" of a dispute would thus be a matter of opinion of the Government concerned, irrespective of whether such apprehension was entertained or not by either of the principal parties, the employer and the employees, of the industrial unit.

While Section 10 ~~of~~ gave power to the Government to refer an "industrial dispute" to a tribunal for adjudication, under the amended Act "any matter appearing to be connected with, or relevant to, the dispute" - in the opinion of the Government - can also be referred for adjudication.

The Ordinance makes a new provision in the Act, under which, where a dispute has been referred to a tribunal, and the Government is of the opinion that another establishment in the same industry is likely to be affected by the dispute, it may, "at the time of making the reference or at any time thereafter, but before the submission of the award", include in that reference the establishment, whether or not a dispute exists in it or is apprehended.

(The Gazette of India, Extraordinary,
Part II, Section 1, dated 5 December,
1951, pages 529-530 ;
The Hindustan Times, 8-12-1951).

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Chapter 7. Problems Peculiar to Certain Categories of
Workers.

74. Indigenous Labour.

India - December 1951.

Ajmer: Criminal Tribes Act, 1924, replaced.

The Madras Habitual Offenders Act has been extended by the Government of India to the State of Ajmer with certain minor modifications. The Act will replace the Criminal Tribes Act now in force there.

There are about 1,000 members of the Criminal Tribes in Ajmer of whom about 500 are registered.

(The Hinduatn Times, 27-12-1951).

Delhi: Criminal Tribes Act replaced.

In pursuance of its decision to repeal the Criminal Tribes Act, 1924, in its application to the State of Delhi (vide page 49 of the report of this Office for November 1951) and to replace it by a measure applicable to all habitual offenders without any distinction of caste, creed, birth, etc., the Government of India has extended the Madras Restriction of Habitual Offenders Act, 1948 (Madras Act VI of 1948) with certain modifications to the State of Delhi.

(The Statesman, 15-12-1951).

(Notification No. SRO 2017 dated 11 December 1951; The Gazette of India, Part II - section 3, 22 December 1951, pp. 2150-2155).

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - DECEMBER 1951.

81. Employment Situation.

Employment Exchanges: Working during
October 1951.

According to the Report on the work done by the Directorate of Employment Exchanges for October 1951, the month of October was a holiday month for employers and employment-seekers. Registrations fell by about 27,000, the Live Register of unemployed persons by nearly 23,000, vacancies notified by over 4,300 and placings by nearly 5,800. The employment situation could not be said to have deteriorated since the fall in statistics was proportionate to the reduction in the number of working days. Recession was more or less general throughout the country.

Shortage of stenographers, typists, trained teachers, lady welfare officers, diesel engine mechanics, surveyors, estimators, boiler attendants, heavy vehicle drivers, accountants, upholsterers and farm managers were widely reported. Midwives, tailors, lawyers and chemists were surplus in a few places. The persistent surplus of applicants for 'white-collared' jobs and for unskilled jobs in Government offices remained unchanged.

Registrations and placings.- The total number of registrations for employment and the total number ~~placed~~ placed during the month are shown below:-

	October 1951	September 1951
Total number of registration.	88,616	115,491
Total number of placings.....	28,494	34,271

Of those registered 6,553 were displaced persons, 7,189 were ex-service personnel and 2,485 discharged Government employees.

There was a fall of 26,875 as compared with September 1951. All the regions except Bombay recorded a decrease. Fall in registrations was marked in Uttar Pradesh (6,910), West Bengal (5,623), Punjab (3,159), Delhi, Ajmer and Rajasthan (2,654), Bihar (2,558), Madras (2,995), ~~Orissa~~ Madhya Pradesh (1,581), Hyderabad (1,214), and Assam (975). On the other hand, an increase of 354 in registrations was recorded in the Bombay region.

Of those placed 1,281 were displaced persons, 2,272 were ex-service personnel and 955 discharged Government employees. 15,659 were placed with private employers and 12,835 in Central and State Government establishments.

Placings during the month showed a fall of 5,777 as compared with the previous month. With the exception of Bombay and Orissa all regions recorded a fall in placings. The fall was comparatively large in Uttar Pradesh (1,758), West Bengal (1,461), Madras (1,159), Bihar (386), Punjab (351) and Delhi, Ajmer and Rajasthan (327). On the other hand, Bombay and Orissa regions showed a small rise of 37 and 46 respectively. The large number of holidays during October due to Dussera and Diwali have been stated by most of the Exchanges as the reason for the fall in placings.

Placings by wage groups.- Of the total number of placings effected, 576 were in posts carrying a basic pay of 101 rupees per month and above; 3,238 in posts carrying a pay of 61 rupees and above but less than 101 rupees per month; 21,303 in posts carrying a pay of 30 rupees and above but less than 61 rupees per month; and 3,377 in posts carrying a pay less than 30 rupees per mensem.

Vacancies notified and submissions.- The number of vacancies notified by employers during October 1951 was 35,177 as compared with 39,527 during September, that is, a fall of 4,350. Of the vacancies notified, 16,709 were by Central and State Government establishments and 18,468 by private employers. There was a decrease of 4,303 and 47 respectively in the Government and private sectors as compared to the previous month. The fall in notified vacancies was marked in the regions of West Bengal (1,583), Madras (1,154), Uttar Pradesh (706), Madhya Pradesh (363), Hyderabad (311), Punjab (244) and Orissa (228). On the other hand there was an increase in the regions of Delhi, Ajmer and Rajasthan (259), Assam (38) and Bombay (36). The number of persons submitted to employers during October was 73,560 as compared with 84,983 during the previous month.

Employment of highly qualified persons.- 522 applicants of Appointment's Branch Standard (persons possessing high technical, scientific or professional qualifications and supervisory or administrative experience) were registered and 78 placed during the month under review against the figures of 728 and 114 respectively during September.

The Employment Exchanges, Amritsar, Jullundur, Ferozepore, Gurdaspur, Ambala and Delhi each placed a candidate as a Claim Officer under the Ministry of Rehabilitation on a salary of 500 rupees ~~per month~~ a month. The last named Exchange registered 107 and

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placed 23 applicants of the Appointment's Branch Standard in employment. Calcutta registered 77 applicants of ~~Appointment's~~ Appointment's Branch Standard and placed 14 in employment, one of whom was placed as an Assistant Foreman in an industrial concern on a salary of ~~Rsx~~ 453 rupees a month, while another was placed in a post carrying a salary of 400 rupees ~~per month~~ a month. Bombay registered 56 such applicants and placed 12 in employment one of whom was placed as a Tailoring Supervisor on a salary of 360 rupees a month.

Employment assistance to women.- 2,906 women applicants were registered and 1,460 placed in employment by the Exchanges during October 1951, as compared to 3,823 and 1,827 respectively during last month.

The lack of mobility on the part of women applicants was again reported to be one of the factors which continued to militate against higher placings of women applicants. Cooks, domestics, ayahs, trained nurses and teachers were generally reported to be in short supply, while clerks, dry sweepers etc. were reported to be surplus.

Assistance to scheduled caste candidates.- The number of Scheduled Caste applicants registered by the Employment Exchanges during October was 9,789 as against 12,703 in September 1951. 3,953 such applicants were placed in employment during the month under report. Among those ~~placed~~ placed 1,222 were placed in Central Government vacancies, 485 in State Government vacancies and 2,246 in other vacancies. The number of Scheduled Caste applicants ~~was~~ submitted to employers during the month was 7,687. 195 vacancies meant specifically for Scheduled Caste applicants were notified to Employment Exchanges during October. At the end of the month, 27,853 Scheduled Caste applicants remained on the Live Registers of Exchanges of whom 1,106 were women.

Vacancy and labour clearing.- During the month under report the Vacancy Clearing Machinery was utilised to fill 552 vacancies by applicants from other Exchange areas as against 825 vacancies filled in this manner during September 1951.

Mobile exchange work.- Mobile registrations during the month under review were 6,165 against 5,646 registrations effected in September 1951. Mobile Section placings, however, further declined to 4,481 from the figure of 5,164 relating to September 1951. Restricted allowances for petrol and Travelling Allowance already mentioned in the previous reports plus the smaller number of working days in October were responsible for the reduced placing figures.

The Live Register.— The number of persons seeking employment assistance on the last day of October was 331,192 which was 22,944 less than the figure for September. Of these 38,735 were displaced persons, 34,557 ex-Service personnel and 11,430 discharged Government employees. Among discharged Government employees 8,248 were Central Government and 3,182 State Government employees.

Re-employment of surplus and retrenched Central and State Government employees.— During the month 27 Secondary Employment Index Cards in respect of surplus/retrenched Central Government Gazetted and Commissioned Officers were received at the Central Employment Co-ordination Office from various Employment Exchanges for inclusion in the Special Register. The total number of applicants on the Special Register on the last day of October 1951, was 223, including 125 ex-Commissioned Officers of the Defence Services. Of the total 137 were Class I Officers and the remaining 86 Class II Officers. 44 vacancies, recruitment to which is normally required to be made through or in consultation with the U.P.S.C. were notified by the various Ministries during the month. Most of these related to Electrical and Mechanical Engineers, Lecturers, Statistical Officers, Chemists and other Scientific workers, categories which are in short supply. 26 submissions were ^{made} against notified vacancies while non-availability certificates were issued in respect of 29 vacancies.

During the month, 2,485 discharged Government employees were registered for employment assistance. Of these, 1,905 had been discharged from Central Government establishments and 580 from State Government Offices. The number of discharged Government employees registered in September was 3,210. 955 discharged Government employees were placed in employment against the figure of 1,190 relating to the month of September. Of these placed in October, 746 were ex-Central Government employees and 209 ex-State Government employees.

(Report on the Work of the Directorate of Employment Exchanges during the Month of October 1951, issued by the Ministry of Labour, Government of India).

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82. Vocation^{al} Guidance.

India - December 1951.

Progress of Technical Training Scheme:
Labour Minister's Statement in Parliament.

On 5 October 1951, Mr. Jagjivan Ram, Minister for Labour, replying to a question in Parliament stated that there were 63 Industrial Training Institutes/Centres functioning under the Ministry of Labour in Part A, B and C States. The total number of seats sanctioned in these Institutes/Centres as on 31 August 1951, was 11,825; 500 of these seats were reserved for ex-Servicemen, about 2,300 seats for displaced persons and 12 1/2 per cent of the seats for Scheduled Caste candidates.

Training in these Institutes was being imparted in engineering and building trades as well as in cottage industries. The total number of persons who had been trained since 15 August 1947, up to the end of August 1951, was 30,630. On 31 August 1951, 9,664 persons were undergoing training. All trainees under the training scheme for displaced persons and 50 per cent of the other trainees were being given a stipend of 25 rupees per head per month during the period of training.

Centres in U.P. and West Bengal.- Mr. Jagjivan Ram stated that the total number of Centres for apprenticeship training in Uttar Pradesh and West Bengal was 140. The industrial establishments where this apprenticeship training was provided were located at Allahabad, Banaras, Kanpur, Fatehgarh, Meerut, ~~Ghaziabad~~ Ghaziabad, Saharanpur, Lucknow, Bareilly, Rampur and Agra in U.P. and at Calcutta, Howrah, Kharda, Kasla, Ariadaha, Chakdaha, Sodepur, Hooghly, Panihati, and Belghoria in West Bengal.

Distribution of seats.- Mr. Jagjivan Ram said that there was no fixed distribution of seats, among industrial establishments, but trainees were posted to different establishments in accordance with the training facilities available there in the trades in which training was proposed to be given. As many as 500 seats had been sanctioned for the apprenticeship training of displaced persons in each of the States of Uttar Pradesh and West Bengal.

Training was being imparted in production work in a number of engineering and other trades. The total number of apprentices trained since 15 August 1947 was 4,851.

(Employment News, November 1951, Issued by the Director-General of Resettlement and Employment, Ministry of Labour).

85. Migration and Colonisation.

India - December 1951.

Indian Labour in Ceylon: ILO to investigate
Workers' complaint regarding Discrimination
by Government.

Reference was made at pages 54-55 of the Report of this Office for November 1951 to the submission of a memorandum to the Governing Body of the ILO by Mr. Rajalingam, President of the Ceylon Indian Congress, alleging discrimination by the Ceylon Government against workers of Indian origin most of whom are employed in the tea and rubber plantations.

It is understood that following Mr. Rajalingam's representation the ILO has instructed Mr. John I. Saaks, its manpower expert, to make preliminary inquiries with regard to the conditions of Indian migrant workers in Ceylon.

Mr. Saaks, who is already at Ceylon to conduct a survey of manpower and surplus labour problems will make preliminary inquiries into the working conditions of Indian migrant workers, in consultation with the Ceylon Government, the Indian High Commission^{er} and Mr. Rajalingam.

(The Hindu, 5-12-1951).

Separate Electoral Rolls for Muslims and
Non-Muslim Asians in East Africa: Bill
passed by Kenya Legislative Council.

On 20 December 1951 the Kenya Legislative Council ~~today~~ passed a Government Bill providing for separate electoral rolls for Muslims and Non-Muslim Asians despite strong opposition from Hindu, African and Arab members. The Bill also makes provision for reserving two seats on the Legislative Council for Muslims.

Hindu non-official members of the Council said the separation was being made on religious grounds which was wrong in principles and likely to do a serious disservice to the Asian community. The separation could cause a racial disagreement in the country, they said.

African councillors based their opposition on the grounds that differentiation on a religious basis established a precedent which might lead to a similar division in African representation.

Government spokesman denied that it was a deliberate intention to split the Indian community and contended that its Bill only faced facts as they were. In any event separate electoral rolls were only a temporary measure, a Government spokesman said, because the whole question ~~of~~ of Kenya's future constitution would be considered by a local commission to be established next year.

This was the outcome of the agreement reached recently with the last Colonial Secretary, Mr. Griffiths.

Outside the Legislature, the East African Indian National Congress and the leading African political organisation, Kenya African Union, have jointly but unsuccessfully urged the Secretary of State for the Colonies to intervene.

(The Statesman, 22-12-1951).

CHAPTER 9. INCOME SECURITY.

INDIA - DECEMBER 1951.

92. Legislation.

Employees' State Insurance Act, 1948:
Draft Notification fixing Employers'
Special Contribution under the Act.

For the purpose of implementing the scheme under the Employees' State Insurance Act, 1948, the Central Government published on 24 November 1951 the draft of a notification fixing the percentage of the total wage bill of the employer which shall constitute the employers' special contribution under the Act. The notification prescribes that in the case of factories and establishments situate in any area in which the provisions of both chapters IV and V of the Employees' State Insurance Act are in force, the employers' special contribution would be one and a quarter per cent of the total wage bill, while in the case of factories and establishments situate in any other area, the employers' special contribution would be three-fourth per cent of the total wage bill. (Chapters IV and V of the Act deal respectively with contribution and benefits),

(Notification No. SRO.1831 dated 24 November, 1951; the Gazette of India, Part II, Section 3, 24 November 1951, page 2033).

Employees' State Insurance Act, 1948:
Certain Provisions extended to all
Part B States except the State of
Jammu and Kashmir.

In exercise of the powers conferred by the Employees' State Insurance Act, 1948, and by a notification dated 24 November 1951, the Central Government has extended with effect from 24 November 1951 the provisions of Chapters I, II, III, VII and VIII and sections 44 and 45 of Chapter IV of the Employees' State Insurance Act, 1948, to all part B States except the State of Jammu and Kashmir, and has appointed the 24th November 1951 as the date on which the provisions of Chapter V-A of the Act shall come into force in the whole of India except the State of Jammu and Kashmir. (Chapter V-A of the Act provides for the collection of employers' special contribution).

(Notification No. SRO.1832, dated 24 November, 1951; the Gazette of India, Part II, Section 3, 24 November 1951, page 2033).

Uttar Pradesh: Uttar Pradesh Employees' State Insurance (Medical Benefit) Rules, 1951.

The draft Uttar Pradesh Employees' State Insurance (Medical Benefit) Rules (vide pages 57-58 of the report of this Office for April 1950) have been approved and gazetted on 17 November 1951. The rules prescribe the procedure relating, inter alia, to grant of medical facilities, mobile dispensaries and separate hospitals or beds, allotment of insured persons, obtaining medical benefit and scale of medical benefit and conditions of service of full-time insurance medical officers.

(Government Gazette of the Uttar Pradesh Part I-A, 17 November 1951, pages 711-714).

Madhya Bharat: Bombay Maternity Benefit Act, 1929, applied to the State.

The Bombay Maternity Benefit Act, 1929, as adopted by the Madhya Bharat State Government came into force in the State from 24 November 1951.

The Act provides for the payment of maternity benefit to the women employed in factories. All disputes arising out of the claims to the benefit will be settled by the inspector of factories.

(National Herald, 29 November 1951).

Burma: The Workmen's Compensation (Amendment) Act, 1951 (No. LII of 1951): Measure to extend the scope of the Act and to increase the Scale of Benefits.

The Workmen's Compensation (Amendment) Bill, 1951 (vide pages 76-78 of the report of this Office for October 1951) as passed by Parliament received the assent of the Provisional President of the Union of Burma on 27 October 1951 and has been gazetted as Act No. LII of 1951. The main object of the enactment is to provide social security in a greater measure for a large number of workers than have hitherto been covered by the Workmen's Compensation Act, 1923, by extending ~~the~~ the scope of the Act, with certain exceptions, to cover all workmen and also by increasing the scale of benefits admissible under the Act. The list of occupational diseases has also been enlarged. (A detailed summary of the provisions of the bill was given at pages 76-78 of the report of this Office for October 1951. A typed copy of the Act has been sent to Geneva under this Office Minute No. D.1/ 24 /52 dated 4 January December 1952).

(The Burma Gazette, Part I, 10 November 1951, pages 829-833).

94. Application.

India - December 1951.

U.P. Working of the Workmen's Compensation
Act during 1949.1

The annual report on the Working of the Workmen's Compensation Act in Uttar Pradesh is based on information received from District Magistrates who act as Commissioners under the Act within their jurisdiction. During 1949 the States of Tehri-Garhwal, Rampur and Banaras were integrated with Uttar Pradesh. The Commissioners did not report any special difficulty in the administration of the Act in different districts of the State. In spite of definite standing directives of the Government on submission of annual returns, ~~in many~~ most of the Commissioners failed to send the return in time.

Total number of accidents.- The total number of accidents during the year under review, as reported under the Factories Act, 1948, was 6,782 as compared to 6,326 in 1948. This shows an increase of 456 accidents in 1949 over the figures of the preceding year. During this period, the average daily number of workers employed in all the factories registered under the Factories Act decreased from 242,083 in 1948 to 233,837 in 1949, though the number of factories increased by 309, i.e., from 1,040 to 1,349. Thus there was a drop in the average number of workers per factory from 233 to 173. This reduction in the average number of workers per factory can be attributed to the fact that a large number of small establishments were set up.

The main reasons for the large increase in the accident rate were due to: employment of raw hands; illiteracy and general lack of knowledge among the workers of the basic principles of prevention of accidents; increase in the number of small-scale factories lacking in adoption of safety devices and efficient supervision; and lack of accident consciousness among the employers and employees in the smaller factories. Another factor contributing to the higher rate of accident was prompt reporting of accidents by

1. Annual Report on the Working of the Workmen's Compensation Act, VIII of 1923 for the year 1949. Superintendent, Printing and Stationery, Allahabad, 1951: pp.15.

Factory Inspectors and strict vigilance by the department⁷.

The majority of the accidents, nearly 71 per cent occurred in the wage categories ranging from 30 rupees to 80 rupees, the highest frequency being in the wage category 50-60 rupees, while the wage group 35-40 rupees recorded the highest number in the previous year. It appears that there is no relation between accidents and the earnings of workers. The wage category was not reported in 6(24)² cases. There was only one case of accident relating to women and it was of permanent disablement.

Cases disposed of by Commissioners.- The year opened with 94(106) cases of workmen's compensation pending before the Commissioners. Two hundred and forty-seven (178) fresh applications were filed, 46(56) were received from other Commissioners for disposal, thus making a total of 387(340) cases to be disposed of by the Commissioners under the Act. No application was filed during the year under review for commutation (under section 7), recovery of compensation (under section 31), or review (under section 6), of these cases, 238(238) were disposed of and 16(5) were transferred to other Commissioners for disposal, leaving a balance of 133(94) cases to be disposed of at the end of the year. Out of 238 cases disposed of by the Compensation Commissioners, 58(57) were in respect of awards under section 10 and 180(181) of deposits under section 8 of the Act. Out of the 58(57) cases of awards under section 10, 19(16) were disposed of without notice to the other party, out of which 11(12) were withdrawn, 5(4) were dismissed for non-appearance and 3 (nil) were summarily dismissed under rule 21. Out of the remaining 39(41) cases disposed of after notice to the other party, 28(26) cases were contested and 11(15) were uncontested. Out of the contested cases compensation was allowed in full in 11(12) cases, in part in 4(7) and the remaining 13(7) were dismissed. All the uncontested cases were admitted by the opposite party and in no case was an award made ex parte. Out of the total of 180(181) cases of deposits disposed of under section 8 of the Act disbursement to workmen or their dependents was made in 173(169) cases. In 7(12) cases the amount of compensation had to be refunded to the employers for want of genuine claimants.

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1. Total number of workers employed in Railway Running Sheds are not included in the total number of workers in the factories, as the figures could not be used owing to their de-registration under the Factories Act, 1948.
 2. Figures within brackets relate to the preceding year.

Of 58(57) cases of award 12(2) were fatal, ~~42(34)~~ 42(34) of permanent disablement and 4(2) of temporary disablement. Of 180(181) cases of deposits - 130(123) related to fatal accidents, 10(6) to disablement of women and persons under legal disability and 40(52) to permanent and temporary disablement.

Twenty-four memoranda of agreements relating to permanent disablement were pending at the commencement of the year as against 20 for permanent and 1 for temporary disablement in the preceding year. One hundred and forty-five (175) memoranda for permanent disablement and 11(11) for temporary disablement were received during the year, thus making a total of 169(195) and 11(12), respectively, for disposal. Of these 144(169) agreements for permanent and 9(12) for temporary disablement were registered as filed and 3(nil) ~~xxx~~ agreements in respect of permanent disablement were registered after modification. One hundred and fifty-six (183) memoranda of agreements were registered during the year under report. A balance of 22(24) for permanent and 2(nil) for temporary disablement was, therefore, pending at the conclusion of the year.

Amount of compensation paid.- During the year under review 237,460 rupees (174,289 rupees), 51,116 rupees (38,625 rupees) and 1,654 rupees (2,700 rupees) were paid as compensation in 131(134) cases resulting in death, 58(59) of permanent disablement, and 10(10) of temporary disablement, respectively, after reference to Workmen's Compensation Commissioners. Of 131(134) fatal cases, 56(44) cases related to miscellaneous groups, 31(39) to railway workshops, 2(8) to electric works and 42(43) to other factories. The average amount of compensation paid per case was 1,813 rupees (1,301 rupees) in fatal cases, 881 rupees (655 rupees) in cases of permanent disablement and 165 rupees (270 rupees) in cases of temporary disablement.

Besides 199(203) cases disposed of by Workmen's Compensation Commissioners, 2,769 (2,809) cases, consisting of 314(214) cases of permanent disablement and 2,455(2,595) cases of temporary disablement, in which compensation amounting to 99,411 rupees (89,597 rupees) and 36,372 rupees (28,608 rupees) respectively was paid directly by the employers without reference to the Workmen's Compensation Commissioners. The average amount of compensation paid per case was 317 rupees (419 rupees) in case of permanent disablement and 15 rupees (11 rupees) in case of temporary disablement. The table below shows the amount of compensation per case for the same category of accident paid directly by the employers and the amount paid after reference to the Commissioners.

Type of case	Cases in which compensation was paid directly by the employers.						Cases in which compensation was paid after reference to the Workmen's Compensation Commissioners.					
	Number of cases		Amount of compensation paid		Amount per case		Number of cases		Amount of compensation paid		Amount per case	
			Rs. a. p.		Rs. a. p.				Rs. a. p.		Rs. a. p.	
Death.....	-	-	-	-	-	-	131 (134)	237,460	7 11	1,812	10 10	10 8
Permanent Disablement.(214)	314 (214)	99,410	15 7	316	9 6	(418 10 10)	58 (59)	51,116	2 9	881	5 0	5 0
Temporary Disablement.(2595)	2455 (2595)	36,372	0 0	14	13 1	(11 0 5)	10 (10)	1,654	6 0	165	7 0	0 5

Out of 2,455(2,595) cases of temporary disablement and 314(214) cases of permanent disablement disposed of directly by the employers, 1,255(1,334) and 263(201) cases, respectively, related to factories 1,160(1,186) and 12(9) to railway workshops, 3(47) and 30(2) to electric works and 37(28) and 9(2) to miscellaneous groups, respectively.

It would be seen from the table that the majority of permanent and temporary disablement cases are directly settled by employers and only a few of these cases are referred to Workmen's Compensation Commissioners.

Occupational diseases.— One case of lead poisoning under temporary disablement was reported during the year under review, and compensation amounting to 100 rupees was paid. The report says that this single case, however, is no index of the actual state of affairs in the factories. Presumably a number of cases remained unnoticed and unreported or both. It adds that at present there are no suitable agencies for reporting occupational diseases. The operation of the Employees' State Insurance Act should go a long way in finding out the incidence of occupational diseases. The study of the environmental conditions of work, affecting the persons employed in industries is outside the purview of medical officers employed at present in the factories. They have hardly any time for work other than the running of the dispensary. This can be remedied only by the appointment of Medical Inspectorate for Factories.

Appeals against decisions of Commissioners.— There ~~WERE~~ were three appeals pending before the High Court of Judicature at the commencement of the year and one was filed during the year under review. Of these four, one was allowed and one was dismissed. Only two appeals

remained pending at the close of the year. No appeal was filed in the Lucknow Branch of this Court during ~~the~~ 1949 nor was any pending from the year 1948.

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CHAPTER 10. SOCIAL AND INDUSTRIAL MEDICINE.

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INDIA - DECEMBER 1951.

105. Industrial Medicine.

Third All-India Conference of Industrial
Medicine, Bombay, 13-15 December, 1951.

The third All-India Conference of ~~the~~ Industrial Medicine was held at Bombay from 13 to 15 December 1951. Dr Gilder, Health Minister, Government of Bombay, inaugurated the conference. Col. J. R. Kochhar, President of the Society for the Study of Industrial Medicine, under the auspices of which the conference was held, presided. Over 100 delegates attended the conference.

Inaugural address. - Dr Gilder, in his inaugural address emphasised the need for closer understanding of the conditions of work and the environmental stresses to which a worker was exposed. He said that industrial medicine could go a long way towards raising the standard of happiness among workers. But the scope of industrial medicine should not be restricted to factories only. Its horizon should be extended to include small establishments and shops.

Col. J. R. Kochhar in his presidential address stressed that the maintenance of health of the industrial population was the deciding factor in improving the standard of happiness among workers.

Papers on the different aspects of industrial medicine such as "absenteeism", "nutrition and blood level in factory workers", "From the Diary of ~~the~~ an industrial physician" and "Relations of a doctor in Indian industry", were read by various experts.

(The Statesman, 14-12-1951;
The Times of India, 17-12-1951).

Meeting of Scientific Advisory Board and
Advisory Committees of Indian Council of
Medical Research, Secunderabad, 4 December
1951: Health Councils for labour recommended.

The Scientific Advisory Board and Advisory Committees of the Indian Council of Medical Research which concluded their sittings at Secunderabad on 4 December 1951 recommended to the Council the establishment of an Industrial Health Council in the major States to study the problem of industrial workers in all its aspects.

The Board also recommended that in areas where large-scale industries were located, an industrial health organisation should be developed as an integral part of the State's health administration. On the basis of the exposition of the need for family planning by Dr Stone, consultant in family planning to the World Health Organisation, the Board recommended the establishment of a committee to promote research in medical aspects of human reproduction and help to co-ordinate the work of organisations engaged in such research.

Various measures necessary for the control of cholera, leprosy, filariasis, plague, malaria, rabies etc., were also discussed by the Board. The progress of various researches conducted in the preceding year in universities, medical colleges and other specialised institutes were reviewed and the Board recommended grants in aid to the value of 1.5 million rupees for research.

(The Hindu, 7-12-1951).

CHAPTER 12. INDUSTRIAL COMMITTEES.

INDIA - DECEMBER 1951.

121. Special Information.

Working Conditions in the Chemical Industry
in India during 1950.

The Labour Bureau of the Government of India issued a questionnaire late in 1950 relating to working conditions in the chemical industry to 41 chemical concerns. Of these 24 concerns employing 10,000 workers sent replies. An article based on the replies received has been published in the Indian Labour Gazette, Vol. IX, No. 4, October 1951.

Employment.- Statistics of the number of factories and employment in the chemical industry in the States where the Factories Act applies is given below:-

	1947		1948		1949	
	No. of factories	Average daily number of workers employed	No. of factories	Average daily number of workers employed	No. of factories	Average daily number of workers employed
Bihar.....	10	1,845	12	1,783	9	1,021
Bombay.....	18	2,004	21	2,200	35	4,169
Delhi.....	7	505	7	792	5	730
Madhya Pradesh...	2	22	2	62	3	94
Madras.....	8	1,860	9	2,041	19	2,139
Punjab.....	N.A.	N.A.	5	534	7	542
U.P.	11	1,359	13	1,466	16	1,187
West Bengal.....	35	8,179	34	7,674	42	8,182
Total...	91	15,774	103	16,552	136	18,064

N.A.- Not available.

Employment statistics relating to factories in areas formerly known as India, States is given below:-

	1946		1947	
	No. of factories	Average number of workers employed.	No. of factories	Average number of workers employed.
Baroda.....	7	3,252	9	3,649
Bombay States.....	3	88	1	20
Central India States.	1	20	1	N.A.
Hyderabad.....	2	496	2	500
Kashmir.....	2	145	-	-
Madras States.....	1	1,474	2	985
Mysore.....	3	413	5	659
Punjab States.....	1	150	3	483
Rajputana States...	-	-	2	362
Western India States.	1	1,545	7	1,770
Total.....	21	7,583	32	8,428

N.A. = Not available.

The Statistics in both these tables show that in India there are about 150 chemical factories, employing about 25,000 workers.

The average daily employment in July 1949 and July 1950 in the 24 chemical factories which replied the questionnaire is shown in the following table:-

State	No. of units	Employment in July 1949			Employment in July 1950		
		Men	Women	Total	Men	Women	Total
Bihar.....	1	256	-	256	152	-	152
Bombay.....	6	655	45	700	788	47	835
Hyderabad.....	2	301	68	396*	348	60	426*
Madhya Pradesh....	1	12	-	12	8	-	8
Madras.....	1	820	5	825	759	18	772
Mysore.....	1	120	51	171	115	49	164
Saurashtra.....	1	1,369	558	1,927	1,844	677	2,521
West Bengal.....	11	4,679	39	4,718	4,667	22	4,689
Total....	24	8,212	766	9,005*	8,681	868	9,567*

* In one of the Hyderabad concerns, 27 and 18 children were employed in July 1949 and July 1950 respectively.

The table reveals that employment in 1950 has increased slightly by 6.2 per cent. This is due to greater employment in concerns in Bombay, Hyderabad, and Saurashtra. Children were employed only in one factory.

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Twenty one out of the 24 units gave the proportions of permanent to temporary workers. These 21 units employed 6,854 persons in July 1949 and 6,759 in July 1950. Of these 6,039 and 5,499 respectively were permanent.

Recruitment.- Of the 24 units which answered the questionnaire, only 6 (one each in Bombay, Hyderabad, Madras and Saurashtra and two in West Bengal) engaged some workers through contractors. The total number of these workers was 652 in July 1949 and 509 in July 1950. Compared to the labour directly employed, contract labour was not appreciable and formed only 7.3 per cent in July 1949 and 5.3 per cent in July 1950 of the directly employed labour. Contract labour was usually engaged in work of casual nature such as transport of raw materials and of finished products, loading and unloading, quarry work, labelling and packing, etc. There was hardly any control of the factory management over the conditions of work, payment of wages, etc., of contract labour.

Unskilled workers are recruited direct from neighbouring villages or through the workers already employed. Skilled workers are recruited through employment exchanges or by inviting applications through advertisements. Generally the Works Manager is in charge of recruitment, though in some concerns the Labour Officer is entrusted with the job. In a Hyderabad concern, skilled labour is recruited by a Committee of Technicians selected for the purpose. Separate selection committees for recruitment of skilled and unskilled workers have been set up in two West Bengal factories.

Training and apprenticeship.- There is no regular apprenticeship system, though in a few concerns e.g., Tata Chemicals Ltd., Mithapur, apprentices are taken for training.

Absenteeism.- Statistics relating to absenteeism were provided by a number of concerns. But, it is difficult to draw any conclusions from them, mainly because of the wide variations therein. Reasons given for absenteeism include seasonal migration for agricultural operations, religious functions, domestic work and ill-health.

Hours of work and shifts.- The nature of the industry necessitates the working of continuous process shifts (usually three of 8 hours each) and hence a majority of concerns work three or more than three shifts. Of the 24 units, 2 worked 6 shifts each (3 continuous process and 3 general), 10 had 4 shifts each (3 continuous and one general), 3 had 3 shifts each and the remaining 9 had a single shift each.

In a continuous process shift, no rest interval is normally allowed, though in a few units, 15 minutes or half an hour's rest was granted after four hours of work. In case of general shifts, the rest interval varied from half an hour to 2 hours. In a system of continuous process shifts, changeover of shifts is usually effected weekly.

No general night shifts are worked in this industry. Some of the workers in continuous process shifts, however, have to work during night hours. Except in one West Bengal concern, no special allowance is granted to such workers. The West Bengal concern pays a minimum allowance of 9 rupees per month for workers working during night hours.

Holidays and leave.— In regard to weekly holidays and other holidays with pay, the relevant provisions of the Factories Act, 1948 apply to the industry. A few units grant in addition some more festival holidays, casual leave and sick leave.

Wages and earnings.— Some of the factories pay a consolidated wage (i.e., basic wage plus dearness allowance) and hence it is not possible to state the basic wage rates in case of these factories. From the information available in respect of other factories, it is found that the basic minimum wage of the least skilled worker in the chemical industry ranges from 27 rupees to 35 rupees per month in West Bengal and from 22 rupees to 32 rupees and 8 annas per month in Bombay State. The rates in units in other States are: 30 rupees per month in Madhya Pradesh, 34 rupees and 8 annas per month in Madras, 6 annas per day in Mysore and 1 rupee and 2 annas per day in Saurashtra.

As regards dearness allowance, of the 24 units, four reported that they were not paying any dearness allowance; all these four concerns were small in size. Twelve of the remaining 20 concerns were paying the allowance at a flat rate; five of these had one uniform flat rate varying from 16 rupees to 40 rupees per month. Seven concerns had different flat rates, either according to wage-groups or according to different classes of workers. Only in two units dearness allowance was linked to the cost of living index and for this purpose a sliding scale of index numbers and rates of dearness allowance was used. In three concerns dearness allowance was calculated at a certain percentage of wages of the workers, while in the remaining three concerns, combination of two methods (flat rate plus percentage of wages) were used. There are wide differences in the amount of dearness allowance paid by units not only in different centres but even in the same centre. The lowest allowance paid was 10 rupees per month in one unit in West Bengal and the highest was 57 rupees and 3 annas in a unit in Bombay.

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Besides wages and dearness allowance 12 concerns paid as bonus to their employees, wages for a certain period, varying from half a month to three months.

Housing.- Fifteen out of the 24 units reported that they had provided housing facilities for their workers. In six of these units, however, facilities were provided only to the supervisory staff. Generally, chemical concerns in rural areas make provision for housing their workers.

Welfare.- Provision for medical facilities in the chemical industry appears to be of a comparatively higher standard than in some other Indian industries. Three of the concerns had provided both hospital and dispensary facilities.

As regards educational facilities chemical concerns which are in rural areas and which set up housing colonies ~~and~~ for their workers, provide educational facilities for their workers' children.

Of the 24 ~~concerns~~ concerns, which furnished replies, 19 had canteens; 5 concerns had provided cheap grain facilities and 7 concerns had maintained co-operative credit societies. Most of the canteens were run by contractors. The monthly value of grain concessions where given was between 5 rupees and 10 rupees. Thirteen concerns had made provision for recreational facilities, usually consisting of indoor and outdoor games, radio sets, films, reading rooms, libraries, etc.

Provision for the future of workers.- As many as 16 out of the 24 concerns had provident funds for their workers. The eligibility for membership, rate of interest, conditions for payment of employers' contribution, etc., were, however, not uniform. The usual rate of contribution was either 6 1/4 per cent or 8 1/3 per cent though in a few cases it was higher. The employer usually contributed an amount equal to the member's contribution and the total amount was credited to the member's account. The member was entitled to claim the amount of the employer's contribution only after a specified period of continuous and approved service.

Gratuities were paid only by 5 concerns, the usual rate being one month's wages for each completed year of approved service. Pensions were not paid by any concern.

Industrial relations.- Works Committees have been formed in 14 out of the 24 concerns. It was reported that most of these committees freely discussed matters of dispute between employers and workers and were functioning successfully. A few concerns, however, were of the view that these committees were a failure, mainly because of the lack of co-operation on the part of workers' representatives. Three of the concerns stated that though they had not set up any works committee, points of dispute were looked into by the technical staff. Production committees were set up only in three concerns.

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LIST OF THE PRINCIPAL LAWS PROMULGATED DUEING
THE PERIOD COVERED BY THE REPORT FOR DECEMBER
1951.

INDIA - DECEMBER 1951.

Chapter 6. General Rights of Workers

Industrial Disputes-(Amendment) Ordinance 1951
(No.IX of 1951) (Gazette of India, Extraordinary,
Part II, Section 1, 5 December 1951, pages
529-530).

Chpater 9. Income Security

(Burma) Workmen's Compensation (Amendment)Act,
1951 (No.LII of 1951) (Burma Gazette, Part I,
10 November 1951, pages 829-833).

LIST OF THE MORE IMPORTANT PUBLICATIONS RECEIVED
IN THE NEW DELHI OFFICE DURING DECEMBER, 1951.

INDIA - DECEMBER 1951.

International and National Organisations

- (a) Report of the Millowners' Association, Bombay. Report for the year 1950 presented to the Annual General Meeting held on Wednesday, 18th April 1951. Bombay 1951. pp. x plus 447 ~~px~~ plus xxiii.
- (b) Imperial Bank of India Indian Staff Association (Bengal Circle) Silver Jubilee Souvenir 1925-1951, 3 Hastings Street, Calcutta, 1951, pp. 85.
- (c) Directory of the Labour Department and Labour Unions in the State of Mysore, 1951. Published by the Department of Labour, Government of Mysore, pp.40.

Problems Peculiar to Certain Branches of the
National Economy

- (a) Faridabad - An Experiment in Self Help. Indian Co-operative Union. pp.12.
- (b) Joint Farming. An Experiment in Co-operation. The Indian Co-operative Union. pp.12.

Working Conditions and Living Standards

- (a) Quinquennial Report on the Progress of Education in Orissa for the Quinquennium 1942-47. Superintendent, Orissa Government Press, Cuttack, 1951. Price Rs.1-9-6. pp.80.
- (b) Family Living Study of Kothagudium Colliery Workers. By M. Shyam Mohan, M.A., LL.B., Printed at the Osmania Printing & Works, Secunderabad. Price Re.1-6-0. pp.36.
