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INTERNATIONAL LABOUR OFFICE
(INDIA BRANCH)

78652a Industrial and Labour Development in October-November
1957.

(N.B.- Each Section of this Report may be taken out separately.)

C O N T E N T S

Pages

CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION

11. Political Situation and Administration Action:
- (a) Sixteenth Session of Standing Labour Committee
New Delhi, 17-18 October 1957: Code of
Discipline Approved: Three-Tier Tripartite
Committee to set up to Secure Implementa-
tion of Awards 1-14
- (b) Fourteenth Labour Ministers' Conference,
New Delhi, 15-16 October 1957: Three-Tier
Machinery to Ensure Application of Awards
and Enforce Code of Discipline Approved:
Plantations Labour Act to be Extended to
Smaller Estates 15-19
- (c) Madras: Seventh Meeting of State Labour Advi-
sory Board: Trade Unions Act to be Amended 20-24
12. Activities of External Services:
Activities of the Branch Office ... 25

CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS

25. Wage-Earners' Organisations:
- (a) Sixth Annual Session of Hind Mazdoor Sabha, Ban-
galore, 3-5 October 1957: Programme of
Action Approved: Collective Bargaining for
Solving Industrial Strife Suggested: Right
to Strike Up-held 26-33
- (b) Railway Workers: Rival Federations to Unite:
Strike Decision Revoked 34-35
- (c) Draft Kerala Trade Unions Regulations, 1957 35

CHAPTER 3. ECONOMIC QUESTIONS

<u>32. Public Finance and Fiscal Policy:</u>	
(a) Report of the Second Finance Commission: More Funds to be Transferred to States ...	36-41
<u>34. Economic Planning Control and Development:</u>	
(a) Currency Reserve Reduced to Meet Exchange Crisis: Ordinance Promulgated ...	42-43
(b) Lok Sabha Concludes Debate on Second Five-Year Plan: Minister's Reply to Debate ...	44-46
(c) Price Stabilisation Boards for Food Grains Suggested: Inquiry Committee's Recommendations ...	47-55
<u>36. Wages:</u>	
(a) Fixation of Industrial Wage Structure: Supreme Court Rules Adjudication should be based on 'Social and Economic Justice' ...	56-58
(b) Minimum Wages (Amendment) Act, 1957 (No.30 of 1957). ...	59
(c) Bombay: Bonus for 1956 for Textile Workers	60
(d) Draft Kerala Minimum Wages Rules, 1957 ...	61
(e) Bihar: Minimum Wages Act Extended to Employment in Dam Construction and Irrigation Works and in Brick-laying ...	62
(f) Kerala: Minimum Wages Act Extended to Employment in Timber Industry ...	63
<u>38. Housing:</u>	
(a) Subsidised Industrial Housing Scheme: Standard Costs Revised ...	64
(b) Industrial Housing Scheme: Standard Cost Increased	65
(c) Housing Under the Second Five Year Plan: Ministers Conference Recommendations ...	66-69
<u>39. International Economic Relations:</u>	
(a) Measures to Increase Exports from India: Inquiry Committee's Recommendations ...	70-73
(b) Trade Agreement Concluded Between India and Czechoslovakia: Provision for Payment of Imports in Rupees	74

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

<u>41. Agriculture:</u>	
(a) Mysore Tenancy and Agricultural Land Laws Committee's Report: Elimination of Landlord-tenant Relationship and Redistribution of Land Recommended ...	75-77

41. <u>Agriculture (contd.):</u>		
(b) Bhoodan (Land Gift) Movement: All Parties Pledge Support	...	78
(c) Madras Bhoodan Yagna Bill, 1957	...	79
(d) Punjab Resumption of Jagirs Act, 1957 (No.39 of 1957)	...	79
(e) Uttar Pradesh: U.P. Large Land Holdings Tax Act, 1957 (U.P. Act XXXI of 1957)	...	79
(f) Madras: Collective Agreement Concluded Concerning Service Terms of Estates Staff in Plantations	...	80
43. <u>Handicrafts:</u>		
(a) Working of Ambar Charkha Scheme: Inquiry Report Published	...	81-82
(b) Ninth Meeting of the Small-Scale Industries Board, New Delhi: Definition of Small-Scale Industry Revised and Recommendations for Intensifying the Development of Small Industries Adopted	...	83-84
44. <u>Merchant Marine and Fisheries:</u>		
(a) Biennial General Meeting of the Maritime Union of India: Early Action on ILO Maritime Conventions Urged	...	85-86
(b) Conference of State Ministers of Fisheries at Bombay: Formation of Fishing Companies in the Private Sector Recommended	...	87-88

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS

50. <u>General:</u>		
(a) Labour Conditions in Silk Industry	...	89-96
(b) Punjab Shops and Commercial Establishments Bill, 1957	...	97-98
51. <u>Hours of Work:</u>		
Working of the Hours of Employment Regulations in Indian Railways During 1955-56	...	99-101
52. <u>Workers' Welfare, Recreation and Workers' Education:</u>		
Workers' Education Association set up in Bombay		102-103
55. <u>Protection of Minors:</u>		
(a) Draft Mines Creche Rules, 1957	...	104
(b) Kerala Employment of Children Rules, 1957	...	104

CHAPTER 6. GENERAL RIGHTS OF WORKERS

65. <u>Collective Agreements:</u>		
Madras: Collective Agreement Concluded Concerning Service Terms of Estates Staff in Plantations		105-106

67. <u>Conciliation and Arbitration:</u>		
(a) Working of the Industrial Relations Machinery (Central) for the Year Ending March 1956		107-109
(b) Bombay: Review of Industrial Disputes During 1956	...	110-112
(c) Industrial Disputes in India During 1956	...	113-122
(d) Approach to Industrial Relations: Shri V.V. Giri Urges Abolition of Compulsory Adjudication	...	123-128
(e) Industrial Disputes (Bombay) Rules, 1957	...	129
(f) Draft Industrial Disputes (Bihar) Rules, 1957		130
(g) Industrial Disputes (Banking Companies) Decision Amendment Act, 1957 (No.40 of 1957)	...	131
68. <u>Labour Courts:</u>		
(a) Bombay: Working of the Industrial Court and Tribunals During 1956	...	132-138
69. <u>Co-operation and Participation of Industrial Organisations in the Social and Economic Organisation:</u>		
Workers' Participation in Management - Joint Council Formed at Madras: First Venture in Private Sector	...	136-137

CHAPTER 8. MANPOWER PROBLEMS

81. <u>Employment Situation:</u>		
Employment Exchanges: Working During September 1957	...	138-140
83. <u>Vocational Training:</u>		
Labour Ministry's Training Scheme: Training During September 1957	...	141
84. <u>Vocational Rehabilitation of Disabled Persons:</u>		
(a) Employment for Handicapped: Government Scheme to Survey Opportunities	...	142
(b) Training for Blind Women: Centre Opened at Dehra Dun	...	143-144

CHAPTER 9. SOCIAL SECURITY

92. <u>Legislation:</u>		
(a) Employees' Provident Funds Scheme Extended to Industrial and Power Alcohol Industry and Asbestos Cement Sheet Industry	...	145
(b) Kerala: Draft Workmen's Compensation Rules, 1957		145

CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION

INDIA - OCTOBER-NOVEMBER 1957

11. Political Situation and Administrative Action.

Sixteenth Session of Standing Labour Committee, New Delhi, 17-18 October 1957: Code of Discipline Approved: Three-Tier Tripartite Committees to set up to secure Implementation of Awards

The sixteenth session of the tripartite Standing Labour Committee was held at New Delhi on 17 and 18 October 1957, Shri Gulzarilal Nanda, Union Minister for Labour, presiding.

The following were the more important items of the agenda before the session:-

Action taken on the conclusion reached at the 15th Session of the Standing Labour Committee.

Proposal that profit-sharing bonus above a certain limit be credited to the Provident Fund Account of a worker or invested in National Savings Certificates.

Question whether a high power commission should be appointed at present to enquire into safety in coal mines.

Proposal for legislation regarding labour welfare in manganese mines.

Report of the Committee set up to consider the uniform standard of national and festival paid holidays and quantum of working days in a year in private industrial undertakings.

Discipline in Industry.

Progress reports on -

- (i) Worker participation in management,
- (ii) Workers' Education.

Representation of all-India workers' organisations on various tripartite committees (Industrial Committees, Development Councils, etc.).

Reports on Agenda

In accordance with the usual practice, the Labour Ministry had prepared memoranda on the subjects of the agenda. A brief review of the more important memoranda are given below:-

i) Crediting part of Bonus to Provident Fund Accounts.-
Bonus is generally paid in cash. In 1949, the Industrial Court, Bombay, while awarding bonus to textile workers recommended that a part of the money could be given in the form of National Savings Certificates instead of cash and observed that "it seems to us desirable for the legislature to look into this question and see whether it would be possible, in suitable cases, for the Industrial Court to order such a mode of payment." An enabling Ordinance called the Industrial Tribunals Payment of Bonus (National Savings Certificates) Ordinance was issued by the Government of India in June 1949 providing that an Industrial Tribunal could direct payment of bonus, not exceeding one-half, in the form of Post Office National Savings Certificates. That Ordinance lapsed and was not replaced by any Act. The Payment of Wages Act, which defines wages as inclusive of bonus requires payment of wages in cash was also not amended so as to permit payment of bonus in anything other than cash.

The experience of the working of the 2nd Five Year Plan in its first year has shown that the tempo of development in the closing years of the First Plan has brought in its wake a pressure on the level of prices. This tempo is likely to be maintained, if not increased, in the rest of the Plan period. Attempts are being made through fiscal and other measures to check consumption. In this climate it would be legitimate to expect that on their part workers should contribute to the drive for savings. It is, therefore, suggested that the recommendations of the Industrial Court, Bombay, referred to above should again be taken up for consideration at a representative organisation like the Standing Labour Committee. The specific proposal in this regard is to credit a part of bonus payment to either (a) the provident fund account, or (b) to the National Savings Campaign.

3.

As regards the permissibility of such a course the Central Board of Revenue has clarified that having regard to the provisions of rule 15(2) of the Indian Income Tax (Provident Fund Relief) Rules, there is no difficulty in crediting bonus to the provident fund account of an employee, provided the additional contribution by way of bonus does not exceed the employees' own contribution to the provident fund in a particular year. In other words, the maximum permissible contribution which an employee could credit out of bonus to the provident fund account shall not exceed the employees' own contribution towards his provident fund.

ii) Safety in Coal Mines.— The two Courts of Enquiry which investigated the causes of accidents in the Newton Chickli and the Amlabad Collieries disasters have inter alia recommended the setting up of a High Power Commission, on the lines of the U.K. Royal Commission on Safety in Coal Mines, 1935, to go into the question of safety in mines. The Indian Coal Mines Regulations are now being revised with a view to making them more comprehensive. Besides the Mines Act, 1952, is also proposed to be amended, primarily to secure better compliance with the provisions of the Act, Regulations, Rules, etc. In view of these developments and the fact that it will be some time before the draft regulations, which were prepared after extensive discussions with the interests concerned, will come into force, Government of India feels that no useful purpose was to be served at present by an another enquiry.

iii) Legislation on Labour Welfare in Manganese Mines.— In accordance with the recommendations of an industrial tribunal two years ago, it is proposed to undertake legislation to give effect to the proposals. The legislation will provide for

- (i) the creation of a Manganese Mines Labour Welfare Fund by the imposition of a flat rate of duty up to a maximum of Rs 6/- per ton all exports of manganese from the country. (The actual duty will for the present be Rs-2/- per ton).
- (ii) the setting up of Manganese Mines Labour Welfare Fund Advisory Committees, not exceeding one for each of the major manganese producing States, to advise on questions relating to welfare of manganese mining labour and on any matters connected with the administration of the Fund which the Central Government may refer to them for advice. The Committees will include an equal number of members representing Government, manganese mining industry and manganese mining labour. At least one member on each Committee will be a woman, The Chairman will be appointed

by the Central Government and will be responsible for the administration of the Fund in the State.

(iii) the utilisation of the Fund for -

- (a) measures for the benefit of labour employed in manganese mining industry in regard to the improvement of public health, housing, sanitation water supplies, medical, education, recreational facilities, etc.
- (b) grants to a State Government or local authority or owner of a mine, in aid of any Scheme approved by the Central Government for any purpose for which the Fund may be utilised;
- (c) the cost of administering the Fund, including the allowances of members of the Advisory Committees;
- (d) any other expenditure which the Central Government may direct to be defrayed from the Fund.

All the State Governments except the Government of Orissa are agreeable to the proposed legislation. The Government of Orissa has asked for exemption of the State from the provisions of the proposed legislation for the reason that there is already a State legislation governing all the mines in the State for attaining the objects in view.

Another point is that there is practically no market at present for low grade manganese ore and that consequently there has been considerable accumulation of stocks at the pit-heads and exporters are experiencing great difficulty in finding buyers for their low grade ores. The Ministry of Commerce and Industry, therefore, considers that low grade manganese ores, that is, those with 40% and less manganese content should completely be exempted from the proposed welfare cess.

There are advantages in having a uniform Central legislation for all the States, as then only it will be possible to maintain uniform standards for labour welfare in a particular industry. The possibility of achieving this without taking recourse to double levy of cess has to be considered. A possible solution to this is that the Orissa Government should give to the Central Government from out of its collection of cess an amount equal to what the Central Government would have collected had the Central cess been made applicable to Orissa. The Central Government could then provide the benefits to

labour in Orissa in the same way as it would in other cases. If this is not acceptable to the State Government, it may consider to ensure that the benefits enjoyed by the managanese mine labour in Orissa will not be less than those enjoyed by the same category of labour in other States which will be ~~contend for~~ by the proposed Managanese Mines Welfare Fund. These matters will be discussed with the Orissa Government.

iv) Uniform Standard of Paid National and Festival Holidays.- The Standing Labour Committee in its 15th session held in New Delhi in April 1956 considered the question of uniform standard for national and festival paid holidays in a year in private industrial undertakings. The Committee recommended that

- i) total number of working days in a year should also be fixed in the interest of better production;
- ii) information regarding the total number of working days in a year and quantum of national and festival holidays granted in other countries should be collected; and
- iii) there should be seven paid holidays in a year - two national and five festival and that a Committee of six comprising one representative from Labour Ministry, one from Railways, and two each representing employers and workers should be appointed to finalise the matters.

Accordingly, a Committee of six representing the Ministry of Labour & Employment and Railways and employers and workers Organisations was set up. The information referred to in the preceding paragraph was collected and placed before the Committee which met on 22 July and 28 August 1957. But as one of the workers' representative was unable to agree to any proposal laying down at the national level a uniform number of working days per worker and national and festival holidays, the Committee was not in a position to propose any agreed recommendations. The views of the Standing Labour Committee are invited as to whether any further action should be taken in the matter.

v) Discipline in Industry.- The 15th session of the Indian Labour Conference (vide section 11, pp 1-2 of the report of this Office for July 1957) considered this subject in detail and reached certain conclusions. The

Conference set up a Sub-Committee to consider further measures in this regard. The Sub-Committee drew up the following code of discipline, which has been referred to the Standing Labour Committee for approval:

To maintain discipline in industry, there has to be (i) a just recognition by employers and workers of the rights and responsibilities of either party, as defined by the laws and agreements from time to time and (ii) a proper and willing discharge by either party of its obligations consequent on such recognition.

To accelerate the process of better discipline in industry, management and union(s) agree (i) to affirm their faith in democratic principles and thereby bind themselves to settle all future differences, disputes and grievances by mutual negotiation, conciliation and voluntary arbitration; (ii) to give up recourse to (a) coercion, (b) intimidation and (c) victimisation; (iii) to avoid (a) litigation, (b) strikes (including sit-down and stay-in strikes), (c) lockouts and (d) go-slow on either side; (iv) to promote constructive co-operation between their representatives at all levels and as between workers themselves and to abide by the spirit of agreement mutually entered into; (v) to establish, upon a mutually agreed basis, a grievance procedure which will ensure a speedy and full investigation leading to settlement; (vi) to settle as many disputes as possible at the lowest possible level; (vii) to abide by various stages in the grievance procedure and to take no arbitrary action which would bypass this procedure, and (viii) to educate the management personnel and workers regarding their obligations to each other.

Management agree (i) not to require any speed-up in work-loads unless agreed upon or settled otherwise; (ii) not to support or encourage any unfair labour practice such as (a) interference with the right of employees to enroll or continue as union members, (b) discrimination, restraint or coercion against any employee because of recognised union activity and (c) victimisation of any employee and abuse of authority in any form; (iii) to take prompt action for (a) settlement of grievances and (b) implementation of settlements and awards; (iv) to display in conspicuous places in the undertaking the provisions of this Code in the local language(s); (v) to distinguish between actions justifying immediate discharge and those where discharge must be preceded by a warning, reprimand, suspension or some other form of disciplinary action (However, all such disciplinary action should be subject to an appeal through the normal channel of the grievance procedure), and

(vi) to take appropriate disciplinary action against its officers in cases where enquiries reveal that they were responsible for precipitate action by workers leading to indiscipline.

Union(s) agree (i) not to engage in any form of physical duress; (ii) not to engage in a demonstration which is not peaceful; (iii) that their members will not engage or cause other employees to engage in any union activity during working hours, unless as provided for by law or agreement or practice; (iv) to discourage unfair labour practices such as (a) negligence of duty, (b) careless operation, (c) damage to property, (d) interference with or disturbance to normal work and (d) insubordination; (v) to take prompt action to implement awards, agreements and settlements; (vi) to display in conspicuous places in the union offices, the provisions of this Code in the local language(s) and (vii) to express its/their disapproval to any non-employee office-bearer of the trade union(s) for indulging in action against the spirit of this Code.

The Sub-committee has also asked the Standing Labour Committee to suggest measures for the effective observance of the code by the parties concerned.

Discipline in Plantations.- A separate memorandum discusses the problem of discipline in plantations. It states that plantations are generally situated in isolated areas and often develop a self contained community life of their own. The employers and the workers are mostly resident on the estates- themselves and, unlike in many other industries, the workers have to rely on the employers for a number of essential services and amenities like provision of housing, medical facilities, etc. There are marked differences also in the methods of engagement, allocation of tasks, payment of wages, etc. As the policy of the management touches the life of workers on plantations at many more points than in most other industries, there may conceivably be more occasions for disappointment and discontent leading to indiscipline. Also, any widespread indiscipline in communities located in isolated areas can create, difficult problems of law and order.

During his recent tour in Kerala the Minister of Labour and Employment received a number of representations expressing grave concern over the high incidence of indiscipline in the plantations in that State. Causes of these alleged acts of indiscipline, as revealed during discussions, include failure or absence of grievance machinery, dissatisfaction over allotment of houses

inter-union rivalry, difficulties over fixation of tasks, doubts over using of estate premises for holding demonstrations, dissatisfaction over recruitment policy, etc.

While individual cases of breach of law are for action by the appropriate State Government the Committee has been requested to suggest remedial measures of a general nature for promotion of discipline in the plantation industry, in particular, (i) the desirability of adding to the proposed Code for Discipline special causes applicable to plantation; and (ii) the desirability of convening an early meeting of the Industrial Committee on Plantations for considering the problem of discipline in plantations.

vi) Worker Participation in Management.- The memorandum on this subject reviews the recommendations of the tripartite Subcommittee on the question, set up, in accordance with the decisions of the 15th session of the Indian Labour Conference (vide section 69, pp 34-39 of the report of this Office for August 1957).

vii) Workers' Education: Progress Report.- The Indian Labour Conference, at its 15th session held in New Delhi in July 1957 approved the recommendations made by the Team of Experts on Workers' Education. Pending the appointment of a Central Board to implement the above recommendations, Government constituted a tri-partite Committee on Workers' Education for completing preliminaries. The Committee has met twice and has drawn up details of a programme for training Teacher Administrators in Bombay, the training to start not later than 1 January 1958. Considerable importance attaches to their training, because it is they who will be training hundreds of teachers for implementing the Workers' Education Programme all over the country. Government will shortly be appointing an Administrator to expedite arrangements in connection with this training programme.

Sixty candidates are to be admitted to the training course for Teacher Administrators, out of whom 45 would be selected by the Central Board and 15 would be nominees of workers' organisations. The Central Board would bind itself to employ such of its nominees as pass the final test and complete successfully the probation period. The union's nominees would return to their respective organisations on completing of training and would not be bound to the Central Board. The training is expected to extend over about 25 weeks.

Simultaneously with the training of Teacher Administrators arrangements will also be made to draw up a detailed syllabus for the primary training of workers and to develop suitable literature, audio-visual aids, filmstrips, etc, to accord with that syllabus.

Work in connection with the constitution of the Central Board is progressing and the Board will be set up shortly, after which all work connected with the Workers' Education Programme will be taken over by the Board from the Committee.

viii) Representation of All-India Workers' Organisations on Tripartite Committees.- This memorandum reviews the basis and procedure relating to the representation from all-India organisations of workers in India, viz., the Indian National Trade Union Congress, All-India Trade Union Congress, the Hind Mazdoor Sabha and the United Trade Union Congress at tripartite committees (both I.L.O. and Indian), Development Councils, etc. The representation of workers' organisation on I.L.O. Committees is given to the most representative organisation in accordance with the Constitution of the I.L.O. Seats for labour on Committees set up by the Government of India for various industries are allotted on the basis of the relative membership figures of the all-India Trade Union Organisations. The same principle is followed in the case of Development Councils.

The Standing Labour Committee has been asked to consider what changes, if any, are necessary in the procedure to provide for a proper distribution of labour seats among the four Central Trade Union Organisations in various committees.

Proceedings: Shri Nanda's inaugural address.- Inaugurating the meeting, Shri G.L. Nanda appealed to labour and management to evolve their own sanctions to ensure that awards and agreements were implemented.

Shri Nanda said while most of the awards, agreements, etc, were being observed and implemented, there were breaches. "If these breaches and also illegal strikes are not prevented, confidence in the system will be undermined. Very effective arrangements have to be made by the defiance of the laws and violations of obligations," he added.

Shri Nanda said that if bodies like the Standing Labour Committee were to function fruitfully there had to be some effort on the part of all to arrive at some common approach and purpose. In dealing with their problems economic realities had to be faced. Any attempt to gain something, out of proportion to what can really be permitted by economic realities, should be avoided.

In the present economic situation in the country, they could not afford any industrial strife. "We must ensure industrial peace so that all concerned - the technicians, the workers and the management - can pursue their tasks in peaceful conditions and give of their best to the country."

"The major consequence of this approach", he continued, "is that we do not let the claims of parties to be settled by a trial of strength." The alternative method of negotiation, conciliation and ultimately some kind of impartial settlement binding on the parties had to be used. The two approaches could not be mixed or pursued at the same time. They should not only avoid strikes but also such things like go-slow, direct action, intimidation, coercion, etc.

The Minister said that one of the obligations immediately arising out of this approach was that they should make available to everyone concerned the means of redress of grievances and these should be "prompt, expeditious and leading to fair results".

Pleading for mutual settlement of disputes and availing of adjudication only as a last resort, Shri Nanda said that "the important mechanism" to promote internal settlement of disputes was the development of a very strong and healthy trade union movement.

While the Government should help mutual settlement of disputes through conciliation, adjudication, whenever it was ordered, should be prompt. The whole system could only function on mutual goodwill and faith. Workers must create confidence in their employers while employers should see that justice was not denied to workers by too much delay.

"Those who flout the law", he said, "cannot be placed on the same footing or be entitled to the same considerations as those who abide by the law and carry out their obligations."

Referring to the discussions in the Labour Ministers' conference on Tuesday last about non-implementation of awards, agreements, etc., and the recommendations for deterrent punishments, Shri Nanda said that it was not a case of wholesale non-implementation either on the side of workers or of employers. Otherwise the whole system would have broken down by now.

"But there are breaches and if these breaches and illegal strikes are not prevented, confidence in the system will be undermined. Very effective arrangements have to be made by the Government so that there is no defiance of the laws and violation of obligations, if sanctions are not adequate, sanctions have to be strengthened. But more potent than the sanctions of the law ~~and are~~ the sanctions which you yourselves evolve for this purpose. It is to that aspect that I would like to invite your attention more, so that we can see what constructive ways are open to us for achieving this purpose on the basis of agreement."

Referring to the "significant and very encouraging work" of the last Indian Labour Conference, ~~Shri~~ Nanda said that agreements had been reached on vexatious and difficult questions. But more important than these agreements was the atmosphere and climate which had been created. This climate of co-operation and accommodation should be kept up and strengthened. The Standing Committee should consider and evolve sanctions and procedures which would help to carry further the good work of the Labour Conference.

Shri Naval Tata, who spoke on behalf of employers said that non-implementation of awards were only the exceptions and not the rule. He felt that the scheme for labour participation in management should be given a fair trial by everyone in a proper perspective. He hoped that if successful the scheme would minimise, if not eliminate, labour problems. He attributed the present unstable industrial relations more to the economic disequilibrium than any failure in industrial relations.

Shri D. Ambekar, (I.N.T.U.C.) agreed that non-implementation of awards was only the exception. He, however, felt that a great deal of friction was caused by employers' misinterpretation of awards and their tendency to rush to the Supreme Court and other courts on grounds of infringement of fundamental rights.

Decisions: 1) Code of Discipline.- The Standing Labour Committee approved the Code of Discipline in industry, with certain modifications, and prescribed sanctions for infringements of the Code.

While approving the code of discipline, representatives of the workers and employers on the committee agreed to get the code ratified by their respective organisations before the end of December 1957. The standing committee also recommended sanctions to be enforced by the employers' and workers' organisations against their constituents committing breaches of the code. In the first instance, the unit concerned would be called upon to explain if the complaints against it were well founded and also give reasons for ~~for~~ its action. If the reasons given were not satisfactory, the central organisation would take suitable action. As regards infringements of a more serious nature, the unit concerned would be censured and other penalties imposed by the central organisation. If the unit persisted in its violation, it would be disaffiliated from the central organisation.

The committee was of the view that grave, willful and persistent breaches of the code by any party should be widely publicized.

It was agreed that the code would be equally applicable to industries in the private and public sectors.

ii) Implementation of awards.- The Committee also considered and adopted the proposal for setting up machinery at various levels to implement the Code and evaluate the progress made in the implementation of agreements, settlements and awards. It recommended that parties to an award, agreement or a settlement should report to the evaluation machinery, within a period of three months from the date of enforcement, whether, in their view, the implementation of the award, agreement or settlement had been proper and effective.

The Standing Committee was of the view that the tendency to have recourse to law courts on unsubstantial grounds should be discouraged and that the organisations themselves should devise some sort of machinery to screen cases in which recourse to courts was contemplated by their members. The parties should explore the possibility of a settlement before taking recourse to courts.

3.

It was agreed that the Central and State Governments would maintain panels of names of employers' and workers' representatives, who would be available for constituting teams to investigate breaches of the Code of Discipline and evaluate the progress of implementation of awards.

iii) Bonus.— The Standing Committee adopted the proposal that part of the bonus paid to workers should be diverted to savings schemes. It recommended that out of the annual bonus accruing to a worker, an amount equivalent to a month's salary including dearness allowance or Rs.75/- whichever was higher, should be paid in cash to the workers. Of the balance, 50 per cent. should be credited to the workers' provident fund account, subject to a minimum of Rs.5/- . The Committee recommended that in the case of workers drawing less than Rs.75/- a month, diversion of part of the bonus into the provident fund should not be made compulsory. As regards existing agreements on bonus, necessary adjustments would be made.

The proposal to divert part of the bonus to the provident fund would not, however, prejudice the claims preferred by workers for revision of wages, dearness allowance, etc, before wage fixing authorities.

iv) Other Questions.— The committee reviewed the progress made in regard to schemes for workers' participation in management and workers' education. It was announced at the meeting that State Governments and one of the employers' organisations had already furnished lists of industries where the schemes could be tried while the remaining employers' organisations had promised to furnish the list before long. The workers' organisations were also requested to furnish a list where they considered the schemes could be tried.

It also approved proposals for bringing forward legislation to regulate the service conditions of workers in the buildings and construction industry.

Steering Body on Wages.— Shri G.L. Nanda, Union Labour Minister announced at the concluding sisting of

the Standing Labour Committee in New Delhi that a steering committee would be appointed to initiate the work of collection of data which would help in wage determination. The committee would lay down methods and principles in this regard.

He said there was not sufficient guidance available for wage determination in the country. It would not be possible, at any stage, to have a mechanical formula which could be applied in all cases. But, he added, there was a good deal of experience now - precedents and decisions which could be subjected to analysis. A statistical basis for wage fixation could be evolved. The inter-relation of various factors - profits, cost of living and the changes that were occurring - could be examined, particularly in the context of the economic situation of the country.

(Memoranda on the items of the agenda received in this Office;

Press note issued by the Government of India dated 17 and 18 October 1957; and

The Hindustan Times, 21 October 1957.)

Dns:

15

Fourteenth Labour Ministers' Conference, New Delhi,
15-16 October 1957: Three-Tier Machinery to Ensure
Application of Awards and Enforce Code of Discipline
Approved: Plantations Labour Act to be Extended to
Smaller Estates

The fourteenth Session of the Labour Ministers' Conference was held at New Delhi on 15 and 16 October 1957, Shri Gulzari Lal Nanda, Union Minister for Labour and Employment presiding. Among others, the Conference approved the establishment of a three-tier system of tripartite committees to ensure speedy implementation of awards and enforcement of the code of discipline.

Observance of Labour Laws: Shri Nanda's Address.-
Inaugurating the meeting, Shri Nanda stressed that the labour policy, as expressed in the laws, rules and declarations, should be observed and implemented scrupulously by all parties. He said: "Where there is failure in this respect or unreasonable delay it becomes the business of the Government to enforce it effectively."

He said the soundness and success of their labour policy was to be judged by the labour situation at any time and "it has to be our constant duty to judge how far the aims of that policy are being realized and what adjustments are needed in it." The overriding consideration of the labour policy was the successful implementation of their economic plans. The labour policy could fructify and succeed only in the measure the Plan itself progressed and succeeded.

Since their labour policy was based on a broad agreement of all elements in the country, both in its general principles and specific applications of those principles, it should be easy to carry out such a policy in practice. If any deficiencies were disclosed it was their duty to put their heads together and amend and improve it wherever required.

Employers, employees and the Government were the three parties concerned with industrial relations. "We have first of all to see as a Government, both

at the Centre and in the States, that we are doing our part in the proper manner. If a law has been passed by Parliament, or by a State Legislature, there should be no delay in giving effect to it through appropriate rules and by setting up the necessary machinery for the purpose of enforcement.

It should be clear to everyone, Shri Nanda continued that "we have ~~have~~ the capacity as well as the will and determination to enforce obligations on all concerned, whether employers or employees. We have before us cases of blatant disregard of agreements and persistent violations of awards. There are also illegal strikes occurring now and then. Both employers and employees should come to understand and realize that it will not do any good to them to ignore the obligations which flow from laws and agreements."

Pleading for effective administration of existing laws, Shri Nanda said: "There is already an impressive record of progressive labour legislation in the country. What we want now is not piling up of more laws; the essential thing is that the beneficial results which are intended should be fully realised. This will inspire faith and confidence in all sections. Most of the employers and most of the workers are willing to co-operate and to do their duty. We should strengthen their hands. This can be achieved only by effective implementation.

"The agreements reached in the last session of the Indian Labour Conference are a very heartening experience. This is a convincing demonstration of the fact that all sections of the labour movement share the basic loyalty to policies which will promote the common good and the progress of the nation. We have to go much further in this direction. It is essential for this purpose that the responsibilities of the Government are discharged as fully as possible."

He referred in this connection to the Government's decision to set up special machinery "to assess and evaluate the progress of implementation and results of our policies in different fields and to maintain liaison with the State as well as different organisations of employers and employees." The Government he said, were taking steps in that direction and "are in search of officers who will be of a sufficiently high level to do justice to this new programme."

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They would be unencumbered by any day-to-day responsibilities and were expected to keep in touch with the course of events and important developments in the labour field and to provide continuous advice and assistance wherever necessary.

The Labour Minister said the conference should deal with the complaint that there were excessive delays in the administration of labour legislation. Such delay might arise at several stages. Sometimes the decision to refer a dispute to adjudication took too much time. They should discuss principles which should govern the reference of disputes to adjudication.

Simplification of procedure was also proposed regarding the work before tribunals, and for that purpose the Industrial Disputes Central Rules were being amended. Delay in the implementation of decisions and awards was being regarded as a fertile source of discontent. "Sometimes, it is obvious that reference to courts after tribunals have done their part has become too frequent; also, there are inordinate delays in the disposal of cases before these courts. We have to think of ways of reducing such references to the minimum and securing quick disposal of these matters when they go to courts."

Decisions: 1) Plantations Labour Act.- The Conference decided that the Plantations Labour Act, 1951, should be amended so as to empower the State Governments to apply the Act to estates measuring less than 25 acres and employing less than 50 workers.

This decision is calculated to check the growing practice of sub-dividing plantations into units of less than 25 acres and employing less than 30 workers in order to evade the provisions of the Plantations Labour Act, 1951.

ii) Extension of Regulation of Industries Act to Plantations.- The Conference also approved a proposal that the Industries (Development and Regulation) Act should be extended to plantations, and if that was not possible, to allow the States to enact their own legislation to deal with the situation arising out of closures.

iii) Wage Boards.-- The Conference accepted a proposal to set up two Wage Boards for plantations, one for northern and the other for the southern region. The Union Labour Minister wanted the two Boards to work in conjunction so that a common approach could be made to similar problems.

The Conference also approved the setting up of wage boards for the sugar and cement industries. It decided that the Wage Board decisions for various industries should be statutorily binding and recommended enactment of the necessary legislation to give powers to the Government to enforce these decisions.

iv) Implementation of Awards.-- The Labour Ministers' Conference approved the constitution of a three-tier system of tripartite committees to be set up at the Central, State and local levels to ensure speedy implementation of awards and enforcement of the code of discipline. A high level officer should also be appointed at the Centre for this purpose.

The meeting also decided that deterrent punishment should be imposed for non-implementation of awards given by tribunals and such other authorities. One of the suggestions made in this connexion was that failure to implement such awards should be made a continuing offence, which would imply increasing the penalty from day to day. There is no such provision in the existing Industrial Disputes Act.

The Union Labour Minister, Shri G.L. Nanda, suggested that the States should use bipartite or tripartite machinery more and more to review periodically and assist in the implementation of these awards. He also advised the States to take steps at governmental level to speeding up cases before industrial and other courts.

The conference also discussed the question of facilitating disposal of industrial disputes without much delay at the adjudication stage. It was suggested that labour courts and industrial tribunals should maintain only summary records of proceedings and do away with the practice of recording evidence in full in order to save time. This procedure, however, would not apply to the national tribunals.

v) Minimum Wages Act.— Regarding the enforcement of Minimum Wages Act, 1948, to agricultural labour, the State Labour Ministers gave an assurance that every effort would be made to implement the provisions.

vi) Working Journalists.— The conference discussed a proposal put forward by the Kerala Government for enactment of penal provisions to enable effective enforcement of the Working Journalists Act, the rules framed under it and the Wage Board recommendations. The various suggestions made in this connexion would be further considered.

vii) Bonus.— On the question of dissociating bonus from profits and relating it to the performance of workers the conference decided that it should be referred to experts. The conference also suggested that the question should be taken into consideration by wage boards for various industries wherever and whenever they are set up.

viii) Industrial Housing.— All the State Ministers expressed dissatisfaction at the slow implementation of the Subsidized Industrial Housing Scheme. The conference therefore decided that the State Governments should be asked to fix the number of houses an employer was expected to build for workers as also the period for completing construction. If an employer was not able to build the houses he should be required to make a contribution to the State Government which would undertake the construction. This proposal will now be referred to the State Housing Ministers' Conference to be held at Mysore for further consideration.

The need for more workers' co-operative housing societies to encourage workers to build their own houses was also stressed. The conference reaffirmed the recommendations of the Indian Labour Conference with regard to the quantum of loans and subsidies to be given to the co-operatives for this purpose.

(The Statesman, 16 & 17 October 1957;
Information received from the
Ministry of Labour & Employment).

Madras: Seventh Meeting of State Labour Advisory Board: Trade Unions Act to be Amended.

The seventh meeting of the tripartite Madras State Labour Advisory Board was held at Madras on 24 and 25 October 1957, Shri R. Venkataraman, Minister-in-Charge of Labour presiding. The Conference approved, inter alia, a proposal for amending the Indian Trade Unions Act in its application to Madras State relating to irregularities and offences by trade unions.

Labour Minister's Inaugural Address.- Addressing the Board, Shri Venkataraman recalled the discussions at the last meeting of the Board held in October 1956 and said that the suggestions made by the members had been considered and given effect to, as far as practicable.

Dealing with changes in the labour legislation and the further progress achieved in the administration of the various labour laws since the last meeting of the Board, Shri Venkataraman said the Government was considering proposals for re-issuing the Madras Industrial Disputes Rules, after revising them suitably in the light of the experience gained in the working of the rules so far. Indicating some of the lines on which a revision of the Madras Rules under the Industrial Disputes Act is contemplated, he said, it was proposed to cut down the delay in disposal of cases by reducing the time allowed for filing statements, counterstatements and reply: to provide for hearing disputes from day to day once taken up by the Court, to treat the enquiry before labour courts and tribunals as summary trials and to dispense with recording of depositions of witnesses and for maintaining only notes of evidence by the Presiding Officers.

It was his earnest desire that matters relating to discharge, dismissal, retrenchment and reinstatement should be disposed of within three months of filing the claims before the tribunal.

These proposals, he said, were of a tentative character and he invited the views of the members of the Board on them. He also appealed to the parties to co-operate with the presiding officers and facilitate the speedy disposal of disputes. "It is my feeling that the greater the delay in settlement of disputes the greater is the industrial strife, friction and consequent loss of production", he added.

With a view to expediting conciliation proceedings, executive instructions had been issued by the Government to see that final orders were passed in all disputes relating to personnel disputes within three months of its reporting to the Conciliation Officer. While Government generally desired that the conciliation proceedings should be expeditious, it was keen he said that in matters relating to discharge or dismissal, conciliation proceedings should be concluded within two months of its reporting to the conciliation officer and that final orders should be passed by the Government within a month thereafter. Unless both parties co-operated and attended the proceedings before the conciliation machinery with a keen desire to settle the disputes, rules and regulations framed were likely to prove ineffective.

Referring to industrial housing, the Minister said that as a sufficient number of private employers had not availed themselves of the assistance offered by the Government of India in the matter of housing of industrial workers, The Government had decided to initiate housing projects themselves by utilising the provision of Rs.55.10 lakhs provided by the Government of India in the Second Five-Year Plan. Proposals were being taken up for constructing houses in places where the employers are willing to give lands free of cost. It has also been decided to name the Erukkancheri Colony in Madras City "Sarmanagar" in memory of the late Mr. P.R.K. Sarma and the colony was likely to be inaugurated very soon. The allotment of houses and their maintenance had been entrusted to a Managing Committee constituted for the purpose with two representative each of the employers and workers and the Labour Officer, Madras I, as Chairman. In addition to the above schemes, eight schemes for the construction of 1,156 houses at a cost of Rs.30,89,100 in places like Vellanur, Sivakasi, Singanallur, Virudhunagar and Mudurai have been finalised. The Government have already sanctioned the scheme for the construction of 406 houses at Vellanur in Tiruchi District and the scheme for the construction of 26 houses at Sivakasi. Arrangements are being made for taking up other schemes also as early as possible.

The problem relating to housing of industrial workers could not, he said, be solved by the Government Housing Schemes alone. Employers should come forward with their own housing schemes for their workers availing themselves of the assistance granted by the Government of India under the subsidised Industrial Housing Scheme.

One of the important subjects discussed at the last meeting of Board related to the recognition of the trade unions. The Bill has been suitably revised in the light of the suggestions and remarks made at the last meeting. Provision had also been made for treating certain acts on the part of recognised trade unions or a representative trade union or employers as unfair practices.

The Government, he said, had examined the report of the Special Officer, who enquired into the conditions of workers in the beedi industry, and had decided to promote a separate legislation for regulating the conditions of work in this industry.

The Bill for regulating employment in beedi industry had been drafted. The views of the Board on this Bill and the Bill for regulating the employment in Catering Establishments, he said, would be given due consideration in finalising them before introduction in the Legislature.

Shri Venkataraman said that the Second Five-Year Plan gives workers' participation in management an important place in its programme in relation to labour and recommended the setting up of Joint Councils of managements in selected undertakings in the first instance. As regards the Madras State, the Government, in consultation with the managements and workers' representatives concerned had introduced the scheme in the Government Transport Coach Building Factory. Chromepet, in the public sector and the Simpson and Group Companies Limited, in the private sector. Madras, he said, took pride in being the first State to implement the scheme. A great responsibility rested on the workers and managements in these establishments to make the scheme a success so that it may be extended to other establishments in due course.

Proceedings.- The Board considered the draft Catering Establishments Bill which is expected to be introduced in the ensuing session of the Legislative Assembly. The Bill was generally welcomed by the representatives of the labour organisations. Certain amendments and suggestions were made to the draft bill on behalf of the management of catering establishments and by the representatives of the labour organisations.

The Minister winding up the discussions said that the suggestions would be carefully examined by the Government and the draft bill published before introduction in the Assembly.

The Board then took up for consideration the proposed Madras Bidi Industrial Premises (Regulation of Conditions of Work) Bill, 1957. It was pointed out that the Government would make a provision that whenever exemptions were sought by the managements under the labour laws, a prior notice should be put up on the notice board in the premises of the industry and 15 days should be granted for filing objections.

The question of affording direct approach to labour courts by the workers affected by discharge or dismissal was raised on behalf of workers' organisation. The Labour Minister said that such a provision would be introduced in the labour laws to be brought forward in the future.

The speedy execution of housing schemes for workers, established under co-operative housing projects, was also urged by the representatives of labour.

Trade Unions.- The Board approved a proposal for amending the Indian Trade Unions Act in its application to Madras State relating to irregularities and offences by trade unions. The proposed amendment relates to Section 33 of the Indian Trade Unions Act and seeks to provide a clause by which complaints in respect of offences, such as making false returns by trade unions, might be made within six months of the date on which the commission of offence came to the knowledge of the concerned labour officer. According to the present rules, no time limit is fixed.

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The meeting also discussed the Bill relating to recognition of trade unions. There were differences of opinion and the representatives of various trade unions made some conflicting suggestions. The representatives of the employers were not in a position to offer their views and they promised to give their views at the next meeting.

Shri R. Venkatraman in his concluding remarks, pointed out that there were difficulties in giving compulsory recognition to trade unions and advised the labour leaders to get together and try to evolve an agreed formula with regard to the question of recognition of trade unions. Government was anxious to facilitate collective bargaining and whatever suggestions were put forward which led to the growth of representative trade unions, would be welcomed by all.

(The Hindu, 25 and 27 October 1957).

Dns:

12. Activities of External Services.

India - October - November 1957.

Activities of the Branch Office.

- (a) The Director of the Office participated at the opening and closing session of the I.L.O.'s Asian Regional Training Course on Employment Information, held at New Delhi from 14 October to 9 November 1957.
- (b) The Director participated in a productivity seminar organized by the Ministry of Commerce and Industry at New Delhi on 1 and 2 November 1957.
- (c) The Fourth I.L.O. Asian Regional Conference was held at New Delhi from 13 to 25 November 1957. The Director attended the Conference as an Adviser to the Secretary-General.
- (d) The Director attended the opening and closing sessions of the I.L.O.'s Regional Seminar on Vocational Guidance including Employment Counselling held at New Delhi from 27 November to 21 December 1957.

Publications

The Office brought out in November 1957, a publication entitled "Labour Legislation in India".

Chapter. International and National Organisations

25. Wage-Earners' Organisations.

New Delhi - October-November 1957.

Sixth Annual Session of Hind Mazdoor Sabha, Bangalore, 3-5 October 1957: Programme of Action Approved: Collective Bargaining for Solving Industrial Strife Suggested: Right to Strike Upheld.

Nearly 200 delegates from all over the country attended the Sixth Annual Session of the Hind Mazdoor Sabha, held at Bangalore from 3 to 5 October 1957. The session, among other matters, noted the mounting discontent in the country evidenced by threats of strike and approved of a programme of action for intensive and planned campaign of agitation on such issues as an 25 per cent. increase of wages, equal treatment by Government of trade unions irrespective of their affiliation to any central organisation, enactment of legislation providing a maximum 48-hour week, a weekly holiday and overtime rates of pay for all unprotected wage earners and liberalisation of the State Insurance Scheme.

The session adopted various resolutions dealing, among others, with rationalisation, workers' education, social security, housing and industrial relations. The resolution on industrial relations asserted the workers' right to strike and affirmed that collective bargaining was the only salutary method of solving problems of industrial strife. A resolution seeking disaffiliation of the Hind Mazdoor Sabha from the I.C.F.T.U. was lost by 125 votes to 162.

A feature of the convention was a two-day educational seminar which immediately preceded the delegates' sessions. The seminar was organised in co-operation with the I.C.F.T.U. Asian Trade Union College. Besides discussing problems of workers' education the seminar also considered a working paper on the role of trade unions in determining wages.

The session received a number of messages including one from Shri V.K.R. Menon, the Director of this Office.

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Presidential address: party influence on trade union activities deplored: Shri J.N. Mitra, in his presidential address stressed the need for the rise of leadership of labour from among the ranks of the working class itself to avoid the complications arising from interested political parties dabbling in this field.

Unity among trade unions, he said, could certainly be achieved if the movement became free of control by political parties. The sole objective would then be to secure the economic and social betterment of the working class, he added.

Shri Mitra said that during the period under review, the number of trade unions affilliated to the Sabha increased from 250 to 333 while about 30 additional unions were awaiting formal affiliation.

After referring to ideals of the Sabha and the progress towards their realisation, Shri Mitra said, it was of importance to maintain a delicate balance between the urge for equitable right and obligations. If the achievement of the H.M.S. had not been spectacular, it was for this reason that H.M.S. recognised a rational limit beyond which the working class could not press demands for themselves as a part of the society, although they were the main creators of goods and services. He observed: "The H.M.S. while making demands for the rightful dues, also recognised the obligations to see to the success of the First and Second Five-Year Plans of industrialisation and development of an all-inclusive betterment of the standard of living of the people as a whole. These required placing the country's economy on a firmer basis. The H.M.S. voluntarily accepted the responsibility and recognised the need for sacrifice that the people as a whole would have to make, for the sake of the success of these plans so that in the end the fruits of this sacrifice might be enjoyed by all."

Weakness of Trade Union Movement.- Discussing the causes of the weakness and handicaps of Indian trade union movement, Shri Mitra said: "Misconception of the real role and function of trade unions has been the main cause of its weakness and immaturity.

Agitation for wage-increase and for essential amenities, and demonstrations against order of dismissal or retrenchment have mostly been the sole programme of a trade union organisation. What else then remained to strive or fight for after these items have been gone through?" The aim of the movement of the present epoch must go beyond mere securement of increased wages and amenities and must radically transform industrial relations in the sphere of social production so that the entire structure of the society changed and a new set of values was introduced in the life of the society. The other causes of weakness were (1) low level of education and even illiteracy of the majority of the workers; (2) want of trade union education and proper leadership training; (3) Control by political parties for party purposes - and consequent wrong direction frittering away the energy and resources; (4) inadequacy of funds and (5) disunity and rivalry among the units and the national organisations.

Resolutions: Minimum Charter.- The Convention by a resolution called upon its affiliated unions to embark on an intensive and planned campaign of agitation on the following issues: (1) An immediate increase in all current wages of 25 per cent as an interim step towards the prescribing of the long-promised "fair wages" in the organised industries and reasonable minimum wages in the sweated industries. (2) The introduction of price controls of essential commodities and the taking of drastic penal action against hoarders, profiteers and other anti-social elements, as essential prerequisites of planned attempt to arrest and reduce the abnormally high rise in prices. (3) Securing for all daily-rated workers payment for weekly off, calculated on the basis of the previous weeks average earnings, subject to a minimum of double the daily time rate. (4) Extending the coverage of the employees' Provident Fund Act to every establishment or industry employing more than 20 workers and raising the rate of contributions to 8 1/3% of total earnings. Amending the Employees Provident Fund Act to remove its defects. (5) Enacting legislation for all unprotected wage earners, especially those employed in the transport, government and quasi-government undertakings, providing for a maximum 48-hour week, a weekly holiday and overtime rates of pay. (6) Compelling the Government to accord impartial treatment of all trade unions irrespective of their affiliation to any central organisation and, as a token thereof, the immediate recognition of the All-India Railwaymen's Federation. (7) Immediate

29

revision of the Conduct Rules applicable to the government, quasi-government and local government employees to secure for all clerical and manual workmen full trade union and democratic rights, including the right to participate in peaceful agitation, demonstrations and strikes. (8) Removal of the defects in the administration of the employees State Insurance Scheme and the liberalisation of its provisions to provide adequate social security.

Rationalisation.- A resolution on rationalisation noted with concern the fact that no effective protection has yet been secured for the workers against the introduction of labour-saving devices in industries, increase in workloads and consequent insecurity of employment. After noting the conditions stipulated by the 15th session of the Indian Labour Conference (vide pages 1-22 of the report of this Office for July 1957) the resolution emphasised the need for special examination of all measures of rationalisation. It added that in a country like India, with vast unemployed human labour and paucity of capital and technology, labour-saving devices should, prima facie, be discouraged.

Workers' Education.- The resolution of workers' education opined that workers' trade union education was essentially a responsibility of the trade union movement and that the trade unions were the most appropriate agency for imparting such education. While welcoming the interest shown and the efforts undertaken by the Government of India in the field of workers' education, the resolution stressed that the trade union movement itself must make a beginning, however modest, to develop a workers' education programme of its own. It added that while the facilities provided by the Government for the training of teachers or by way of literature, materials, etc., might be availed of by the movement especially in the early dates, cash subsidies or any kind of interference with the form, content and technique of education should not be permitted. It urged that the Hind Mazdoor Sabha should participate in working the Government programme of training teachers, producing literature and other material, etc., for workers' education, but only so long as the programme remained genuinely objective and impartial both in form and content as recommended by the Ford Foundation Team of Experts.

The resolution welcomed the valuable work being done by the Asian Trade Union College of the I.C.F.T.U. in this regard. It further requested the Hind Mazdoor Sabha and its affiliated unions to give high priority to their development of their own programmes of workers' trade union education.

Social Security.— The resolution on social security urged the Government to evolve and enforce a comprehensive social security programme to give adequate protection to workers in sickness, old age, death, unemployment and such calamities, by integrating the prevailing social security measures and extending them.

Pending the enforcement of such a programme of comprehensive social security, the resolution demanded the extension of the Employees' State Insurance Scheme to cover such major sections of workers as seamen and also to the workers of small factories.

Housing.— The resolution on housing urged the Government to take urgent steps to solve the problem of housing by drawing up a definite plan for providing adequate houses with a definite period. The resolution pointed out that housing was essential both for improving the health and efficiency of workers as well as for social and cultural uplift. It warned that unless essential problems were solved first action on secondary issues would neither satisfy the workers nor create the climate for workers' enthusiastic participation in nation-building activities such as the fulfilment of the Second Five-Year Plan.

Industrial Relations.— By a resolution the Hind Mazdoor Sabha noted with concern the 'complete lack of improvement in industrial relations in the country' since its last annual convention held in March 1956. The resolution said that the machinery devised by legislation (State as well as Central) for the investigation and settlement of industrial disputes remained as cumbersome and dilatory as ever during the post war period. The right to refer a dispute to adjudication at any time and with any terms of reference, had been reserved for appropriate Governments and the refusal to refer to adjudication a particular demand even without assigning any reason had also been reserved for the absolute discretion of the appropriate Government, a right which had necessarily to be exercised with an objective and judicial approach. Political inclinations and

ideological affiliations of a workers' organisation still continued to influence the minds of the authorities concerned while determining the questions as to whether workmen should or should not be permitted to avail themselves of the tardy process of conciliation and adjudication prescribed by law. The result was that while all the workmen and all their organisations were subjected to the disabilities imposed by legislation, all of them could not, as a matter of right, claim even the meagre benefits from the legislative measures that they were capable of yielding. The delay in implementation of awards was causing intense dissatisfaction amongst workmen. The present machinery for implementation was inadequate and left the initiative which should be in the hands of workers benefiting from the award, in the hands of the appropriate Government which was many a time, guided by extraneous considerations. It added that there was an increasing tendency on the part of industrial employers in the recent past to file appeals by special leave to the Supreme Court of India and the Supreme Court appeared to be quite generous not only in entertaining these appeals but also in passing orders staying almost indefinitely the awards made by Industrial Courts and Tribunals.

The resolution viewed with apprehension the increasing and steady encroachment through legislation on the workers' right to strike. It emphatically asserted that the working class would not accept any fetters on its right to strike except when there is voluntary agreement to avoid or postpone it. The resolution went on to state, ^{the H. of C.} firmly believed that collective bargaining was the only salutary method of solving problems of industrial strife and that recourse should be had to the machinery provided by law only when all serious and sincere efforts at collective bargaining have completely failed. It, therefore, welcomed the recent willingness on the part of some employers to enter into long-term agreements with the trade unions of their workers in respect of important terms of employment such as wages, dearness allowance, bonus, etc. It finally urged the Government, Central and State, to convene a fully representative tripartite conference to consider the question of industrial relations in all its aspects and to devise ways and means of promoting collective bargaining as a primary method of settling industrial disputes.

Move to Disaffiliate from I.C.F.T.U. Lost.-

A move to disaffiliate the Hind Mazdoor Sabha from the I.C.F.T.U. was defeated. In moving the resolution, Shri Mahadev Singh contended that the I.C.F.T.U. was mainly preoccupied with anti-communism and with supporting the political line of the Western Bloc in international affairs. He also declared that the I.C.F.T.U. could not be considered a free trade union organisation as it included organisations like the I.N.T.U.C., and the trade unions of Formosa and South Korea which were under the domination of the ruling parties of the respective countries. He considered it derogatory to the self-respect of the H.M.S. that it should stay in the same organisation along with such stooge organisations and also that it should have to plead for reduction of affiliation fees which it is unable to pay in full.

Several delegates spoke against the resolution. It was argued that the charge that the I.C.F.T.U. was dominated by the Western Powers Bloc and that it was merely anti-communist and not really free could not be sustained on the basis of the record of the I.C.F.T.U. over the past years. It was also argued that an organisation could not be condemned merely because a few constituents in it were not free and that an assessment could be made only on the basis of the policies and actions of the organisation as a whole. It was wrong to treat the I.C.F.T.U. and the W.F.T.U. on the same basis or the trade union organisations of Western Europe and America on the one hand and those in the Communist countries on the other.

The resolution was defeated by 49 votes against 90 on a show of hand. Pressed to a division it was lost by 125 votes against 162.

Other resolutions.- Other resolutions adopted by the Convention related to conditions of Indian seamen left in the Portuguese possessions in India, railway contract-labour, retrenchment compensation and the strike of bank employees in Calcutta.

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Office Bearers.- Shri S.C.C. Anthony Pillai, M.P. was unanimously elected President for the year 1957-58. Shrimati Maniben Kara, Shri Devan Sen, M.L.A., Shri Brij Kishore Shastri and Shri R. Kanna were elected Vice-Presidents. Shri Bagaram Tulpule was elected General Secretary.

(Hind Mazdoor' September-October, 1957).

Dns:

Railway Workers: Rival Federations to Unite:
Strike Decision Revoked

Following a "unity conference" convened by the Railway Minister at Delhi on 29 November 1957, the National Council of Action of the All-India Railwaymen's Federation adopted a resolution on 23 November 1957 expressing its decision to unite with the National Federation of Indian Railwaymen "in view of the cause of unity among railwaymen". Representatives of both Federations took part in the conference.

The National Federation of Indian Railwaymen is led by Shri S.R. Vasavada and is recognised by the Government. The All-India Railwaymen's Federation, which was not granted recognition, is led by Shri S. Guruswamy.

The AIRF said in a resolution that while it accepted the unity formula "to protect itself against any repetition of the circumstances in which it was a victim of the loss of privileges of a recognized federation", it had decided to review the working of the joint committee and the formula after three months.

Representatives of the two Federations have informed the Railway Minister that they had unanimously decided to implement the unity agreement reached by them in March 1956.

Under the March, 1956 agreement, the two main groups of railway workers had decided to unite. The AIRF later seceded from the new body, the NFIR. The agreement provided that the last date for election of office-bearers and for setting up a joint committee of the two groups, which would be in charge of implementation of the terms of the agreement, should be 31 July 1958. Any dispute regarding implementation of the agreement was to be discussed by the committee in the presence of observers, and then recourse would be had to arbitration.

The two groups had also informed the Railway Minister of their March agreement on elections.

The AIRF representatives had later met the Railway Minister separately and asked that they be given equality with the NFIR and also accorded negotiation facilities at Railway Board level. The

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Minister had suggested that the demands and representations that the AIRF wanted to bring forward could first be discussed in the joint committee, which could then be used as a common channel of reference. This suggestion was accepted.

The AIRF which had earlier decided to call a strike in support of its demand also directed its affiliated unions not to serve a strike notice.

(The Statesman 24.11.1957).

Draft Kerala Trade Unions Regulations,
1957.

The Government of Kerala published on 8 October 1957 the draft of the Kerala Trade Unions Regulations, 1957, proposed to be made in exercise of the powers conferred under the Indian Trade Unions Act, 1926. The regulations prescribe inter alia the manner in which trade unions and the rules of trade unions shall be registered and the fees payable on registration, the manner in which the accounts of registered trade unions shall be audited, the conditions subject to which inspection of documents kept by the Registrar shall be allowed and the fees chargeable for such inspections. The regulations repeal the Travancore-Cochin Trade Unions Regulations, 1952, and the Madras Trade Unions Regulations, 1927, applicable in the State. The draft regulations will be taken into consideration by the Government after 8 January 1958.

(Kerala Gazette No.41 dated 8 October, 1957, Part I, Section IV, pp. 1-18).

Dns:

CHAPTER 3. ECONOMIC QUESTIONS.

INDIA - OCTOBER-NOVEMBER 1957.

32. Public Finance and Fiscal Policy.

Report of the Second Finance Commission: More Funds to be Transferred to States.

The report of the second Finance Commission was laid on the table of the Lok Sabha on 14 November 1957 with the memorandum showing the action proposed to be taken on the recommendations of the Commission.

The report of the Commission is unanimous. Its recommendations have been accepted by the Government and necessary action will be taken to implement the decisions. The legislation involved is likely to be promoted in the current session of Parliament.

The work of this Commission is, in a sense, the continuation of the work of the last Commission. But in addition to making recommendations about the allocation of income-tax, the sharing of Union excise duties and the grants in aid to be paid under Articles 273 and 275 of the Constitution, this Commission had certain additional terms of reference. It was required to make recommendations about the distribution of estate duty on property other than agricultural land and the recently levied tax on railway fares. It was also asked to determine the amount of the present income of the States from sales taxes on mill-made cloth, sugar and tobacco and recommend the method of distribution of additional duties of excise proposed to be levied in replacement of the sales taxes. It had, in addition to review the terms and conditions of loans given by the Centre to the States during the period from 15 August 1947 to 31 March 1956 and suggest any modifications it considered necessary.

Income-Tax.- At present 55% of the net proceeds of tax on income other than Corporation tax but excluding taxes on federal emoluments and the taxes attributable to Union Territories (fixed at 1% of the net proceeds) are distributed among the States, the share of each being fixed, 80% on the basis of population and 20% on the basis of collection. The Finance Commission has recommended the raising of the States' share from 55% to 60% and has suggested a distribution among the States based 90% on population and 10% on collection.

From 1 April 1952, following the recommendations of the first Finance Commission, 40% of the net proceeds of the Union duties of excise on matches, vegetable products and tobacco are distributed to the States on the basis of population. This Commission has widened the range of the shared taxes by suggesting the inclusion of the duties on coffee tea, sugar, paper and vegetable non-essential oils. The States' share has now been fixed at 25% of the net proceeds of the duty on these eight commodities. The share of the States has been fixed almost wholly on population, with certain minor adjustments among the States.

Grants in Aid.- The first Finance Commission recommended the payment of grants-in-aid of ~~Rs 75~~ 7.5 million rupees each to Assam and Bihar, 1.5 million rupees to Orissa and 15 million rupees to West Bengal in lieu of the share of the export duty on jute and jute products. Following the transfer of certain territories from Bihar to West Bengal, as a result of State reorganization, the grant for Bihar was reduced by 269 thousand rupees which was added to the grant to West Bengal. The Commission has recommended that the same amounts may continue to be paid to these States till March 1960, when under Article 273 of the Constitution these grants cease to be payable. The dislocation likely to be caused to the revenues of these States on this account, ^{has been taken into account} by them in its recommendations for general grants-in-aid.

Under the scheme of devolution suggested by the first Commission and accepted by Government, fixed grants were paid to Assam (10 million rupees), Orissa (7.5 million rupees) the Punjab (1.25 million rupees), Saurashtra (4 million rupees), Travancore-Cochin (4.5 million rupees), Mysore (4 million rupees) and West Bengal (8 million rupees), while

under a separate agreement with Jammu and Kashmir a sum of 25 million rupees is paid annually to that State as grant-in-aid. As suggested by that Commission, special grants for expansion of primary education for the States of Bihar, Hyderabad, Madhya Bharat, Madhya Pradesh, Orissa, PEPSU, Punjab and Rajasthan amounting in all to 90 million rupees for the four years ending 1956-57 were also paid. The second Finance Commission has not recommended any grant for broad purposes like this, but has proposed substantial grants-in-aid for 11 out of the 14 States. Details of the sums recommended for each are given in the table appended to this note.

Estate Duty Distribution.- The net proceeds of the estate duty have to be distributed in accordance with principles laid down by law of Parliament. They are now provisionally distributed among the States like the net proceeds of income-tax except that the entire sum, less the portion attributable to the Union Territories, is distributed instead of 55% as in the case of income-tax. For the period up to 31 March 1957, the Commission has suggested that this provisional distribution be formally ratified by law. For the future it has recommended that, after retaining 1% in respect of Union Territories, the balance of the net proceeds should be notionally allocated between immovable property and other property in proportion to the gross value of such property brought into assessment in each year, the share thus allotted to immovable property being distributed in proportion to the value of such property located in each State and the balance in proportion to the population of the State.

As regards the tax on railway fares the Commission has recommended that 4% of the net proceeds be retained by the Union in respect of Union Territories and the balance distribution to the States. The distribution has been broadly based on the average earnings for the three years ending March 1956 of the railways located in each State, the figures being separately worked out for each Zonal Railway and for each gauge of such railway and distributed among the States covered by these railways on the basis of route mileage. The share of individual States are given in the table at the end of this note.

Sales Tax.- The Commission has computed the total income now accruing to the States from sales taxes, by whatever name called, on mill-made textiles, sugar and tobacco at 32500 million rupees a year. It has recommended that out of the net proceeds of the proposed additional duties of excise on these commodities, the States should first be paid the compensation as assessed by them and the balance, if any, distributed among the States. This distribution is based partly on population and partly on consumption. It has recommended that, before distribution to the States, 1% of the net proceeds should be retained by the Union in respect of Union Territories and 1 $\frac{1}{2}$ % be paid to the State of Jammu and Kashmir. There is no sales tax at present in the State but a share of the additional duties would nevertheless be due to it as the duties will be levied in that State also. The incomes to be guaranteed to the States and their share of the balance are given in the table at the end of this note.

The Commission estimates that the scheme of devolution suggested by it would involve a transfer from Central revenues to the States by way of shares of revenue and general grants-in-aid of an annual sum of 1400 million rupees against 930 million rupees transferred to the States on an average in the five years ending 1956-57. The increase in the devolution is largely accounted for by the fact that the Commission has taken into account the requirements of the States for implementing the revenue portion of the Five-Year Plan. The Commission expects that with this devolution the State Governments should be in a position to balance their revenue budgets and implement the Plan, so far as it has to be met from revenue, provided the specific assistance from the Centre provided in the Plan itself is made available and the States raise the additional revenue expected of them in the Plan. The debt consolidation scheme suggested by them will, in addition, give the States together a relief of 50 million rupees a year.

The table below summarises the recommendations of the Commission:

Share of Income Tax	Share of Union Excise Duties	Grants-in-aid under Article 273	Grants-in-aid under Article 275(1) (Substantive portion)	Share of Estate Duty	Share of tax on Rail-way fares	Additional Income to be assured	Duties of Excise Distribution of balance
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States' share	60%	25%	-	-	99%	99.75%	-	97.75%
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Distribution	%		Rs (millions)		**		%	
	%	%	Rs (millions)	Rs (millions)	%	%	Rs (millions)	%
Andhra Pradesh	8.12	9.38	-	40	8.76	8.86	23.5	7.81
Assam	2.44	3.46	7.5	37.5 fi	2.53	2.71	8.5	2.73
Bihar	9.94	10.57	7.2	35.0 fi	10.86	9.39	13.0	10.04
Bombay	15.97	12.17	-	-	13.52	16.28	96.0	17.52
Kerala	3.64	3.84	-	17.5	3.79	1.81	9.5	3.15
Madhya Pradesh	6.72	7.46	-	30.0	7.30	8.31	15.5	7.16
Madras	8.40	7.56	-	-	8.40	6.46	28.5	7.74
Mysore	5.14	6.52	-	60.0	5.43	4.45	10.0	5.13
Orissa	3.73	4.46	1.5	32.5 fi	4.10	1.78	8.5	3.20
Punjab	4.24	4.59	-	22.5	4.52	8.11	17.5	5.71
Rajasthan	4.09	4.71	-	25.0	4.47	6.77	9.0	4.32
Uttar Pradesh	16.36	15.94	-	-	17.71	18.76	57.5	17.18
West Bengal	10.08	7.59	152.69	32.5 fi	7.37	6.31	28.0	8.31
Jammu and Kashmir	1.13	1.75	-	30.0	1.24	-	-	ii

* Ceases from 1-4-1960.

fi In the years 1960-61 and 1961-62 the grant will be 45 million rupees for Assam, 42.5 million rupees for Bihar, 35 million rupees for Orissa and 47.5 million rupees for West Bengal.

** Applies only to tax allocated to other than immoveable property.

ii Jammu & Kashmir will receive no compensation but 1 1/4% of the net proceeds.

6.

The Statesman (Delhi) of 15 November 1957 observes that an immediate and inevitable consequence of this revised allocations will be that the estimated surplus of 400 million rupees in the Central budget for 1957-58 will be wiped out.

(The Hindustan Times, 15 November 1957.
The Statesman, 15 November 1957).

Dns:

34. Economic Planning Control and Development

India - October-November 1957.

Currency Reserve Reduced to Meet Exchange Crisis:
Ordinance Promulgated.

The President of India promulgated on 31 October 1957 the Reserve Bank of India (Amendment) Ordinance, 1957 (No.6 of 1957) to reduce the minimum currency reserve in foreign securities. By the amendment of the Reserve Bank of India Act, 1934, by the above Ordinance, the overall minimum reserve to be maintained by the Reserve Bank for backing the currency will be 2000 million rupees, of which 'not less than 1150 million rupees' will be in gold coins and bullion.

Hitherto, separate lower limits were provided for the reserve in foreign securities and that in gold. The Bank had to maintain in its Issue Department 1150 million rupees in gold and 4000 million rupees in foreign securities. The latter was reducible, under special circumstances to 3000 million rupees. The net effect of the Ordinance, therefore, is that while the provision about the gold reserve remains unaltered, the effective minimum limit for foreign securities will in future be 850 million rupees.

According to Shri H.M. Patel, Principal Secretary in the Union Finance Ministry, the Ordinance will have no adverse effect either on the strength of the rupee or on India's credit abroad.

Addressing a press conference soon after the Ordinance was issued, he said that the strength of the Indian rupee was based on factors other than the reserves held by the Reserve Bank and these remained unaltered. Besides, he added, most countries in the world did not have any currency reserve at all.

2.

Shri Patel asserted that the present legal requirement about the minimum currency reserve - a legacy of the past - was rather high and the Ordinance only brought it in conformity with the country's practical needs.

The minimum reserve for the entire sterling area, he said, was equivalent to the area's payment requirements of six to eight weeks. Even after today's reduction, the Indian minimum would suffice for three months' payment, whereas the previous reserve was equivalent to eight months' requirements.

On October 25, India's sterling balances stood at 3280 million rupees. At the current rate of withdrawal of 80 million rupees per week, the lowest permissible limit of 3000 million rupees might be reached before the two Houses of Parliament are due to meet. Hence this Ordinance.

(The Statesman, 1 November 1957.
The Gazette of India, Part II,
Section I, 31 October 1957, pp.503-504).

Dns:

44

Lok Sabha Concludes Debate on Second Five-Year
Plan: Minister's Reply to Debate

The Lok Sabha concluded on 22 November 1957 the debate on the Second Five Year Plan. (Please see pp. 34-37 of the report of this Office for September 1957 for the debate on this question at the earlier session.) Replying to the debate Shri T.T. Krishnamachari, Minister for Finance, stated that there should be no pruning of the Second Five Year Plan in respect of iron and steel and irrigation.

The Minister recalled that they started with a Plan involving an outlay of 48,000 million rupees. A review made by the Planning Commission indicated that they had to go back to that figure of 48,000 million rupees which would be the financial limit of the Plan. Even for this purpose, the resources in sight, both internal and external, were somewhat inadequate. In regard to internal resources, there was a gap of 4,000 million rupees after allowing for deficit financing of 12,000 million rupees. On the side of external resources, the balance of payment gap was estimated at 11,000 million rupees. Even filling this gap would not be an easy task but it would be probably more now.

The original estimates in regard to the Plan requirements were, perhaps, on the low side; there had also been an increase in non-Plan expenditure, such as Defence, and that impinged very largely on the external side of their resources.

It was in the light of these developments that they had been reorienting their economic policy over the last few months.

The Planning Commission had been reviewing the progress of the Plan over the last 18 months or so. In 1956-57, it would appear the actual outlay on the Plan was about 6,750 million rupees; there had been considerable short-fall in the States because of their preoccupation ~~which~~ ^{with} one thing or another, not the least of which was States' reorganisation.

2.

For 1957-58, as against the Plan target of 9,600 million rupees, the actual outlay might turn out to be smaller. For the two years together, expenditure on the Plan would probably be in the region of about a third of the Plan outlay.

Shri Krishnamachari added: "There are still several uncertainties in the situation. Nevertheless, I am reasonably hopeful that, with efforts, we shall succeed in raising resources to match the target."

Broadly speaking, the Minister said, the considerations in terms of which the Government was proceeding may be stated as follows:

"(1) We are trying to provide funds, both internal and external, for carrying forward the projects which have already advanced considerably;

"(2) We are endeavouring to complete, to schedule, the programmes in respect of the core of the Plan, i.e., the railways, major ports, steel, coal and ancillary power;

"(3) We are not undertaking any new commitments outside the core except against external assistance, foreign investment on deferred payment terms."

Summing up, Shri Krishnamachari said: "It is not possible to state precisely where the Plan will have to be cut in consequence of the review that is now taking place. For the core of the Plan itself we have still to make sizable further commitments - and arrangements for foreign assistance.

"There is a downward trend in prices abroad which will help us to some extent. We have included in the core a few of the important power projects, in the Plan; we need to complete more - in fact, even to take on a few new ones - but that must depend on the resources available.

"Similarly, in regard to the fertilizer projects, we hope to see through one of them and we are trying to secure deferred payment terms for the others. The programmes of industrial development in the

3.

private sector have proceeded very satisfactorily, but some of them require further commitments of foreign exchange which we may not be able to spare unless it be that national resources are otherwise wasted and the foreign exchange has got to be found.

"But we are keeping a very close watch on the position, and notwithstanding our present difficulties, we hope to adhere to the essential objectives and priorities of the Plan."

(The Statesman, 21 and 22
November 1957).

Dns:

Price Stabilisation Boards for Foodgrains Suggested:
Inquiry Committee's Recommendations

The Food Grains Inquiry Committee, headed by Shri Asoka Mehta, has recommended the establishment of a high-powered authority to be called the Price Stabilization Board for the formulation of the policy for price stabilization of food grains in the country. The Committee consisting of six members besides the chairman was appointed in June 1957 to inquire into various problems with regard to production, distribution and price of food grains. (vide pp. 19-20 of the report of this Office for June 1957.)

The establishment of a suitable organization to execute that part of the policy and programme framed by the Price Stabilization Board, as may relate to purchase and sale operations in the field of food grains, has also been recommended by the Committee.

The Committee has expressed the view that solution of the food problem would have to "lie somewhere between complete free trade and full controls", and that full control should be resorted to only in case of emergency like war or famine or extreme inflationary pressure.

The need to import two to three million tons of food grain even in a normal year during the next few years is underlined by the Committee.

The main conclusion of the Committee, which it has illustrated by charts, is that in a developing economy a secular tendency to price rise will exist, though prices will fluctuate. It is a part of economic growth to achieve adjustments between production, incomes, employment, demand, costs, prices, and so on at successive levels. It is sharp and abrupt rise or fall in prices, which causes all kinds of disparities and hardships to different sections of the people that has to be avoided.

Rise in Food Prices.- The Committee has noted that the general price index in India declined by 17.6 per cent between the middle of 1953 and the middle of 1955 and then rose by 23.4 per cent. by the middle of 1957.

2.

Causes for Rise.- The Committee is of the view that a large part of the rise in the general level of prices in recent years may be ascribed to a general increase in demand resulting from the increase in investment expenditure on public and private account accompanied by deficit financing and credit expansion during the last few years.

The general inflationary forces have tended to manifest themselves through various factors on the demand side for food grains. In recent years there has been a change both in the volume and pattern of food consumption of many sections of the people. People who used to live on roots like tapioca and sweet potatoes are now transferring their demand to millets or coarse rice and people who used to take millets formerly are now gradually shifting over to rice or wheat. Certain data collected by the National Sample Survey show that with the increase in the levels of income consumption of food grains per capita has increased substantially in the lower income brackets while it remained fairly stable in the middle income group. In fact in a country like India where the vast majority of the people are under-nourished it will be surprising if consumption did not behave in this manner. The increasing tempo of industrialization and urbanization in the country has also had its effect on the consumption of food grains. One effect of these developments is to increase the demand for marketed surplus but another is also to increase the demand for rice and wheat as against millets and minor foods. The Committee has pointed out that during the First Plan period if the consumption of food grains has gone up by about 14 per cent that of other consumer goods like cloth, tea, sugar, vanaspati, soap and so on has gone up to a much greater extent.

But changes in the demand for consumption was not the only factor on the demand side. From the short term point of view changes in the propensity to stock was even more important.

The Committee, has, however, emphasized that it is variations in marketed surplus even more than variations in production which are important from the point of view of prices. Unfortunately, the information available about marketed surplus is very sketchy. The broad picture that has emerged from

the data collected by various research organizations on behalf of the Committee, is that stockholding at the farm level has increased considerably in 1956-57 as compared to 1955-56. Less than 60 per cent. and in some areas even less than 50 per cent. of the crop came to the market in 1956-57 within two or three months of the harvest as compared to 70 to 80 per cent. in normal years.

The gross availability of food grains per capita declined from 18.1 oz. per day in 1954 to 17.1 oz., per day in 1956. No doubt, in 1957, the gross availability per capita is likely to be almost the same as in 1954. But, if one takes into account the increased retention by the agriculturists that seems to have taken place in the year 1956-57, it is likely that the net availability per adult for the non-farm section of the population will have declined.

The Committee discusses the problem of scarcity pockets in the country (East U.P., North Bihar, districts around Calcutta, dry areas and tribal areas) which at one time or the other became epicentres of rise in prices and emphasises that it should be an object of the Government's policy to keep a careful watch over likely development of such disparities and take timely action to minimize their harmful effects.

Future Prospects.- As regards the future, the Committee has estimated that given normal conditions, the demand for food grains in 1960-61 will be of the order of 79 million tons, while production will be 77 million tons. There will be thus a deficit of about 2 million tons per year even at the end of the second Five Year Plan. If there is a sharp inflationary trend, the demand may be even higher, while if there are adverse weather conditions the production may be substantially lower. Moreover, there may be additional demand on account of variations in propensity to stock. The Committee, therefore, feels that even in a normal year there will be need for importing 2 to 3 million tons of food grains per annum during the next few years.

The Committee feels that the solution of the food problem would have to lie somewhere between complete free trade and full controls. Controls should be of a countervailing or regulatory rather than restrictive type. The main objective of the type of controls that the Committee has in view is to stabilize prices of food grains as also other related commodities as far as practicable. At the same time, the Committee warns that any rigid integration of the price structure is neither feasible nor desirable.

Since imbalances in the economy are of different kinds and intensity, they lend themselves to treatment through varied combinations of measures of general or overall control and specific regulation adopted to the nature and severity of the particular situation. While the general climate would be set by appropriate fiscal monetary and credit policies, it is obvious that in the general economic and monetary situation that is likely to prevail for some time, these have to be supplemented by certain specific action directed to controlling food grains and also in respect of related commodities if comparative stabilization of their price is desired.

Open Market Purchase.- For the present it should ordinarily be sufficient to undertake open market purchase and sale of food grains by the Government as a regular measure, socialize part of the wholesale trade, exercise control over traders operating in the rest of the market through a system of licensing, maintain a sizable reserve stock of wheat and rice, arrange for the regular import of a certain quantity of rice and wheat and organize propaganda for the consumption and production of subsidiary food. But in a period of rising prices it would be necessary to supplement the above by much larger imports direct sales of cereals by Government through modified ration shops, formation of zones with a view to preventing cross-movements and undue pressure on local supplies and limited compulsory procurement by Government in surplus areas for replenishing its reserve stocks.

In periods of sharper inflationary trend the above may have to be further supplemented by compulsory issue of wheat (the supply position of which is relatively easy) along with rice (of which the supply position is more difficult) from modified ration shops, announcement of prices at which Government will requisition surplus stocks and temporary cordoning off of big cities like Calcutta, Madras and Bombay if the overall food situation deteriorates. In periods of sharp deflationary trends, on the other hand, the action to be taken should include announcement of guaranteed minimum prices supported by accelerated purchases of food grains in the open market by Government, subsidized sale of fertilizers, iron and steel to farmers and acceleration of local development works in depressed areas.

Price Stabilisation.- Market operations will obviously have to be carefully planned and conducted from time to time in different commodities in larger or smaller areas and in varying magnitudes according to need. It is necessary for this purpose to have an effective organization for keeping a constant watch over the situation, making a realistic assessment not only of current trends, but also future prospects, and prescribing measures to be taken under different circumstances as well as an adequate machinery for carrying on the necessary market operations. The Committee, therefore, recommends first, the setting up of a high-powered authority for the formulation of the policy for price stabilisation in general and determining the programme for enforcing it from time to time and, second, the establishment of a suitable organization to execute that part of the policy and programme framed by this authority as may relate specifically to purchase and sale operations in the field of food grains. The policy-making body may be called the Price Stabilisation Board composed of representatives of the Ministries of Food and Agriculture, Finance, Commerce and Industry and Railways, Planning Commission and the Reserve Bank of India with chairman of the status of Secretary to the Government of India.

52

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As regards the executive organization for dealing specifically with food grains, the Committee has recommended the setting up under the Ministry of Food and Agriculture a separate body called the Food Grains Stabilization Organization. It further recommends that a body of non-officials called Central Food Advisory Council should be set up to assist the Food Ministry and the Price Stabilisation Board. The Council should be composed of representatives of agriculture, trade, workers, industry, consumers, banking, co-operatives, leading political parties and economists.

The Committee further recommends that an organization for collecting all relevant intelligence called Prices Intelligence Division should be built up with a senior officer as head who will also act as secretary to the Price Stabilization Board. It emphasizes that an all-India average index of wholesale prices cannot bring out adequately the various regional and sectoral - disparities which create difficulties in the economy. If there are suitable regional indices as well and a careful watch is kept over them, one would be able to know from the way that pressure points develop in the economy as to what is the real source of trouble, what is the real source of ~~trouble~~ impact of it and its likely significance in the future.

The Committee further recommends that the Food Grains Stabilization Organization will be required to undertake what is commonly known as buffer stock operations. In the initial stages this organisation may face stiff competition from traders. The Government should, therefore, take special measures to build up a position of strength for this organisation in the early stages, by way of credit and transport facilities. The ultimate policy should be that of progressive and planned socialisation of the wholesale trade in food grains. The Committee points out that its proposal is by no means a very novel or revolutionary suggestion. In many important countries of the world like Canada, Australia, Burma, Italy, Japan and so on, agricultural commodities in general and food grains in particular have been subject to a very large degree of State intervention.

While the Food Grains Stabilization Organisation should be able to control a large part of the marketable surplus, during normal years, in the immediate future so long as inflationary trends continue and food shortage persists, open market purchases may push up prices so that the organisation may find it necessary to stop its operations. Therefore, it will be necessary to undertake some form of compulsory procurement for replenishing the reserve stocks and maintain supplies to the vulnerable groups of the population at reasonable prices. For the present no compulsory procurement of wheat or millets may be necessary. Whatever may be purchased from the open market should suffice. So far as rice is concerned, however, it will be necessary to resort to some form of compulsory procurement to ensure that at least 6-7 lakh tons of rice is procured from surplus areas in the country.

There are several ways in which compulsory procurement may be enforced. The simplest way would perhaps be to cordon off certain areas Orissa, Punjab, delta district of Andhra Pradesh and Chattisgarh division of Madhya Pradesh and make the Food Grains Stabilization Organisation the sole buyer in these areas for the purpose of export. If it is felt that in any area cordoning is not practicable for some reason, certain alternative systems of procurement may be tried. One alternative may be a levy on all rice and flour mills as also on all private traders making purchases in major primary mandis. Another alternative is fixed levy of food grains for every acre of land which a farmer possesses above a prescribed limit, say ten standard acres.

One of the key measures that would be necessary for making the system proposed above really successful will be the licensing of all dealers in food grains. An order on the lines of the Food Grains (Procurement and Licensing) Order, 1952 should be issued under which all traders and big producers in the country who may deal in and stock more than 100 maunds of food grains should be required to take a licence. One of the terms of the licence should be that traders will submit fortnightly returns of their stocks, sales and purchases to the prescribed authorities.

One of the most important task of the Food Grains Stabilisation Organisation would be to build up and maintain a reserve stock of 2 million tons as distinct from any Buffer stocks that it may build up from operational considerations. It was the experience of 1955 that even a stock of 1.5 million tons was not sufficient when a real crisis began. The reserve stocks should be maintained at strategic points.

The Committee emphasizes that it would not be possible for the country either to build up necessary reserve stocks or to meet the requirements of the vulnerable groups of the population without substantial imports during the next few years.

Food Imports.- The food supplies would continue to be marginal for a long time to come and an annual import of the order of 2 to 3 million tons would be necessary for some years.

Distribution.- So far as food distribution is concerned, it should be primarily through fair-price shops or modified ration shops or through institutions like co-operative societies or employers' organisations. Sales from fair-price shops, and so on should be normally made on a no-profit-no-loss basis, so far as the Government is concerned. This in itself should prove to be of benefit to a large group of people.

If there is an abnormal fall in production and larger imports are not available it will be helpful if big cities are cordoned off. The main justification for cordoning off these big cities will be primarily to insulate the rest of the economy from the pressure that these cities with high purchasing power might exert on the general supply.

The Committee has also suggested, as other measures, a special cell at the Central Ministry for vulnerable areas, encouragement of village panchayats and co-operative societies to set up grain golas or warehouses, production and consumption of subsidiary food and increase in food production through minor irrigation, seed multiplication farms, increased availability of fertilisers, and expeditious progress with land reforms.

55

Population Control.— Finally, the Committee points out that for an effective solution of the food problem, not only determined and all-out efforts to set up production have to be made but the high rate of increase of population has to be checked. It has, therefore, urged that a nation-wide campaign for family planning enlisting the efforts and energies of social workers, particularly women, medical men, scientists, sociologists, economists, administrators and political leaders, should be launched.

(The Hindustan Times,
20 November 1957.)

Dns:

36. Wages

India - October-November 1957

Fixation of Industrial Wage Structure: Supreme Court Rules Adjudication should be Based on 'Social and Economic Justice'.

Principles governing fixation of wage structure were detailed in a judgment of the Supreme Court delivered on 15 October 1957.

Dismissing the appeal of Messrs Crown Aluminium Works, Belur, Mr. Justice Gajendragadkar, who delivered the judgment, said: "There can be no doubt that in fixing wage structures in different industries, industrial adjudication attempts, gradually and by stages though it may be, to attain the principal objective of a welfare State, to secure 'to all citizens justice, social and economic'. To the attainment of this ideal the Constitution has given the place of pride and that is the basis of the new guiding principles of social welfare and common good".

The appeal arose out of an industrial dispute between the management and the workers. The adjudication award was made on 9 October 1953. Both the management and the workmen filed cross appeals and the Labour Appellate Tribunal made a consolidated order.

The workmen appeared to be satisfied with this order. The main point raised before the Supreme Court on behalf of the management was in respect of the revision made by the Labour Appellate Tribunal in the wage structure. The management contended that the Labour Appellate Tribunal was in error in assuming that it had been the convention in industrial adjudication not to review the existing emoluments of the workmen to their prejudice in any case. Just as a rise in the cost of living index or similar relevant factors might justify a revision of the wage structure in favour of the workmen, so should the revision of wage structure be permissible in favour of employer in case his financial position had considerably deteriorated or other relevant factors indicated such a revision.

"In dealing with this question," Mr. Justice Gajendragadkar said, "it is essential to bear in mind the main objective which industrial adjudication in a modern democratic welfare State inevitably keeps in view in fixing wage structures. With the emergence of the concept of a welfare State, collective

bargaining between trade unions and capital has come into its own and has statutory recognition; the State is no longer content to play the part of a passive onlooker in an industrial dispute. The old principle of the absolute freedom of contract and the doctrine of laissez faire have yielded place to new principles of social welfare and common good.

"Though social and economic justice is the ultimate ideal of industrial adjudication, its immediate objective in an industrial dispute as to the wage structure is to settle the dispute by constituting such a wage structure as would do justice to the interests of both labour and capital, would establish harmony between them and lead to their genuine and wholehearted co-operation in the task of production. In achieving this immediate objective, industrial adjudication takes into account several principles, such as the principle of comparable wage, productivity of trade or industry, cost of living and ability of the industry to pay.

"An application of these and other principles leads to the constitution of different categories of wage structures. These categories are sometimes described as living wage, fair wage and minimum wage. These terms or their variants, the comfort or decency level, the subsistence level and the poverty or the floor level, cannot and do not mean the same thing in all countries, nor even in different industries in the same country in deciding industrial disputes.

Bare Minimum Wage.- "In regard to the wage structure, one of the primary objectives is and has to be the restoration of peace and goodwill in the industry itself on a fair and just basis, to be determined in the light of all relevant considerations. There is, however, one principle which admits of no exception. No industry has a right to exist unless it is able to pay its workmen, at least, a bare minimum wage."

Replying to the contention of the management, his lordship said: "We do not think it would be correct to say that in no conceivable circumstances can a wage structure be revised to the prejudice of workmen. When we make this observation, we must add that even theoretically no wage structure can or should be revised to the prejudice of workmen if the structure in question falls in the category of the basic subsistence or the minimum wage."

Dealing with the question of wage structure, his lordship said, the tribunals must keep in mind some "practical considerations." A substantial reduction in the wage structure was likely to lead to discontent among workmen and might result in disharmony between employers and employees and that would never be for the benefit of the industry as a whole. The tribunals would also have to take into account the fact that if any industry was burdened with a wage structure beyond its financial capacity, its very existence might be in jeopardy and that would ultimately lead to unemployment.

The Appellate Tribunal thought the wages paid by appellants were the irreducible minimum or might at least be in the region of fair wage with a small margin over the minimum wage. If in reaching this final conclusion the Labour Appellate Tribunal had relied not only upon the alleged convention that the wage structure once fixed could never be changed to the prejudice of workmen but upon other circumstances, it would not be fair to say that this conclusion was vitiated in law or was otherwise unsound.

Dealing with the "true character of concessional payments" made by the management which had been incorporated in the wage structure by the Labour Appellate Tribunal, his lordship said the Appellate Tribunal had taken the view that these concessional payments really amounted to payments made to workmen as a matter of right.

If the Labour Appellate Tribunal took into account the relevant facts and held that the payments in question were not matters of bounty, but that in essence they formed part of the basic wage and the dearness allowance payable to the workmen, there was no reason to interfere with its conclusion."

(The Hindustan Times, 16.10.57).

Dns:

36. Wages

India - October - November 1957

Minimum Wages (Amendment) Act, 1957

(No. 30 of 1957)

The Minimum Wages (Amendment) Bill (vide pages 13-14 of the report of this Office for November 1956) as passed by Parliament received the assent of the President on 17 September 1957 and has been gazetted as Central Act No. 30 of 1957. The Act, inter alia, extends the time limit for fixation of minimum wages in respect of certain employments and agricultural labour to 31 December 1959.

(Gazette of India, Extraordinary, Part II
Section I, 18 September 1957, pp. 431-439).

60

Bombay: Bonus for 1956 for Textile Workers

225,000 workers of 56 cotton mills in the city of Bombay will receive about 30 million rupees as bonus for the year 1956, says a Press release issued by the Millowners' Association.

The bonus which will be paid on 15 October 1957 has been jointly worked out by the Millowners' Association and the Rashtriya Mill Mazdoor Sangh, the representative union. The amount payable varies from 4.8 per cent. to 25 per cent. of the workers' basic wages. Twenty-nine mills will pay bonus equivalent to 25 per cent. of the annual basic wages, while 21 mills will pay 4.8 per cent. The percentage of bonus payable by the remaining mills ranges between these two figures.

The bonus is announced in terms of the five-year agreement between the Association and the Sangh signed in March 1956.

The bonus for the years 1953, 1954 and 1955 amounted to 17.5 million rupees, 20 million rupees and 25 million rupees respectively.

(The HINDU, 15 October 1957).

DPK.

11

Draft Kerala Minimum Wages Rules, 1957.

The Government of Kerala published on 24 September 1957 the draft of the Kerala Minimum Wages Rules, 1957, proposed to be made in exercise of the powers conferred under the Minimum Wages Act, 1948. The rules prescribe inter alia the term of office of the members of the Committee, the Advisory Committee, members of the Board, the procedure for summoning of witnesses by the Committee, Advisory Committee or the Board, the mode of compensation of the cash value of wages, the number of hours of work which shall constitute a normal working day, procedure for claims under the Act, and scale of costs in proceedings under the Act. The draft rules will be taken into consideration by the Government after 24 October 1957.

(Kerala Gazette, No. 39 dated 24 September 1957, Part I Section IV, pp. 1 - 31).

DPK.

52

Bihar: Minimum Wages Act extended to Employment
in Dam Construction and Irrigation Works
and in Brick-Laying

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Bihar has made the following amendments to Part I of the Schedule appended to the said Act, namely,

- " 15. Employment in Dam Construction and Irrigation Works.
- 16. Employment in Brick-Laying."

(Notification No. VI/W3-1057/57L-17688 dated 28 September 1957, the Bihar Gazette, Part II, 30 October 1957, p.2456).

DPK.

62

Kerala's Minimum Wages Act extended to
Employment in Timber Industry

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Kerala has made the following amendments to Part I of the Schedule to the said Act, namely,

" 22. Employment in Timber Industry."

(Notification No. LL-5079/57/L & LAD dated 19 October 1957, Kerala Gazette, Part I, 29 October 1957, p. 2336).

DPK.

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38. Housing.

India - October-November 1957.

Subsidised Industrial Housing Scheme: Standard Costs Revised

In view of the rise of the cost of building materials and Labour, the Government of India has revised the standard costs of different types of houses to be built under the Subsidised Industrial Housing Scheme. The new costs also include expenditure on providing separate baths and W.Cs. for each family.

The standard cost per house, including the price of land and expenditure on development, except in Bombay and Calcutta, will now be: single-story one-room Rs. 3,300; single-storey two-room Rs. 3,850; double-storey and multi-storey one-room Rs. 3500 and double-storey and multi-storey two-room Rs.4200. The maximum rents for these tenements will now be Rs.12.50, Rs.14.50, Rs.13.50 and Rs.16.00 per mensem respectively. It has also been decided to grant Rs.200 more per house in the ceiling costs of construction in towns, other than Bombay and Calcutta, with a population of over three lakhs.

In Bombay and Calcutta, the standard cost will be; single-storey one-room Rs.4,600; single-storey two room Rs.5,300; double-storey one-room Rs.4,850; double-storey two-room Rs.5,750; multi-storey one-room Rs.5,800 and multi-storey two-room Rs.7,250. The maximum rents in these cases will be Rs.19.00, Rs.22.00, Rs.20.50, Rs.23.00 and Rs. 29.50 per mensem respectively. In addition, an increase in rent up to Rs.3.50 per mensem per house in Bombay State and the Calcutta industrial area has been permitted.

Plantation Labour Housing Scheme.- The Government of India has also decided to raise the ceiling of loan assistance to be given under the Plantation Labour Housing Scheme of the Ministry of Works, Housing and Supply. The maximum loan permissible per house will henceforth be Rs.2,400 and Rs.1,920 for houses built in the Northern and Southern parts of India respectively. Originally the scheme, which was formulated in April, 1956, restricted the amount of loan to a maximum of Rs.2,000 per house in the North and Rs. 1,600 per house in the South. The increase has been approved due to rise in building costs.

(Indian Labour Gazette, Vol. XV, No.5,
November 1957, Pp. 497).

65

Industrial Housing Scheme: Standard Cost
Increased

The Government of India has revised, in view of the rise in the cost of building materials and labour, the standard cost of houses to be built under the subsidized industrial housing scheme. The new cost also covers expenditure on providing separate baths and lavatories to each family.

An official Press release says that the standard cost per house including the price of land and development, except in Bombay and Calcutta, will now be: single-storeyed one-room Rs.3,300 and two-room Rs.3,850; double-storeyed and multi-storeyed one-room Rs.3,500 and two-room Rs.4,200. The maximum rents for these tenements will now be Rs.12.50, Rs.14.50, Rs.13.50 and Rs.16 respectively.

It has also been decided to allow Rs.200 more on ceiling costs per house in towns with a population of over 300,000 except Bombay and Calcutta.

In Bombay and Calcutta, the standard cost will be: single-storeyed one-room Rs.4,600 and two-room Rs.5,750; multi-storeyed one-room Rs.5,800 and two-room Rs.7,250. The maximum rents will be Rs.19, Rs.22, Rs.20.50, Rs.24, Rs.23 and Rs.29.50 per month respectively.

In addition, an increase in rents up to Rs.3.50 per month per house in Bombay State and the Calcutta industrial area has been permitted.

(The STATESMAN, 19 October 1957).

66

Housing under the Second Five Year Plan:

Ministers' Conference Recommendations

The Second Housing Ministers' Conference met at Mysore from 31 October to 3 November 1957, Shri K. C. Reddy, Union Minister for Works, Housing and Supply presiding. The Conference discussed, inter alia, industrial housing under the Second Five Year Plan.

Union Minister's Inaugural Address.- In the course of his inaugural address, Shri K. C. Reddy stated that about 1.9 million houses were expected to be built during the second Five-Year Plan period in the public and private sectors. He said the Rs.1,050 million provision in the Plan for Government-aided urban housing would result in the construction of 3,06,000 houses. In addition, the Union and State Governments would build about 7,69,000 houses for their own employees, for coal and mica mines and plantation workers. The private sector was expected to put up 8,00,000 urban houses with an investment of about Rs.8,000 millions.

Shri Reddy said this development would not be enough. The shortage of houses in 1951 was 2.5 million and taking into account the new requirements, demolition and replacement of old houses, the shortage in 1961 was expected to be about 5.7 million units or twice as much as it was in 1951 when the first Plan started. This estimate was based on an expected rise in urban population of about 20.6 million during 1951-56.

The number of houses built during the first Plan period totalled 1.3 million.

Referring to rural housing, the Minister said there were 5,58,089 villages with a population of 295 million and about 54 million houses to accommodate it. Nearly 50 million houses needed to be rebuilt or substantially improved. A large number of villages had to be provided with wider streets, better drainage, school buildings, playgrounds and community centres. This would involve an expenditure running into several thousand millions of rupees.

Despite its staggering magnitude, the problem, he said, had to be tackled and results could only be achieved if the programme of rural housing were linked with the Community Development and National Extension programme which was expected to cover the entire country in the second Plan.

57

He said the rural housing scheme, which had recently been announced, was for this reason based on the principle of aided self-help. The housing programme would be mainly confined to villages in suitable Community Development and Extension Service blocks. Preference would be given to those villages, the majority of whose residents were willing to improve or rebuild their houses on aided self-help based on the master plan which would be drawn up for the village by the State Government. The houses would be designed and built on a modest scale using local materials procured through village co-operatives.

To conduct, guide and control this programme efficiently, each State Government would set up a rural housing cell. This cell would prepare village layouts, evolve economic designs for individual houses having regard to the use of local materials and climatic conditions and give technical advice to the local authorities. At the Centre the Ministry of Works, Housing and Supply had already set up a rural housing cell with the object of studying various problems in this field and co-ordinating the work of cells in the States.

Shri Reddy said that national sample surveys had recently been made in 53 towns and the four big cities of Madras, Delhi, Calcutta and Bombay. These revealed that nearly one-fourth of the houses had plinths, walls and roofs of mud. About 44 per cent. of the houses had only one room, 28 per cent. two rooms, 12 per cent. three rooms and 16 per cent. four and more. A large number of houses were just slum dwellings.

Referring to the problem of slum clearance, he said: "We must all give our most serious attention for it is one of the major challenges to our concept of a socialist pattern of society."

A sum of Rs.200 millions had been earmarked during the second Plan for slum clearance to provide 1,10,000 developed plots or tenements. Of this amount, Rs.150 millions was to be given by the Union Government as their share of loan and subsidy and State Governments had to find the remaining Rs.50 millions as subsidy from their own resources. Out of the Union Government's share, Rs.111.4 millions had already been allotted to the States and the remaining amount was available for allocation.

Shri Reddy also referred to the other Government Housing schemes. He said that 63,452 houses were built and Rs.253.3 millions sanctioned up to August this year under the subsidized industrial housing scheme.

The co-operatives, followed closely by the industrial employers, had been the least enthusiastic in building houses. The progress could have been much better if only there had been a more determined approach all round to this problem of industrial housing.

68

Under the low-income group housing scheme, the number of houses built up to the end of August this year was 13,512 while 13,168 units were under construction. A sum of Rs.184.1 millions had been disbursed so far to the State Governments under this scheme. The Minister asked the conference to consider why more houses could not come up under this scheme.

Referring to measures necessary for expediting the construction of houses, Shri Reddy said the Government proposed to set up housing finance corporation in States. It was intended that these institutions would canalize into housing, funds drawn from the private sector as well as banks, investment companies and financial institutions supplemented by funds from the Life Insurance Corporation and the employees provident fund account.

Decisions: Rural Housing.- The conference generally approved of village housing projects scheme as formulated by the Government of India, subject to the following modifications: (1) There was no justification to discriminate between agricultural labour in rural areas and industrial labour or the slum-dweller in rural areas and industrial labour or the slum-dweller in urban areas, in the matter of financial aid for housing. The Central Government should, therefore, give 25 per cent. of the cost of construction or improvement of a house as subsidy and 25 per cent. as loan under the scheme to the poor and deserving classes, including the agricultural labourers. However, individuals getting subsidy or loan under any other housing scheme of the Central or State Government should not be entitled to any financial assistance under this scheme.

(2) The State Governments should provide land at reasonable rates to persons receiving subsidy for building houses.

(3) The allotment of Rs.100 millions for the scheme is inadequate and it should be increased as the scheme progresses.

(4) As the scheme did not lay sufficient emphasis on improvement of the existing houses in villages, it should be made clear that the scheme is applicable not only to construction of new houses but also to improvement of the existing houses.

(5) Reconstruction of a village need not necessarily be spread over a period of eight to ten years. The State Governments should have discretion to complete the reconstruction in a shorter period.

Administrative Machinery.- For the strengthening of administrative machinery at the Centre and in the States, the conference made the following recommendations: "To ensure satisfactory progress of the housing programme, it is necessary to have a separate housing department in each State with adequate technical (including town planning) and other personnel for co-ordination and

59
implementation of the various housing schemes. Where State Governments have not established such departments, they should take early steps to do so."

Urban Housing.- Regarding urban housing, the Conference was of the opinion that due to existing commitments they must concentrate on the provision of housing for industrial workers, slum-dwellers and sweepers and that the scope of current housing schemes had to be enlarged to serve a gradually increasing number of people.

Housing Corporations.- The Conference recommended the setting up of Housing Corporations or Housing Boards in all States in order to channelise into housing, funds drawn from private sector, as well as banks, investment companies and financial institutions supplemented by funds from the Life Insurance Corporation and the Employees Provident Fund account.

It also suggested that these corporations or boards should also undertake construction and management of housing estates and acquisition and development of land and requested the Central Government to make necessary legislation for the establishment of such bodies.

(The DECCAN HERALD, 1 - 3 November 1957)

DPK.

20

39. International Economic Relations

India - October-November 1957.

Measures to Increase Exports from India: Inquiry
Committee's Recommendations.

In view of the acute shortage of foreign exchange resources, India's exports will have to be increased substantially to 7,000 or 7,500 million rupees a year immediately as against the target of 6,150 million rupees at the end of the second Plan. The Export Promotion Committee, which has arrived at this conclusion after a detailed study of the country's foreign trade prospects, is confident that if appropriate steps are taken this should not be difficult of attainment. (~~vide pp. _____ of the report of this Office for February 1957~~).

The report of the Committee, which was set up in February 1957 was published recently. The main recommendations of the Committee have been divided under four heads - steps to increase production, incentives to exporters, better credit facilities and favourable bilateral trade agreements.

According to a Press Note issued simultaneously by the Commerce and Industry Ministry, the recommendations of the Committee are under examination and such of them as are practicable will soon be implemented.

The Government, however, does not propose to accept recommendations which may conflict with its international obligations or jeopardize its basic policies in regard to home consumption.

The Committee has based its recommendations on what it considers prerequisites for maximizing exports. These are a sustained increase in production, particularly agriculture, maintenance of prices at competitive levels, encouragement of exports even at some sacrifice in domestic consumption, diversification of export goods and export markets and research in new uses for goods traditionally exported, and adaptation of internal production to those new lines.

The main recommendations of the Committee have been divided under four heads - steps to increase production, incentives to exporters, better credit facilities and favourable bilateral trade agreements.

Measures to Increase Production.- Under the first head the Committee stresses the importance of a sustained high level of agricultural production as, it feels, the general price level in an underdeveloped country like India is mostly determined by the food and agricultural prices.

Price being an important determinant of exportability, the Committee has recommended that in any export promotion programme the first step must be to reduce prices as much as possible. It rejects a possible way of achieving this through devaluation as being against the interests of the country.

Instead it has suggested lowering of processing cost by employing latest methods of production, reduction in overhead to the bare minimum, and an increased productivity drive. It has also recommended reduction of transportation costs of goods for export by adjustments in the freight structure and removal of road transport bottlenecks.

Incentives to Exporters.- Under the head "incentive" the Committee has recommended that export duties should not only be kept at low levels, but should also not be changed too often as at present. It has suggested complete exemption of goods for export from excise duties and sales tax.

Among other recommendations under this head are relief from income-tax for better export performance, grants of drawbacks of customs duties at flat rates to exporters using imported raw materials semi-processed goods or components and allowing to an exporter an import quota equal to 5% of the increase in export of non-quota items effected by him over his average of the past three years from time to time.

In the case of textile industry this import entitlement might be between 50% and 75% of additional exports, utilizable for the import of modern machinery and equipment.

In the case of quota items, the Committee has suggested that full utilization of export quotas should be encouraged by permitting quota holders to pool their different quotas together.

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72

The Committee feels that canalization of exports through single agencies might help exports in certain cases and has recommended that the Government should examine this as a means of export promotion, taking care however that the choice of the single agency is made only on pragmatic grounds. It has also suggested encouragement of entrepot trade even if it is only on a limited scale for the present and manufacture in bond as a means of earning foreign exchange.

With regard to credit facilities, the Committee has welcomed the establishment of the Export Risks Insurance Corporation, and has suggested that commercial banks in the country should be enabled to obtain credit from the Reserve Bank and the State Bank of India to rediscount bills of exchange. These credits can be granted to the commercial banks on the strength of the bills of exchange in their possession.

The Committee also feels that in the interests of export promotion rediscount rates should be materially below the Bank Rate and that the benefit of the low rates should be passed on to the exporters. Banks should also be enabled to advance funds to exporters under a system of trust receipts by making the violation of the provisions of trust receipts liable to criminal prosecution.

Stressing the importance of the role of the Government in export promotion, the Committee has commended the Government of India's practice of entering into bilateral trade agreements with foreign countries and suggests that agreements with a provision for part of the payment to be made in rupees should be concluded with countries with which India is bilaterally in heavy deficit.

The Committee devotes special attention to the invisible components of India's balance of payments and has accordingly recommended that a definite policy of shipbuilding and acquisition of ships should be pursued so that within 10 years 50% of India's foreign trade is carried in its own ships.

Meanwhile the Committee has suggested that special investment allowance be granted to shipping companies in respect of their expenditure on new ships and the Government should ensure increasing participation of Indian shipping in the several conferences and the reduction wherever possible of freight rates on Indian goods to particular destinations.

Another suggestion to reduce invisible imports is to make increasing use of Indian banks and encourage them to open branches abroad. It is also possible the Committee feels, ~~to~~ to provide that all imports into India are insured by Indian concerns.

The Committee is emphatic in its views on quality and standards in any programme of export promotion and has suggested that besides new grading schemes to be started on a voluntary basis, all exporters should be registered and that malpractices should make an exporter liable for removal from the register. It has also made a number of suggestions for better pre-shipment facilities and improved arbitration facilities, within the country.

To achieve this end the Committee feels that the Export Promotion Division of the Ministry of Commerce and Industry should be expanded into an Export Services Department, and a standing committee of business men should be associated with it.

On particular commodities the major recommendations of the Committee are that the Government should consider a reduction of 12nP per lb in the export duty on common teas; provide liberally automatic looms for the manufacture of cloth for export; allow additional spindles for export of yarn; and allow mills to manufacture varieties reserved for the handloom section, such as lungis, purely for export.

In the case of handlooms, the Committee has suggested that exporters outside the co-operatives may also be given a rebate on exports even at a lower rate.

It has also made recommendations with regard to quotas which should be fixed for exports in the case of specific commodities like cotton, cotton waste, vegetable oils, iron ore and manganese ore.

(The Statesman, 4 November 1957).

74

Trade Agreement Concluded Between India and Czechoslovakia
Provision for Payment of Imports in Rupees.

A trade agreement was concluded on 30 September 1957 between India and Czechoslovakia. Under the agreement, the goods that will be exported from India include, apart from traditional items of export, such as ore, spices, skins, vegetable oils, cashew nuts, tea and coffee, manufactured products such as cotton rayon and woollen textiles, plastic goods, sports goods, coir products, jute manufactures, linoleum, leather goods, cigars and cigarettes, handloom fabrics, handicrafts and Indian films.

The goods that will be imported into India include machinery of various kinds, machine tools, diesel generating sets, marine type diesel engines, agricultural tractors, textile machinery, paper and newsprint, dyestuffs, cameras and appliances, domestic hardware, abrasive materials, narrow gauge diesel locomotives and films.

A Press Note issued by the Ministry of Commerce and Industry says: "Payment for commercial and non-commercial transactions between the two countries will henceforward be made in Indian rupees. For this purpose, the State Bank of Czechoslovakia will maintain one or more accounts with Indian commercial banks dealing in foreign exchange. Any balance in the rupee account maintained by the State Bank of Czechoslovakia with the Reserve Bank of India will be convertible on demand into sterling.

The two Governments, under the agreement, have also decided to encourage triangular trade agreements as a means for widening and developing international trade. It has also been agreed that reasonable facilities will be made available to enable Indian ships to carry as large a proportion as possible of the goods to be exchanged under this agreement.

(The Statesman, 16 October 1957.)

Dns:

75

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

INDIA - OCTOBER-NOVEMBER 1957.

41. Agriculture.

Mysore Tenancy and Agricultural Land Laws Committee's
Report: Elimination of Landlord-tenant Relationship
and Redistribution of Land Recommended.

The ten-member Mysore Tenancy and Agricultural Land Laws Committee with Mr. B.D. Jatti, M.L.A. as Chairman has suggested that the elimination of the landlord-tenant relationship and redistribution of land to satisfy the aspirations of the people should be the twin objectives of tenancy Reform. The Committee submitted its report to the Government recently.

The Committee observed that there was not only great divergence in the objectives proposed to be achieved by the tenancy laws in force in the various areas of the State, but also in the degree to which the expected objectives were implemented. Only in the Bombay Act did they find any provision for conferring ownership of land on all tenants. The Madras and the Mysore Acts had not yet made any provision for it. Similar divergence was seen to exist even as regards security of tenure. The maximum rent fixed under the laws also varied from area to area.

The Committee's recommendations cover leases, resumption for personal cultivation, rent, ownership rights for tenants, family holding, ceilings, allotment of surplus lands, land transfers, exemptions, programme of implementation and the agency.

Quantum of Rent.- In regard to the quantum of rent, the committee considered that the limits laid down in the First Five-Year Plan were fair and suggested its adoption and recommended that the maximum rent might be a fourth of the produce in the case of land having assured irrigation facilities and a fifth of the produce in other cases, the assessment and other Government dues being paid by the landlord.

The committee defined a basic holding as representing the extent of land giving a net income of four hundred rupees per year to its owner-cultivator. It also defined the family holding in Mysore, on an income basis, as an extent of land yielding the owner-cultivator a net income of twelve hundred rupees per annum assumed to be composed of the three basic holdings as contemplated in the Second Plan.

Ceilings.- In regard to ceilings, it recommended that as in the Hyderabad Act, the ceiling on existing holdings under personal cultivation may be $4\frac{1}{2}$ family holdings (5,400 rupees in terms of agricultural income) as against three family holdings for future acquisition, the ceiling being doubled where family consists of more than five members.

After suggesting categories of cultivation for exemption of ceiling the committee recommended payment of compensation for the surplus over the ceiling to vest with the Government at 15 times the average net annual income derived by the owner from the land. The Land Tribunal is to allot surplus land on a system of priorities.

Personal Cultivation.- The Committee recommended that (a) persons who own lands within a basic holding may resume the entire area for personal cultivation and (b) persons who hold land exceeding the basic holding but less than a family holding may resume for personal cultivation only one-half of the area held by the tenant, but in no event less than a basic holding.

Where the land owner has under his personal cultivation land exceeding a family holding but less than the ceiling limit, he may have the right to resume for personal cultivation provided that (a) his tenant is left with a family holding and (b) the total area obtained by the owner with the land already owned for personal cultivation does not exceed the ceiling.

Allotment of Surplus Land.- The following priorities have been suggested for the allotment by the Land Tribunal of surplus land vesting in Government: (1) landless agriculturists, agricultural labourers and displaced tenants having no land - not less than one basic holding each; (2) tenants and displaced tenants with less than a basic holding, and owner cultivators with less than a basic holding not less than the extent required to make up a basic holding;

(3) tenants and displaced tenants with less than a family holding; owner-cultivators with less than a family holding; and (4) other persons desiring to take up personal cultivation. The allottees may be allowed to pay the cost of the land and interest to Government in annual instalments not exceeding 15 or in a lump.

As regards the basic holding indicating the minimum area needed for profitable cultivation the committee pointed out that as contemplated in the Second Plan a family holding may be assumed to be made up of three basic holdings. A basic holding will, therefore, represent the extent of land which will give a net income of four hundred rupees per year to its owner cultivator. The committee suggested that Section 63 of the Bombay Tenancy and Agricultural Lands Act, 1948, under which transfers of land to non-agriculturists are banned, may be incorporated in the new law. Prior sanctions for transfer of lands between agriculturists should not be insisted upon.

As regards ejections the committee recommended that all tenants who held land continuously for a period of six years prior to the date on which introduction of tenancy law in the area concerned was contemplated, may be given opportunity to apply within one year from the commencement of the new Act for restoration of land.

A Bill based on the recommendations of the Committee is expected to come up before the State Legislature.

(The Hindu, 14 September 1957).

Dns:

726

Bhoodan (Land Gift) Movement: All Parties
Fledge Support.

An all-out support to Acharya Vinobha Bhave's gramdan movement was given by all-India leaders of public opinion and members of the Central and State Governments at the two-day conference of gramdan, held at Yelwal (Mysore) on 21-22 September 1957.

The Conference organised by the Akhil Bharat Sarva Seva Sangh, had before it a single item agenda gramdan (village gift) as a national programme. Twelve of the 21 invitees to the Conference were members of the Central and State Governments.

Appreciating the objectives underlying the gramdan movement, the conference, in a statement, expressed the view that it would lead to a fuller development of co-operative life and effort in the villages concerned and would also result in the economic betterment of the people of these villages and all-round progress and development. It would further create a psychological climate all over the country for the solution of land problems and furtherance of co-operative life.

The members of the Central and State Governments while expressing their full appreciation of the movement and their desire to help it, pointed out that the Governments concerned would have to proceed with their schemes of land reforms, which were based on abolition of all intermediate interests in land limitation of holdings and promotion of the co-operative movement in all its phases, with the consent of the people. This governmental approach, they thought, was not in conflict with the gramdan movement but would indeed foster it.

It was pointed out at the conference that the closest co-operation was desirable between the community development movement and the gramdan movement.

At the end of the deliberations the conference expressed its high appreciation of Acharya Vinoba Bhave's mission and his efforts to solve national and social problems by non-violent and co-operative methods and appealed to all sections of the people to give this mission their full support.

(The Hindustan Times, 23 September 1957.
The Statesman, 23 September 1957).

Madras Bhoodan Yagna Bill, 1957.

The Government of Madras published on 4 November 1957 the text of the Madras Bhoodan Yagna Bill introduced in the Legislative Assembly of the State on 1 November 1957. The object of the Bill is to facilitate the donation of lands to the Bhoodan yagna (Land gift) movement initiated by Shri Acharya Vinoba Bhave and for that purpose to simplify the legal formalities necessary for transfer of lands.

(Fort St. George Gazette, Part IV A, Extraordinary, 4 November 1957, pp. 119 - 130.)

Punjab Resumption of Jagirs Act, 1957
(No.39 of 1957).

The Government of the Punjab gazetted on 14 November 1957 the text of the Punjab Resumption of Jagirs Act, 1957, which received the assent of the President on 7 November 1957. The Act provides for the resumption of all jagirs with immediate effect. (Jagir is defined to mean inter alia any assignment of land revenue by or on behalf of the State Government). Provision is made for payment of compensation to a Jagirdar in consideration of the resumption of jagir of a sum equal to seven times the land revenue or the amount payable annually to him in respect of the assignment or grant immediately before the commencement of the Act. The compensation may be paid in cash either in one lump sum or in annual instalments not exceeding twenty.

(Punjab Government Gazette, Extraordinary, 14 November 1957, Pp. 1841-1845).

Uttar Pradesh: U.P. Large Land Holdings Tax Act, 1957. (U.P. Act XXXI of 1957).

The Government of Uttar Pradesh published on 1 November 1957 the U.P. Large Land Holdings Tax Act, 1957, as passed by the Legislature and assented to by the Governor of Uttar Pradesh on 30 October 1957. The Act which is deemed to have come into force on 1 July 1957 provides for the levy of a 'holding tax' on a graduated scale on all land holdings, the annual value of which exceeds Rs.3600. A cultivator who does not cultivate more than 30 acres of land is exempt from the tax. Other provisions of the Act deal inter alia with the procedure for assessment of holding tax, mode of payment of tax and power to make rules. The Act repeals with effect from 1 July 1957 the U.P. Agricultural Income Tax Act, 1948.

(Government Gazette of the Uttar Pradesh, Extraordinary, 1 November 1957, pp.1-14).

Madras: Collective Agreement Concluded Concerning
Service Terms of Estates Staff in Plantations.

An agreement was signed on 28 October 1957 in the presence of ~~Sr.~~ R. Venkataraman, Minister of Labour, by the representatives of the United Planters' Association of South India and of the Estates Staff Unions of South India bringing to an end the pending disputes with regard to the salaries and other terms of services of the Estates staff. This agreement is the result of a series of bilateral negotiations between the Association of Planters of the State of Madras and the Unions concerned. (For details, please see section 65, pp. 105-106 of this Report).

43. Handicrafts.

New Delhi - October-November 1957

Working of Ambar Charkha Scheme: Inquiry Report
Published.

The Ambar Charkha, within an year of its introduction, has given employment to nearly 80,000 new spinners, it was reported to the Khadi and Village Industries Board.

The report, which was the result of an inquiry into the working of the Ambar Charkha programme, said by August 1957 a total of 1,14,688 Ambar charkhas had been manufactured. Nearly 90,000 spinners had been trained and over 77,000 Ambar charkhas had been distributed among trained spinners.

The report sustained the claim of the Khadi and Village Industries Board that an average spinner after training, would produce on Ambar charkha eight hanks of yarn per day of eight hours. A careful study of the data obtained as a result of the inquiry showed that a spinner working eight or more hours a day had an average daily output of eight hanks and more.

The earnings of spinners varied with the number of hours of work on the charkha; 41.3 per cent. of the spinners had an average of five rupees per month, 37.5 per cent. had an average income of fifteen rupees per month, 17 per cent. had an income of twentyfive rupees per month and 4.3 per cent. earned more than twenty-five rupees per month.

"The relatively low level of earnings of spinners during the period covered by the inquiry is wholly due to the fact that the period was by and large the off or slack period of khadi production."

Weavers of Ambar yarn throughout India did not express any dissatisfaction with the yarn spun by trained spinners. Khadi weavers found the Ambar yarn definitely superior to the traditional charkha yarn. Handloom weavers, using mill yarn, expressed the view that economic use of Ambar yarn had to be learnt over

a period of time as the characteristics of Ambar yarn, such as its higher twist, presented unfamiliar problems in processing of yarn prior to weaving. Weavers of Ambar yarn earned between thirty rupees and ninety rupees per month depending upon the quality of yarn supplied to them and the quality of cloth produced.

Social effects.- The report also mentioned some of the social effects of the programme. One was the weakening of the caste distinctions. High caste and low caste women sat together in training centres (parishramalayas). Another was the removal of purdah, observed by Muslims and Hindus in northern India. The Ambar charkha had also provided means for old and young widows to lead honourable life without depending on others.

(The Hindustan Times, 11 Nov 1957).

Dns:

87

Ninth Meeting of the Small-Scale Industries Board,
New Delhi: Definition of Small-Scale Industry Revised
and Recommendations for Intensifying the Development
of Small Industries Adopted

The Small-Scale Industries Board at its ninth meeting held in New Delhi on 28-29 September 1957 adopted a number of recommendations for intensifying the development of small industries.

Credit Facilities.- The Board discussed the question of credit facilities for small-scale industries and the extent to which credit could be supplied through the medium of credit institutions. It felt that the financing of small industries by the Government would be necessary so long as these industries were in the stage of development. This, however, ought not to preclude banking institutions from coming into the field.

It, therefore, suggested that, as a first step, at least 10 per cent. of the loans granted by the Government should be routed through the State Financial Corporations. The Board also recommended that 10 per cent. of the loans granted for working capital should be routed through the urban co-operative banks and that at least six such banks should be set up in each State by March.

The Board emphasized that the rate of interest on loans to small units should not exceed 3 per cent. for individuals and $2\frac{1}{2}$ per cent. for industrial co-operatives.

The Board recommended that the Reserve Bank should study the leather industry for refinancing it through a State co-operative bank or a financial corporation. The Board suggested that the proposal of the State Bank to grant working capital loans to small industries which secure order from the National Small-Scale Industries Corporation should be extended to cover units which secure similar orders from State Governments.

New Definition of Small-Scale Industry.- After considerable discussion on the definition of a small-scale unit for eligibility for receiving Government assistance, the Board recommended a revision of the present definition. At present a small unit is defined as one which employs not more than 50 workers

821

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and has an investment not exceeding 500 thousand rupees. The new definition would cover small units which employ up to 50 workers per shift.

A number of small industries will now be able to work multiple shifts and increase production without any increase in capital investment.

It was agreed that the performance of small industries should be evaluated from time to time. The Board recommended that a survey should be conducted of 11 selected industries in 27 centres in different regions. The industries selected are cycles and parts, sewing machines and parts, diesel engines, agricultural implements, sports goods, locks, paints and varnishes, domestic utensils, handtools, footwear and hardware.

1958-59 Programme.- The Board studied the progress of State Governments' schemes and emphasized that the rate of utilizing assistance sanctioned by the Centre should be accelerated. Regarding the programme for 1958-59, the States were requested to submit their schemes to the Central Government by January, so that funds could be sanctioned by the beginning of the next financial year.

Extension Service.- The need to foster the growth of small industries as ancillary units to large-scale manufacturers was also emphasized. The Board recommended that, besides the programme already undertaken, the possibility of developing ancillary units around the three steel plants at Rourekela, Bhilai and Durgapur should be explored. A suggestion was also made that new major industries or existing units undertaking substantial expansion should be persuaded to obtain the requirements of components from ancillary small units as far as possible.

The Board found that the industrial extension service for small units had made satisfactory progress. The need for closer co-ordination between this service and the State Directors of Industries was stressed. The chairman suggested that the survey reports on the industrial potential of different areas should be made available in the regional languages

The Board agreed in principle that centres should be set up in State capitals or at other suitable places where the stores required by Government departments could be exhibited for the guidance of small manufacturers.

(The Hindustan Times, 30-9-1957).

44. Merchant Marine and Fisheries.

India - October-November 1957.

Biennial General Meeting of the Maritime Union of India: Early Acton on ILO Maritime Conventions Urged.

The Biennial General Meeting of the Maritime Union of India was held at Bombay on 28 September 1957; Miss Maniben Kara, one of the Vice-Presidents presiding.

The meeting, among others, urged early ratification of ILO maritime Conventions and Recommendations and called upon the Government to enact legislation for speedy ratification. The meeting also drew the attention of the Indian shipowners and the Government of India to the recent ILO Working Party Agreement on seafarers' wages, hours of work and manning, and requested the parties concerned to implement the same as early as possible.

General Secretary's Address.- Shri J.D. Randeri, the General Secretary of the Union read out his report on the working of the union. Comparing the present membership which stood at 1,266 with previous years, he indicated the progress in the membership strength of the union.

Reviewing the achievements in the various fields, he mentioned the conclusion of fresh agreements between the union and the various steamship companies, participation in the ILO Preparatory Technical Maritime Conference, London and the subjects discussed therein. He also stated how the union had maintained cordial relations with other unions and federations such as the Merchant Navy and Air Line Officers Association, International Transport Workers' Federation, Seamen Ratings Union. Similarly, during the period under review, the union had established good contacts with the Directorate General of Shipping's Office and the Union Transport Ministry as well as with shipowners.

86

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President's Address.- The President, Miss Kara in her opening speech, welcomed the members and congratulated them upon the brilliant progress made by the Union during the preceding two years. She was particularly happy about and proud of the unique achievement of the M.U.I., namely completion of thirteen collective agreements with various shipping companies. She drew the attention of the members towards some of the very important resolutions that were before the meeting, such as ILO Conventions, revision of the Merchant Shipping Act, setting up of the National Maritime Board and observed that it was up to the membership to bring proper pressure upon the Government and the employers to see that the resolutions were implemented and the seafarers' just demands fulfilled.

Resolutions.- The meeting adopted resolutions on the setting up of a National Maritime Board, early ratification of ILO Conventions and Recommendation, and the establishment of a fund and an institution to be devoted to Merchant Welfare Work.

Revision of the Indian Merchant Shipping Act.- In view of the fact that working conditions of seamen are different from those of shore workers and that the experience of the working of the Indian Merchant Shipping Act no longer meets the ends of justice or even the requirements of modern maritime thought, the meeting called upon the Government, in consultation with shipowners and seafarers' representatives, to revise completely the Indian Merchant Shipping Act in order to bring it into line with modern practice and thought.

Ethical Practices in Trade Unions.- The meeting in a resolution requested Central Trade Unions, like the Hind Mazdoor Sabha and the Indian National Trade Union Congress to set up ethical practices committees, which should devise a code of conduct for Trade Union officials with a view to protecting the National Labour Movement from any and all corrupt practices and influences.

(Oceanite: The Maritime Magazine
of India, July-September 1957.)

87

Conference of State Ministers of Fisheries at Bombay:
Formation of Fishing Companies in the Private Sector
Recommended.

A conference of State Ministers of Fisheries of the maritime States of Bombay, Mysore, Kerala, Madras, Andhra, Orissa and West Bengal was held in Bombay on 8-9 November 1957. The Conference which was convened by the Government of India was attended by about 75 delegates, including secretaries and heads of fisheries departments of the respective States.

The conference formulated a series of 37 recommendations for the speedy development of the fishing industry in the country. One of these called upon the Central and State Governments to help in the formation of fishing companies in the private sector for catching, handling processing and distribution of fish, both for domestic consumption and export purposes.

In the opinion of the conference, the formalities regarding operation of fishing vessels and customs should be suitably revised to enable existing ventures to carry out fishing and ancillary operations efficiently.

The need for observing high quality standards for export products was also emphasized, and it was recommended that suitable steps be taken to ensure that only high quality products are exported. For this, a close liaison should be maintained between industry and developments in scientific and technological researches in fisheries.

Sea Fishing.- Welcoming the steps taken by the Government of India to carry out exploratory fishing in the high seas around India, the conference suggested that sea fishing be developed on a national scale, particularly through industrial enterprises. The conference also recommended that harbour and docking facilities for fishing vessels should be improved and full use made of foreign experts in this venture.

Reviewing the schemes for mechanization of fishing craft and operations, the conference recommended that priority might be given to import of engines, spare parts and other fisheries equipment and their costs subsidized.

88

It recommended that indigenous firms may be assisted by the Government in manufacturing dependable engines of suitable horse power for fishing vessels and other requisites.

An interesting recommendation related to planning of model fishing villages, particularly in the coastal areas.

The conference recommended that credit facilities should be extended to co-operative societies engaged in production, marketing and transport of fish on terms and conditions similar to those available to agriculturists co-operatives. It was felt that the co-operatives should be helped, real collective fishing by fishermen organized, and arrangements made for training of managing personnel required by the societies.

It also recommended that road construction work for connecting fishing villages with distributing and consuming centres should be given priority.

The conference felt that separate marketing centres should be developed and cold storage facilities provided by municipal bodies.

For training in sea fishing, the conference recommended that centres should be established in each state.

(The Hindustan Times, 13-11-1957.)

Dns:

89

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - OCTOBER-NOVEMBER 1957.

50. General

Labour Conditions in Silk Industry.

A review of labour conditions in the silk industry in India, as in January 1956, is contained in November 1957 issue of the Indian Labour Gazette. This article brings upto date the earlier information on the industry contained in the report of the Labour Investigation Committee and in pursuance of the survey conducted by the Labour Bureau, the results of which were published in the December 1953 issue of the Indian Labour Gazette.

The survey is based on data collected from 25 units employing 100 or more workers, supplemented by information received under the Factories Act, the Payment of Wages Act and the Indinn Trade Unions Act.

Employment.- The following table shows the number of units in different States in 1953, the number of workers employed therein, the number of units from which information could be collected and the number employed therein in 1955:

State (1)	No. of Registered Factories (2)	Employment in the Units (3)	No. of Units for which data could be collected (4)	Employment in the units in column 4 in 1955 (5)
<u>Part 'A' States -</u>				
Andhra	11	272	-	-
Bihar	9	251	-	-
Bombay	428(78)*	26,378	17	8,386
Madras	31(9)*	1,225	1	739
Punjab	172(75)*	7,307	3	1,992
Uttar Pradesh	3(1)*	148	1	248
West Bengal	7	986	-	-
Total: 661(163)*		36,567	22	11,365

(1)	(2)	(3)	(4)	(5)
Part 'B' States -				
Hyderabad	4	1,215	1	2,586
Jammu & Kashmir	3(3)*	-	-	-
Madhya Bharat	4	685	-	-
Mysore	98	6,037	2	1,209
Saurashtra	6	702	-	-
Total:	115(3)*	8,639	3	3,795
Part 'C' States -				
Ajmer	2	15	-	-
Delhi	4	156	-	-
Total:	6	171	-	-
Grand Total:	782(166)*	45,377	25	15,160

*Figures in brackets show the number of units which have not furnished employment data.

The number of silk factories registered under the Factories Act, 1948, in 1953 was 782 and the average daily employment in 616 of these was 45,377. Similar figures for the subsequent year were: number of factories registered - 852; average daily employment - 49,532 (in 728 of the factories). Of the 49,532 workers, 53.9 per cent. were in Bombay, 14.4 in Punjab and 13.3 in Mysore. The remaining 18.4 per cent. of the workers were distributed in other States. The present enquiry covers only 25 out of the total of about 90 undertakings employing 100 or more workers and the employment coverage is 15,160 or about one-third of the total number of workers. The percentage of workers covered in the four important States is: Bombay-55.3; Punjab-13.1; Mysore-8.0 and Hyderabad-17.1.

Of the 15,160 workers covered by the survey, 13,455 or 88.8 per cent. were men. Employment of children was negligible. The percentage of women labour varied from State to State, the highest being 23.7 in Mysore and the lowest 0.9 in Hyderabad. There was practically no contract labour at all in any of the units.

91

According to data on time rate and piece-rate workers received from 24 units employing in all 14,968 workers, 67.9 per cent. of the workers were time-rated.

The percentage of permanent workers to the total was of the order of 78.1. The remaining 3,287 workers or 21.9 per cent. were temporary.

Statistics relating to the length of service of workers shows that 18.9 per cent. of the workers had less than one year's service, 39.5 per cent. between one to five years, 30.5 per cent. between 5 to 10 years and 11.1 per cent. above 10 years.

Labour turnover and absenteeism.- Information regarding labour turnover is available in respect of 21 units employing 11,233 workers. The overall labour turnover rate in these units was 13.5 in 1953, 10.5 in 1954 and 13.7 in 1955. Labour turnover was considerably higher in smaller units than in larger ones.

The statistics regarding absenteeism received from 23 units for 1955 show that compared to bigger units absenteeism rate in smaller units was lower. In almost all the States the rate tended to increase during summer months. By and large, the undertakings do not seem to have paid any particular attention to this problem. Of the 25 units covered by the enquiry only two - one each in Bombay and Mysore - had adopted attendance bonus schemes. The rate of absenteeism was 10.2 per cent. on an average, ranging from 17.8 per cent. in April to 7.6 per cent. in January.

Recruitment and training.- Generally workers were being recruited either by the owners themselves or by the heads of departments in large undertakings. In one unit in Andhra Pradesh, however, workers were being recruited through employment exchange. If the exchange could not meet the requirements, the management made direct recruitment. In a Bombay unit recruitment was being made under the decasualisation scheme of the State Government. Facilities for training of workers existed only in four units.

Wages and earnings.- In Bombay and its suburbs, the minimum basic wage rate continues to be Rs.30-1 for a month of 26 working days. The dearness allowance in the undertakings in this area was linked to the Consumer Price Index Numbers and the allowance was at a flat rate, neutralising the increase in the cost of living to the extent of 75 per cent.

The quantum of dearness allowance thus paid during 1954 and 1955 was round about Rs.2-2-0 and Rs.1-14-0 respectively per day. In Ahmedabad the basic minimum wages and dearness allowance of operatives in the industry were fixed in 1952, by and award of the Wage Board. According to this award the minimum wages in Ahmedabad were less by $6\frac{1}{2}$ per cent. than the Bombay rates i.e. Rs.28-0-6 for 26 working days. As regards dearness allowance, the same was fixed at $62\frac{1}{2}$ per cent. of the allowance paid to the textile labour in Ahmedabad. These rates are still in force.

The minimum basic wages and dearness allowance of the lowest paid unskilled workers in the units located in other States were as follows:

State	Basic Wage		Dearness allowance	
	Rs.	A.	Rs.	A.
Madras (one unit)	0	4 (per day)	0	10-2/3 (per day)
Mysore Unit No.1	0	6 (Men) } Per 0 4.5 (Women) } day	18	0 (Per month)
Unit No.2	20	14 (Per month)	10	6 (Per month)
Hyderabad (one unit)	30	0 Do.	22	4 Do.
Uttar Pradesh (one unit)	1	0 (Per day)	Nil	
Punjab Unit No.1	30	0 (Per month)	15	0 (Per month)
Unit No.2	25	0 Do.	Nil	
Unit No.3	31	0 Do.	14	0 (Per month)

The system of paying profit bonus was in vogue only in the units in Bombay and Punjab. Of the twenty units located in Bombay and Punjab, as many as fourteen (11 in Bombay and 3 in Punjab) paid profit bonus to their workmen during 1954-55. The quantum of bonus paid varied from 15 days' to 105 days' basic wages in a year. In a few of these units the amount of bonus paid was settled by collective agreements between labour and management. One unit in Mysore had a system of paying production bonus. In another Mysore unit night shift workers were being paid night shift allowance at the rate of one anna per shift and they were also being supplied tea and snacks worth two annas. One of the Andhra units paid food subsidy to the extent of Rs.8-12-0 per month and a house rent allowance of Rs.2-9-0 per month. In the remaining units no bonus or allowances were being paid.

93

Data regarding total earnings in December 1955 shows that generally warpers and weavers earned more than others. The average earnings of workers in different categories varied from State to State. For example, the average earnings of weavers varied from Rs.57-12-0 in Mysore to Rs.132-6-0 in the Punjab. In the case of warpers, it varied from Rs 30-2-0 in Mysore to Rs.111-10-0 in Bombay. Such variations existed even among the undertakings in the same State. In Bombay, for instance, the minimum and maximum earnings of weavers were Rs. 85-0-0 and Rs.154-10-0 respectively. The minimum and maximum earnings of warpers in the same State were Rs.74-8-0 and Rs 133-8-0 respectively.

The Bureau also collects data regarding the average annual earnings of workers in different industries under the Payment of Wages Act. The annual earnings of workers in the silk industry obtained from this source, during 1955 were as follows:

Andhra - Rs.277.7; Bihar-Rs.305.2; Bombay-Rs.1,278.4;
Madras - Rs.317.6; Punjab - Rs.928.0; Uttar Pradesh -
Rs.631.7; West Bengal - Rs 740.7 and Delhi - Rs.800.9.

Working Conditions.- The daily hours of work in 21 out of 24 units supplying the information on this subject were eight; in the remaining three units, one each in Bombay, Uttar Pradesh and Mysore, they were seven and a half. The usual daily rest interval in most of the undertakings was half an hour; in a few units, it was either three-fourths of an hour or one hour. From the replies received it would appear that single-shift working was not very common. Only four units have stated that they work single-shift. Fourteen of the responding units were working double shifts and five of them worked 3 shifts or more. Shifts were generally changed once a month. In three units, however, the change over was effected after a week or a fortnight.

Leave and Holidays with Pay.- Under the Factories Act, 1948, workers are entitled to earned leave at the rate of one day for every 20 days worked and all the undertakings covered have stated that they are following the Act in this regard. One of the units in Mysore has stated in the reply that it allows 15 days' extra leave every year ~~leave every year~~ to such of its employees who complete 5 years' continuous service.

In the case of sickness workers get payment according to the provisions of the Employees' State Insurance Act, 1948 wherever the same is in force. A large number of the undertakings have stated in their replies that they have the practice of giving certain festival holidays and casual leave. The number of such holidays or leave varies from 2 to 15 per year.

94

Housing and Welfare.- Of the 25 units, only nine i.e. four in Bombay, three in the Punjab and one each in Madras and Andhra Pradesh had provided housing accommodation to their workers. The percentage of workers provided with accommodation in six of these units varied from four to forty per cent. The rent charged to the workers varied from a minimum of Rs.2.00 to a maximum of Rs 10-8-0 depending upon the size of accommodation, etc. Only in one unit in Hyderabad, housing accommodation was free.

Medical aid to workers is generally restricted to the facilities available under the Employees' State Insurance Act, wherever the same is in force. In four of the units, one each in Madras, Punjab, Hyderabad and Mysore, there were well equipped dispensaries. The Hyderabad unit also maintained a general hospital for its workers. Canteens for workers existed in twelve units and co-operative societies in nine. Facilities for recreation and or education of workers were available in six of the larger units and in two smaller units.

Provision for old age.- The Employees' Provident Funds Act, 1952, applies to silk factories employing 50 or more workers. Consequently workers employed in these factories are entitled to provident fund benefit, according to the provisions of the Act. Apart from provident fund no other provision existed in all the units except one in Madras. This unit paid gratuity to its employees on retirement, superannuation, etc., at the rate of half a month's wages for every year of service subject to maximum of 15 months' wages. Dismissed workers and such workers who voluntarily resigned their jobs before putting in a minimum of ten years' service were not eligible for gratuity.

Industrial Relations.- In Bombay standing orders have been framed by the Industrial Court for operatives in silk textile mills in Bombay. In the remaining States the position is not as good since some of the big units have still not framed standing orders.

Only 4 of the 25 units have constituted works committees. Of these two were in Punjab and one each in Bombay and Mysore. Besides works committees, a few units have other committees. Some of the units have established Peace Committee, Canteen Committee and Joint Committee, consisting of representatives of labour and management. Labour Officers, Welfare Officers, etc., have been appointed in almost all the larger units.

Trade Unions.- Eighteen out of the twentyfive units covered by the present enquiry have stated in their replies that their workers had formed trade unions. Workers in twelve of these eighteen units, located in Bombay were members of the Mill Mazdoor Sabha. In the remaining six units workers were organised on a unit basis. All these unions were registered under the Indian Trade Unions Act, 1926. Excepting two, the rest of the unions were recognised. The most important of the unions ~~was~~ was the Mill Mazdoor Sabha of Bombay, which continued to be a recognised union under the Bombay Industrial Relations Act. The remaining unions were recognised by the employers. According to the returns and reports received in the Bureau on the working of the Indian Trade Unions Act, 1926 during the year ending March 1955, there were nineteen trade unions of workers (submitting returns) with a total membership of 4,173. It would, therefore, appear that less than ten per cent. of the workers in the industry were organised. The income and expenditure of these 19 unions during the year ending March 1955 were: income - Rs 21,258 and expenditure - Rs. 19,124.

Collective Bargaining.- Since last few years there has been a growing tendency among workers and managements in the silk industry to settle their disputes by mutual negotiations. In February 1955, an agreement was entered into between the Silk and Art Silk Mills' Association, Bombay and the Mill Mazdoor Sabha for voluntary settlement of all disputes. This Agreement, however, was binding on both the parties only for a period of one year. Subsequently, two other agreements, one relating to payment of bonus and the other relating to service conditions of watchmen were signed by the same parties. In Surat, a voluntary agreement was arrived at the end of December, 1956 between the Surat Zari Traders' Association, Zari Akhadodar Mandal and the Zari Kamgar Mandal regarding working hours, weekly holidays, etc., of workers. This agreement also provides for a voluntary inspection machinery for ensuring implementation of the provisions of the agreement. Agreements in individual undertakings in Surat were also arrived at early in 1957 on the issue of bonus. These agreements, however, were reached in the course of conciliation proceedings under the Bombay Industrial Relations Act. In Bangalore, the workers and managements of ten silk mills concluded a voluntary agreement sometime in 1956 providing for the withdrawal of all disputes pending before the Industrial Tribunal, the Labour Appellate Tribunal or any Court of Law and submission of all such to a Conciliation Board appointed by the Government under Section 10(1)C of the Industrial Disputes Act. However, this Board subsequently reported failure of conciliation proceedings in the case of all undertakings except one. Besides these agreements some of the undertakings covered by the present enquiry have stated that the question of profit bonus was settled by mutual negotiations at the level of the undertaking.

Industrial Disputes.- The Labour Bureau has been collecting statistics regarding the number of industrial disputes, workers involved and man-days lost since 1955, on a voluntary basis. The data thus collected show that the number of industrial disputes in 1955 and 1956 were 32 and 33 respectively in the Part A States and in Delhi and Ajmer. The number of workers involved in these disputes and man-days lost were as follows:

Year	No. of workers involved.	No. of man-days lost.
1955	3,758	45,178
1956	2,339	16,403

A further study of the figures relating to 1956 shows that Bombay alone accounted for 25 out of 33 disputes and 96.2 per cent. of the man days lost during the year.

17

Punjab Shops and Commercial Establishments, Bill,
1957.

The Government of Punjab published on 25 October 1957 the Punjab Shops and Commercial Establishments Bill, 1957, introduced in the Punjab Vidhan Sabha the same day. The Bill seeks to provide for the regulation of conditions of work and employment in shops and commercial establishments and to repeal the Punjab Trade Employees Act, 1940.

According to the statement of objects and reasons, most of the provisions of the Punjab Trade Employees Act, 1940, have become obsolete because no amendments have been made therein since 1943, although labour conditions have radically changed during this period. Many of its provisions have been found by experience to be unworkable under the new conditions created by partition. There is a growing demand by the employees working in shops and commercial establishments for amelioration of their working conditions. It is, therefore, desirable to make comprehensive amendments in the Punjab Trade Employees Act, 1940. Accordingly, it has been decided to repeal it and to enact a new legislation in its place.

The salient provisions of the Bill are given below.

(1) Extent and Application.- The provisions of the Bill extend to the whole of the State and are to apply in the first instance to the areas specified in the schedule but Government may by notification direct that it shall also apply to such other area and on such date as may be specified in the notification.

(2) Hours of Work.- No person shall be employed about the business of an establishment for more than forty-eight hours in any one week and nine hours in any one day. On occasions of seasonal or exceptional pressure of work a person employed in an establishment may be employed about the business of the establishment in excess of the working hours specified above provided that (a) the total number of overtime hours worked by an employee does not exceed fifty within a period of three months; and (b) the person employed overtime shall be paid remuneration at twice the rate of his normal wages calculated by the hour.

The period of work of an employee in an establishment each day shall be so fixed that no period shall exceed five hours and that no person shall work for more than five before he has had an interval for rest of at least half an hour.

(3) Opening and Closing Hours.- No establishment shall open earlier than six o'clock in the morning or close later than 10 o'clock in the evening in summer or open earlier than half past seven o'clock in the morning or close later than half past nine o'clock in the evening in winter.

(4) Weekly Holiday.- Every establishment in a locality shall remain closed on every such day of the week as may be notified by the prescribed authority.

(5) Registration.- Provision is made to require the occupier of every establishment to register it in the manner prescribed.

(6) Annual Leave.- Every employee who has worked for a period of 240 days or more in an establishment during a year shall be entitled to leave with wages for a number of days calculated at the rate of (i) if an adult, one day for every twenty days of work performed by him during the year, (ii) if a young person, one day for every fifteen days of work performed by him during the year.

(7) Wage period.- No wage period shall exceed one month and the wages of every person employed shall be paid before the expiry of the seventh day from the date on which the wages became due.

(8) Employment of Children.- No child who has not completed the age of twelve years shall be required or allowed to work in any establishment.

(9) Employment of Women.- No woman shall be required or allowed to work whether as an employee or otherwise in any establishment during night and no woman shall engage in employment in any establishment during the six weeks following the day on which she is delivered of a child.

Other provisions of the Bill deal with enforcement and inspection, records and returns, procedure for dismissal of employees and power to make rules.

(Punjab Government Gazette, Extraordinary, 25 October 1957, pp. 1715-1742.)

51. Hours of Work.

India - October-November 1957.

Working of the Hours of Employment Regulations
in Indian Railways During 1955-56.

The total staff covered by the Regulations in the year 1955-56 excluding the North Eastern and South Eastern Railways (for which information is not available) was 7,83,795 as against 19,32,228 for all the Railways during the previous year.

Under the Railway Servants (Hours of Employment) Rules, 1951, the railway servants are to be classified under four categories viz. (1) intensive, (2) essentially intermittent, (3) excluded and (4) continuous staff on the basis of the volume, nature and intensity of work. The distribution in the four categories of the workers during 1955-56 together with comparative figures for 1954-55 is shown in the statement below:

All Railways	1955-56								Total	
	Intensive		Continuous		Intermittent		Excluded		No.	Percent- age
	No.	Percent- age	No.	Percent- age	No.	Percent- age	No.	Percent- age		
1955-56	1,721	0.22	519,797	66.31	88134	11.26	174143	22.21	783,795	100.00
1954-55	1,889	0.20	640,253	68.68	115401	12.38	174,685	18.74	932,228	100.00

The correct classification is a matter of some importance to the employees, since the hours of work, periods of rest etc. are dependant on it, being different for each of the categories. Accordingly the officers of the Central Industrial Relations Machinery paid special attention to it. The Regional Labour Commissioners scrutinised cases of incorrect or doubtful classification of staff reported by the inspecting officers and ~~take~~ them up with the General Managers

of the Railways concerned for consideration and necessary action. Similarly, instances, where the staff was deprived of the benefit of the Regulations because of the inadequacy of the number of employees were referred by the Regional Labour Commissioners to the Railway Administration. Out of 176 cases of reclassification so referred to the Railway Administration, during the period under review, their suggestions made were accepted only in 86 cases. Five cases were contested by the Railway Administration, 85 cases were pending at the end of the year. During the period 170 cases were referred to the Railway Administration for the appointment of additional staff. In 76 cases the suggestions were accepted and in 3 cases they were contested. At the end of the year 91 cases were pending.

The Labour Inspectors (Central) carry out for about 10 to 15 days regular inspection of railway establishments every month under the Hours of Employment Regulations, Payment of Wages Act, Employment of Children Act, etc. A certain number of such inspections is rechecked by the Regional Labour Commissioners and Conciliation Officers, when they go out on tours in addition to the original inspection carried out by them. Minor irregularities pertaining to non-display of regulations, working beyond rostered hours or during rest periods, non-maintenance of records regarding extra hours, instance of continuous night duty, etc. are taken up directly with the Railway Administration concerned. Cases of wrong classification and other major irregularities are referred to the Regional Labour Commissioner for scrutiny and further action with the head of the railways. In the period under review 7,207 establishments were inspected in the course of which 15,593 irregularities were detected as against 6,297 inspections and 18,047 irregularities during the last year.

The Railway Servants (Hours of Employment) Rules, 1951 require duty lists of rosters to be displayed in a conspicuous place, where the railway servants work so that they may know the duration of hours of employment and periods of rest. Further a copy of Chapter VI-A of the Indian Railways Act, 1890 and the Rules and Regulations made thereunder is required to be displayed at conspicuous places at each railway station. Most of the irregularities detected relate to the non-observance of these requirements. The Rules lay down the Hours of Work for "Intensive" staff at 45 hours a week on an average in any month, for "continuous" staff 54 hours, and for "essential intermittent" 75 hours. The "Intensive" and the "continuous" staff have to be granted rest for not less than 30 consecutive hours every week including a full night. Such of the inferior staff as

are excluded from the provision of the Regulations are required to be given rest for at least one period of 24 hours in each fortnight. A considerable number of instances of violations of these provisions were detected during the year. The number of irregularities of various kinds detected during the year were as follows:

Nature of irregularities	Number	Percentage
1. Non-existence and non-display of rosters	5,982	38.4
2. Out of date and defective rosters	1,395	9.0
3. Habitually and Occasionally working outside rostered hours	1,156	7.1
4. Non-display of regulations	541	3.5
5. Working contrary to rosters	537	3.4
6. Habitually and Occasionally working on rest days	1,669	10.7
7. Non-payment of overtime allowance	573	3.7
8. Non-maintenance of overtime registers	752	4.8
9. Compensatory off not given in lieu of weekly rest	360	2.3
10. Performing continued night duty	98	0.6
11. Irregularities regarding maintenance of muster roll and overtime registers	517	3.3
12. Other irregularities	2,013	12.9
Total	15,593	100.0

The largest number of irregularities was in Southern Railway (5,156) and their transport departments accounted for the highest number of irregularities (3,456). The North Eastern Railway came next in which case also the majority of the cases were in the transport department. In the railways as a whole the largest number of irregularities detected were in the transport department (9,918). The medical department accounted for the least number of irregularities (426).

All cases of irregularities detected were taken up with the Railway Administration concerned for rectification. Of the total 15,593 cases, 5,118 i.e. 33 per cent. irregularities were rectified, 71 cases were contested and 9,520 cases were pending at the end of the year. Of the irregularities rectified 2,717 (53.1 per cent.) were rectified within three months; 990 (19.3 per cent.) from 3 to 6 months; 899 (17.6 per cent.) from 6 to 9 months; 360 (7.0) per cent.) from 9 to 12 months and 15.2 (3.0 per cent.) after 12 months.

(Indian Labour Gazette, Vol. XV, No.4, for October 1957, pp. 355-358.)

52. Workers' Welfare, Recreation and Workers' Education

India - October-November 1957.

Workers' Education Association set up in Bombay

A meeting of those interested in the problem of workers' education was held recently in the Municipal Corporation Hall, Bombay, when the Mayor, Shri N. V. Donde, presided.

The consensus of opinion at the meeting was that the problem of workers' education has been lately assuming increasing importance. In Bombay City alone there are more than half a million workers but adequate attention has not so far been paid to their education. Workers' education, in its broad sense, comprises literacy, general education, vocational education, labour education, trade union education and community education in civics and citizenship. Piecemeal attempts have no doubt been made to impart certain aspects of workers' education. These attempts are, however, few and have not touched even the fringe of the problem. It was agreed at the meeting that the cause of workers' education could best be furthered through a specially created organisation, which may be called the Workers' Educational Association, Bombay.

The management of the Association may be entrusted to an executive committee with representatives of workers' and employers' organisations, educational institutions, teachers' associations, State Government, the Municipal Corporation, Bombay University and Bombay City Social Education Committee. The function of the executive committee may include laying down the policy, administering the programmes, allocating funds, inspection, co-ordination, provision of educational materials, establishing standards for teachers and programmes and, in general, stimulating and promoting the development of workers' education.

The finances may be obtained through grants from Central and State Governments, the Municipal Corporation, University and workers' and employers' association, assistance in kind from educational institutions, support by employers through payment of release time wages to their employees and donations from individuals and institutions. The methods of teaching may be lectures, discussions, exhibitions, observational tours and visits, debates and audio-visual aids.

The meeting then set up a 12-member Preparatory Committee to undertake all necessary steps for the formation of the Association.

The Preparatory Committee will draft the constitution, lay down a detailed programme of workers' education, establish standards for teachers and programmes, arrange for the provision of educational materials and take all such preliminary steps for the establishment of the Workers' Educational Association. The Committee is also to seek the co-operation of the Central and State Governments, the Bombay Municipal Corporation, the Bombay University, the Bombay City Social Education Committee, workers' and employers' association and such other institutions which may be useful in furtherance of workers' education.

(The Indian Textile Journal, Vol LXVII, No. 806, November 1957, Pp. 118).

Dns:

55. Protection of Minors

India - October-November 1957.

Draft Mines Creche Rules, 1957

The Government of India published on 9 November 1957 the draft of the Mines Creche Rules, 1957, proposed to be made in exercise of the powers conferred under the Mines Act, 1952. The rules which repeal the Mines Creche Rules, 1946, require the owner, agent or manager of every mine to construct within a specified period a creche in accordance with plans prepared in conformity with the rules. The rules prescribe the standards for the construction of creche, the medical arrangements and the provision of staff at every creche. The draft rules will be taken into consideration by the Government after 8 February 1958.

(Gazette of India, Part II, Section 3,
9 November 1957, pp. 2649-2651.).

Kerala Employment of Children Rules, 1957.

The Government of Kerala published on 24 September 1957 the Kerala Employment of Children Rules, 1957, made in exercise of the powers conferred under the Employment of Children Act, 1938. The rules regulate the procedure of inspectors appointed under section 6 of the Act and made provision for the grant of certificate of age in respect of young persons in employment or seeking employment, the medical authorities which may issue such certificates, and the form of such certificate. The rules repeal the Travancore-Cochin Employment of Children (Workshop) Rules 1955 and the Madras Employment of Children Rules, 1939, applicable to the State.

(Kerala Gazette, No.39 dated 24 September
1957, Part I, Section IV, pp. 1-2.).

Dns:

65. Collective Agreements

India - October-November 1957.

Madras: Collective Agreement Concluded Concerning Service Terms of Estates Staff in Plantations

An agreement was signed on 28 October 1957 in the presence of ~~Mr.~~ R. Venkataraman, Minister for Labour, by the representatives of the United Planters' Association of South India and of the Estates Staff Unions of South India bringing to an end the pending disputes with regard to the salaries and other terms of service of the Estates staff. This agreement is the result of a series of bi-lateral negotiations between the Association of Planters of the State of Madras and the Unions concerned.

It may be recalled that a dispute arose on the terms and conditions of service of the Estates staff prior to 1950 and the same was referred for adjudication before a Special Industrial Tribunal award in 1952. *the Tribunal gave its award in* → October 1956. (vide pages 51-55 of the report of this Office for December 1956). Thereupon the United Planters Association of South India went in appeal to the Supreme Court against this award. While the appeal was pending disposal, negotiations for a settlement out of court began between the two parties. The agreement signed today was the result of such negotiations and was effected in an atmosphere of goodwill, to the satisfaction of both parties.

The agreement covers about 7,000 members of the staff of about 600 Plantations situated in Madras, Kerala and Mysore States. It does not, however, cover the workers employed on these estates.

An identical agreement relating to the terms and conditions of service of the Estates Staff in Plantations within the jurisdiction of Madras State was signed by both parties today before ~~Mr.~~ V. Balasundaram, Commissioner for Labour.

The duration of the agreement will be from 24 October 1956 to 31 March 1961. The agreement provides for a complete revision of basic salaries and groupings, ensuring long-term scales and an increase of 20 per cent. or twenty rupees whichever is higher to all the staff as on 23 October 1956. The scale-ranges have also been widened.

Gratuity.- Gratuity will be paid on a minimum of five years' continuous service at retirement or death calculated at half a month's salary for every completed year of service subject to a maximum of 15 months' basic salary on the pay drawn at the time of retirement or death.

Provident Fund.- As regards provident fund, the management and staff have agreed to increase their respective contributions to the State Provident Fund in respect of staff who are in the State scheme to 8 1/3 per cent. of the basic wage plus dearness allowance from December 1957. The withdrawal of recognition of the Estates Staff Union of South India is rescinded.

The agreement will not adversely affect any existing terms and conditions except as expressly provided, namely that recruitment hereafter shall be of candidates of not less than the S.S.L.C. (passed) or holders of appropriate technical qualifications.

The age of superannuation is fixed at 55, subject to an extension by two years, to 57. The gratuity scheme will be deemed to have come into force on March 24, 1952.

The estates have been grouped under three categories namely, small, medium and large estates, for the purpose of fixation of salary scales for the staff.

On the adoption of the new scales of salaries, the benefit of purchase of food and/or fuel through the employer at concessional rates will be terminated. Wherever such benefit is in existence it will be replaced only for those at present in receipt of the benefit by a compensatory allowance pegged at the value it represents in terms of cash on the date of the agreement. Employees engaged after the date of this agreement will not be entitled either to this compensatory allowance or to food and fuel at concessional rates.

Any existing concession other than the above, where granted, will continue.

(The Hindu, 29 October, 1957.)

Dns:

67. Conciliation and Arbitration.

India - October-November 1957

Working of the Industrial Relations Machinery (Central)
For the Year Ending March 1956.

As in the previous years, the officers of the machinery tried to explore every avenue for promoting better understanding between employers and workers. In this connection, their energies were mainly directed towards (i) formation of works and production committees and ensuring their smooth functioning; and (ii) securing speedy settlement of disputes through conciliation and adjudication. During the year under review, works committees were functioning in 680 establishments (as against 650 in the previous year) out of the 1076 establishments required to constitute such committees. Unit Production Committees were also set up on a voluntary basis in some of the undertakings. The total number of Production Committees in the Central sphere undertakings was 94 at the end of March 1956. These committees were instrumental in eliminating causes of friction between managements and workers and also in ensuring proper co-ordination between them.

There were 724 strikes and lockouts during the year resulting in the loss of 34, 98, 823 man-days; similar figures for the previous year were 278 and 4,02,090 respectively. The increase in the loss of man-days during the year under review was due to a number of long drawn strikes in mines and various token strikes in banks. The officers of the I.R.M. intervened in most of the cases and they were successful in bringing about settlements in 145 cases. In addition to these, 172 cases of threatened strikes were also reported. Of these, 115 strikes were averted due to the intervention of the officers of the Machinery. Statistics relating to the total number of disputes in the Central Sphere Undertakings, the number of disputes handled by the officers of the machinery and

the number settled by them during each of the years since 1953-54 are given below:-

	1953-54	1954-55	1955-56
1. Total number of disputes	2,545	3,309	2,511
2. No. of disputes in which Officers of the I.R.M. intervened	2,480	2,692	3,224*
3. No. of disputes in which intervention was successful	1,753	1,638	1,120*
4. Percentage of 3 to 2	68.9	61.0	66.0

* Includes some disputes brought forward from the previous year.

The total number of industrial disputes that occurred during the year was 2,511. The officers of the I.R.M. took up 3,224 disputes for conciliation and were successful in settling 2,129.

During the year 2,529 conciliation proceedings were held by the officers and 1,573 settlements were brought about. 28 disputes were referred for adjudication. In regard to the enforcement of awards, settlements, etc., the officers of the I.R.M. were able to get 946 settlements and 79 awards fully implemented and 18 settlements and 4 awards partially. The officers also verified 353 out of the total of 367 applications made for the recovery of moneys due under the awards as arrears of land revenue. Thirty appeals were preferred by workmen and employers against the awards of Tribunals during the year. The I.R.M. also dealt with a large number of cases relating to lay-off and retrenchment benefits. The employing agencies were persuaded to give these benefits to the workers concerned. In nine cases, prosecutions were launched. Of these four were decided in favour of managements and the remaining were pending at the close of the year.

During the year under review, the figures of membership and number of unions affiliated to the four All-India Organisations of workers viz. the INTUC, AITUC, EMS and UTUC were verified by the Machinery.

The Sub-Committee, which was set up by the Government of India to examine the question of abolition of the system of contract labour in cement industry with the Chief Labour Commissioner (Central) as its Chairman, submitted its recommendations to the Government during the year under review. The Central Wages (Standardisation) Board for Cement industry set up in the previous year with the Chief Labour Commissioner (Central) as its Chairman, considered the question of setting up of the State Wages (Standardisation) Boards and requested the States concerned to constitute such Boards. The Central Committee also prepared a standard list of occupational nomenclature in the industry.

The I.R.M. is responsible for the administration of the certain Labour Laws and Regulations in the Central sphere undertakings. In discharge of this function, the officers of the I.R.M. made a number of inspections and detected cases of non-compliance of the provisions of the labour laws and regulations. For securing rectification of the defects noticed, they generally adopted persuasive methods. However, where such methods failed to produce the desired result legal action was taken.

On the welfare side, the officers of the I.R.M. continued to tender advice to all the Central undertakings to improve their standards of welfare. In addition, the labour officers in the Central undertakings continued to organise community welfare schemes for recreation, education, etc., for workers on a self-help basis. For the benefit of workers in the C.P.W.D. twentyfour creches were functioning in Delhi at the close of the year under review.

(Indian Labour Gazette, Vol XV, No.5,
November 1957, Pp. 467 - 469.)

Bombay: Review of Industrial Disputes During 1956.

The number of industrial disputes in the State for 1956 totalled 294 involving 245,140 workers and a time-loss of 705,881 workers and 361,249 man-days lost. Thus it will be seen that there was an increase in the number of disputes recorded for the year under review and the number of man-days lost. The number of disputes increased by 15.29 per cent. while the number of man-days lost increased by 95.40 per cent. as compared to 1955 figures. The number of workers involved also advanced by 137.27 per cent. The average duration of disputes which was 3.50 in 1955 declined to 2.88 in 1956.

There was one industry-wide work stoppage during November 1956, in the sixteen defence establishments in the State as a protest against the retrenchment of surplus workers which caused a time-loss of 118,194 man-days.

The month of September 1956 recorded the highest number of man-days lost during the year under review, while in 1955, the month of December had recorded the highest number.

The disputes in the textile industry alone affected more than 56 per cent. of the total workers involved and accounted for more than 40 per cent. of the total time-loss resulting from all the disputes during the year. This time-loss in the textile industry was mainly due to strikes in (1) Sassoon Spinning and Weaving Co. Ltd., (2) Coorla Spinning and Weaving Co. Ltd., (3) India United Mills No.1, (4) Hind Mills Ltd., (5) Shree Madhusudan Mills, and (6) Madhav Mills, Bombay, which together involved about 11.42 per cent. of the total workers and accounted for nearly 15.06 per cent. of the total time-loss resulting from all the disputes.

Disputes occurred at 52 centres against 36 in 1955. Greater Bombay, the most important industrial centre in the State, recorded as usual, the highest number viz. 202 as against 175 during 1955, while Ahmedabad recorded 9 disputes. Disputes in Greater Bombay alone affected more than 77 per cent. of the total workers involved during the year and accounted for more than 451,700 man-days or 63 per cent. of the total time-loss.

111

Causes of Disputes.- The following analyses the disputes according to causes:-

Causes	No. of Disputes	No. of workers involved	Number of man-days lost.
Pay and allowances	80	25,142	124,157
Bonus	42	94,570	176,585
Leave and hours of work	21	13,333	12,450
Personnel	91	77,335	334,403
Others	60	34,760	58,286
Total...	294	245,140	705,881

"Pay and Allowances" and "Bonus" formed the main cause and the percentage to total recorded a fall from 43.53 to 41.50 per cent. The percentage to total number of disputes due to grievances of "Personnel" also registered a slight fall of about 2 per cent. The "leave and hours of work" recorded a drop of 0.70 per cent. while "other causes" registered a rise of 4.72 per cent.

Results of Disputes.- In 77 or nearly 26.92 per cent. of the 286 disputes which ended during the year under review representing more than 9 per cent. of the total workers involved, the workers were either partially or entirely successful while in 130 or 45.46 per cent. of the disputes affecting more than 63 per cent. of the total workers involved, the workers were entirely unsuccessful. In 78 or more than 27 per cent. of the cases, the result was indefinite i.e. work was resumed pending final settlement of the dispute.

Compared to the previous year, the percentages of disputes which was either successful or partially successful declined by about 3 per cent. The proportion of unsuccessful disputes also showed a slight fall from 47.58 per cent. in 1955 to 45.56 in 1956, while "Indefinite" disputes recorded a rise of 5.90 per cent.

The workers were reported to be completely successful in 27 disputes in which "Pay and Allowances" was the principal issue and in 11 disputes which related to "Grievances about personnel".

Workers Involved.- The number of workers involved recorded for the year was about 137 per cent. higher than the 1955 figure. More than 56 per cent. of the workers involved in all the disputes during the year under review were from the textile industry while "metals and engineering" accounted for nearly 27 per cent.

Analysing the disputes according to the number of workers involved, the 10-100 group accounted for more than 39 per cent. of the total disputes but the time loss caused by these disputes was only about 6.84 per cent. As against this, 17 disputes involving over 4,000 workers accounted for more than 28.72 per cent. of the total time-loss.

Man-days Lost.- The year under review recorded more than 705,800 man-days lost as against about 361,000 during the year 1955. The 1 to 100 slab of time-loss recorded 84 disputes involving more than 3.35 per cent. of the total workers, while 28 disputes with a loss of more than 5,000 man-days, involved 35 per cent. of the total workers and accounted for about 69 per cent. of the total time loss.

Duration of disputes.- A little less than half of the total disputes involving more than 41 per cent. of the total workers, lasted for a period of one day or less. The time-loss in these disputes was, however, only about 10 per cent. while 82 disputes or 27.89 per cent. of the disputes which lasted for more than five days accounted for more than 63 per cent. of the total time-loss. The majority of the disputes were of short duration and lasted for less than 5 days. The average duration of the disputes (obtained by dividing the total number of man-days lost by the total number of workers involved) however declined from 3.50 in 1955 to 2.88 in 1956.

(Labour Gazette (Issued by the Government of Bombay)
Vol. XXXVII, No.3, November 1957, Pp. 272-287.).

Dns:

Industrial Disputes in India During 1956.

The Indian Labour Gazette, Vol. XV, No.4, for October 1957, publishes a review of industrial disputes in India during 1957, based on monthly statistics of industrial disputes collected by the Labour Bureau. The statistics in the article cover all sectors of economic activity such as plantations, mines, factories, railways, communications, docks and ports, banking and insurance, trade and commerce, construction, electricity, gas, water and sanitary services and other services including domestic services. The figures for 1956 relate to erstwhile 10 part A States and Part C States of Ajmer and Delhi. The data for November and December 1956 were furnished by the States as reorganised recently. This change is likely to affect the comparability of the figures by State with those for the preceding years. On a closer examination it would be inclined to feel by the extent of reorganisation. Firstly, the figures for two months only are thus affected, and, secondly, the transfer of areas, from which the relevant statistics were not being collected even before, does not make any difference in so far as these statistics are concerned. Of course, the transfer of areas from which such statistics were being collected before the reorganisation would make a difference in the figures for that State. The States mostly affected by transfers of this nature are Bombay and Madhya Pradesh. The State of Andhra expanded mainly by the absorption of a portion of Hyderabad. Though statistics of industrial disputes were not being collected from Hyderabad State before reorganisation, some disputes were reported from this area in the months of November and December. Considered on the whole, it appears that the effect of reorganisation on the State figures has not been very considerable but the fact should be borne in mind when comparing the figures.

It is seen that compared to the position in 1955 the industrial disputes whether considered by the number, workers involved or man-days lost were on the increase during the year 1956. The number of disputes increased by only 3.2 per cent. but the loss in man-days was higher by 22.7 per cent. The average man-days lost per dispute increased from 4887 to 5812 in 1956 but there was a decline in the average duration of disputes, this average being 9.8 days in 1956 as against 10.8 days in 1955.

It has been seen that the effect is not so big in magnitude as one would expect.

It is also seen that as usual Bombay, Madras and West Bengal accounted for a major portion of the industrial disputes in the country in the year. In 1956, 62.3 per cent. of the total number of disputes occurred in these States involving 73.7 per cent. of the total number of workers affected in all the industrial disputes in the country. The time-loss in these States accounted for 66.0 per cent. of the total. The highest figure of time-loss was recorded by West Bengal which accounted for 50 per cent. of the total but next in order was Madhya Pradesh. The average time-loss per dispute in West Bengal was 14,326 man-days whereas it was 49,052 for Madhya Pradesh. These figures may be contrasted with the average of 5,812 man days for all States. The last average was high just because of the position in the two States of West Bengal and Madhya Pradesh, as would be seen from the fact that the average for all other States was lower. Bihar was the only other State. These high averages are evidently due to the occurrence of certain major disputes involving a heavy time-loss.

In which the average stood out from the level in the other States.

The statistics of industrial disputes by States in 1955 and 1956 are shown in the table given below:

Industrial Disputes by States

State	1956				1955			
	No. of Dis-putes	No. of Workers involved	No. of man-days lost	Time lost per dispute	No. of Dis-putes	No. of work-ers in-volved	No. of man-days lost	Time loss per dispute
Andhra	34	25,214	86,632	2,548	6	7,797	15,806	2,634
Assam	20	7,417	55,678	2,784	3	463	793	264
Bihar	89	40,437	509,159	5,721	91	19,993	263,702	2,898
Bombay	296	244,141	702,296	2,373	252	102,605	374,060	1,484
Madhya Pradesh	26	40,143	127,535	49,052	39	27,678	316,816	8,124
Madras	212	82,726	461,072	2,175	189	67,007	193,266	1,023
Orissa	6	3,653	13,277	2,213	13	2,278	148,907	11,454
Punjab	36	9,718	57,819	1,606	20	1,784	31,919	1,596
Uttar Pradesh	144	45,274	328,789	2,283	88	57,364	202,507	23,012
West Bengal	241	200,078	345,264	14,326	399	219,795	219,641	5,495
Ajmer	2	76	4,376	2,188	7	1,336	1,505	215
Delhi	97	16,253	44,948	463	59	19,667	133,362	2,260
Total	1,203	715,130	6,992,040	5,812	1,166	5,277,677	5,697,848	4,887
Kerala	41	7,077	22,913	559				
Mysore	16	11,679	120,546	7,534				
Rajasthan	3	282	1,013	338				

4.

The data on lock-outs are shown in the table below:-

State	1956				1955			
	No. of dis-putes	No. of workers involv- ed	No. of man-days lost	Average time loss per dispute	No. of dis-putes	No. of workers involv- ed	No. of man-days lost	Average time loss per dispute
Assam	1	59	1,516	1,516	-	-	-	-
Bihar	2	6,080	406,240	203120	1	772	29,336	29,336
Bombay	10	17,089	153,353	15,335	9	7,695	95,028	10,559
Delhi	1	50	300	300	2	2,810	52,921	26,461
Madras	21	23,785	294,183	14,009	5	2,778	20,748	4,150
Orissa	2	432	9,180	4,590	1	396	75,636	75,636
Punjab	2	69	1,334	667	2	55	1,558	779
Uttar Pradesh	4	510	30,943	7,736	5	1,307	185,907	37,181
West Bengal	45	54,034	1788,706	39,749	42	56703	871,600	20,752
Total:	88	102,108	2,685,755	30,520	67	72516	1,332,734	19,892

The figures given here read with those shown in the first table show that lock-outs accounted for 38.4 per cent. of the total time-loss in all industrial disputes during the year. Only West Bengal, Madras and Bombay recorded a considerable number of lock-outs. The number of workers affected and time-loss were one of the highest in these States. Jute industry was responsible for the high time-loss in lock-outs in West Bengal but in Bombay and Madras it was so in the Cotton Mills Industry. In U.P. and Bihar the time losses were high, though the number of workers involved were not very high. One striking feature of this table is that the average time loss per lock out is very much higher than that in the case of strikes. During the year 1956 average time

loss per lock-out was 30,520 man-days as against the average time-loss of 3,862 per strike. Compared to the previous year, the number of lock-outs, number of workers involved therein and the time-loss increased much. The sharp increase in time-loss in 1956 was mainly due to the increase in West Bengal, Madras, Bihar and Bombay, U.P. also recorded a higher time-loss. The high time-loss recorded by Delhi and Orissa in 1955 was not repeated in 1956. The average time-loss per lock-out increased sharply in 1956 in West Bengal, Madras and Bombay. Bihar had major lock-out in 1955 and 1956 both.

Industry-wise Classification of Industrial Disputes.- During the year the manufacturing sector accounted for 70 per cent. of the time-loss as compared to 73 per cent. in 1955. In this section, the time-loss recorded by cotton mills was nearly 41 per cent. of the total as compared to a little over 50 per cent. in 1955. Next in order came jute mills accounting for 24 per cent. and engineering (excluding iron and steel) 19 per cent. Mining and quarrying also recorded a very considerable time-loss during the year which constituted nearly 22 per cent. of the total time-loss in all industries. Compared to the last year the time-loss showed a sharp increase in the mining quarrying sector mainly due to a high time-loss in coal industry. There was not much increase in time-loss in the manufacturing sector. In this sector, jute mills, bidi, engineering and sugar industries showed a marked increase over the position in 1955. There was a sharp decline in the time-loss during the year in the industries hydrogenated oil, silk and woollen mills and the group 'others'. The time-loss also increased in construction and commerce sectors. Agriculture and allied activities, transport storage and communication and services recorded a marked decline in the time-loss. However, the time-loss increased to a little less than double in dock and ports.

The following table shows the details of industrial disputes industry-wise in 1956:-

6.

Industrial Disputes Classified by Industries

Industry	1956		
	No. of Dis-putes	No. of workers involved	No. of man-days lost
0. Agriculture & allied activities	54	20,011	175,372
1. Plantation	50	19,530	172,725
2. Others	4	481	2,647
I. Mining and Quarrying	84	81,688	1,528,045
1. Coal	67	61,518	1,108,599
2. Others	17	20,170	419,446
II-III. Manufacturing	797	508,551	4,892,019
1. Sugar Mills	10	8,742	36,142
2. Hydrogenated Oil Industry	2	109	1,612
3. Bidi Industry	16	8,362	159,329
4. Cigarette	5	769	414
5. Cotton Mills	203	246,289	2,010,190
6. Jute Mills	21	40,063	1,166,023
7. Silk Mills	33	2,339	16,403
8. Woollen Mills	5	1,517	2,248
9. Coir Factories	3	178	747
10. Paper Mills	4	414	4,497
11. Leather and Leather Products	16	871	5,115
12. Heavy Chemicals	6	363	379
13. Matches	4	1,546	1,158
14. Cement	6	4,482	8,866
15. Mica Industries	2	1,921	9,940
16. Engineering (except Iron and Steel)	195	132,164	915,957
17. Iron and steel	13	3,871	39,964
18. Others	250	54,551	513,037
IV. Construction	16	10,274	43,186
V. Electricity, Gas, Water and Sanitary Services	28	4,187	8,623
VI. Commerce	41	14,437	14,455
1. Wholesale and Retail trade	10	2,165	3,153
2. Banking and Insurance	29	12,166	10,352
3. Others	2	106	950
VII. Transport, storage and Communication	87	56,170	170,651
1. Dock and Ports	35	34,949	112,296
2. Railways	34	7,744	10,587
3. Others	18	13,477	47,768
VIII. Services	12	774	2,833
IX. Miscellaneous	84	19,038	156,856
Total:	1,203	715,130	6,992,040

Duration of Disputes.- About two-thirds of the disputes did not last more than 5 days. Even among these, there was a heavy concentration in the class lasting for "a day or less". Disputes were more or less evenly distributed in the other duration groups. Only 9.3 per cent. of the disputes lasted more than 30 days. The percentage distribution of the industrial disputes by duration during 1956 remained more or less the same as in 1955. The main notable movement was that in 1956 the percentage in the group 'more than 5 days to 10 days' declined and that in the group 'a day or less' increased.

In one-third of the disputes the number of workers involved in each was between 100-500. The group where any dispute involved less than 50 workers accounted for about 26 per cent. of the disputes. Disputes affecting over 1,000 workers formed 15 per cent. of the total. The number falling in the remaining two groups were quite considerable, and at the same level. Thus, disputes affecting a large number of workers form an important section of the industrial disputes, though the group where a small number of workers is affected in each case is fairly numerous and one of the most important taken singly. This has resulted in the fact that the number of disputes showing high time-losses exceeding 10,000 man-days were not insignificant in number. However, the bulk of disputes was distributed mainly in the three lower time-loss groups. The number falling in the group 100 to 1,000 man-days was the highest, forming 39 per cent. of the total. A little over one-fourth of the cases was claimed by the group 'Less than 100 man-days' and '1,000 to 10,000 man-days' each. In the former group disputes involving less than 50 workers each formed the main majority, while in the latter disputes involving 100-500 workers each and equally those involving 1,000 or more workers accounted for most of the disputes. In the group 100-1000 man-days, cases were mainly concentrated in the section involving 100-500 workers each.

Disputes According to Causes.- The following table gives the details of industrial disputes classified by causes:-

8.

Cause	No. of dis- putes	Workers Involv- ed		Man-days lost		Percentage of No. of disputes to total	
		No.	Percent- age to total	No.	Percent- age to total	1956	1955
Wages and allow- ances	312	130,975	18.3	1,528,722	21.9	25.9	23.7
Bonus	97	127,210	17.8	700,854	10.0	8.1	16.7
Personnel	333	164,339	23.0	1,003,997	14.4	27.7	31.5
Retrenchment	105	72,443	10.1	334,636	4.8	8.7	-
Leave and hours of work	63	38,760	5.4	86,772	1.2	5.2	5.2
Others	193	135,094	18.9	2,612,005	37.3	16.1	19.5
Not known	100	46,309	6.5	725,054	10.4	8.3	3.6
Total:	1,203	715,139	100.0	6,992,040	100.0	100.0	100.0

Results of Disputes.- Nearly 40 per cent. of the disputes were unsuccessful from the point of view of the employees, whereas only 25 per cent. resulted in their favour with another 12 per cent. in favour partially. In nearly 21 per cent. disputes, work was resumed without any final decision having been reached. In such cases the matter may have been under further negotiation or under reference to an industrial tribunal etc. It is seen that the percentage of disputes which were either successful or partially successful also was much higher compared with that in the previous year. It is striking that the percentage of 'Unsuccessful' increased sharply, which seems to have been contributed mainly by the decline in the percentage of disputes terminating without a final decision having been reached also declined considerably. The position shown by the number of workers involved and man-days lost is still more revealing. The percentage of workers involved or man-days lost in unsuccessful disputes was near about 50, whereas this percentage was nearly 10 or little over in the case of successful or partially successful disputes.

Size of Units Affected.- The number of disputes in the smaller sized units is much less when compared to that in the bigger sized units. It is a striking fact considering the position that the number of units in the smaller sized groups are numerically far more. The largest number of disputes involving the highest number of workers and time-loss occurred in units employing 'above 1,000' workers. This group alone accounted for nearly 63 per cent. of the total time-loss. The group employing '100-500' came next. Though the number of disputes occurring in this size group was more or less the same, the number of workers involved and time-loss were much less. Though the number of disputes in the size group employing 500 to 1000 workers was much less, the number of workers affected and time-loss were more or less of the same order. The number of workers affected and time-loss in the first two size-groups were comparatively smaller on double account due to the size of employment as well as the number of disputes being smaller.

How the Disputes were Settled.- The article analyses the number of terminated disputes by result according to the method of settlement. This kind of information was not available in 594 cases. The largest number of disputes terminated as a result of intervention by the Government, a great majority being through mediation. The number of disputes terminated on voluntary resumption of work by the employees was of no less significance, at least numerically. Number of disputes terminated by mutual settlement was by far the lowest. A striking feature shown is that the result in the bulk of the cases of voluntary resumption of work by the employees was 'unsuccessful' for the workers. The results in a larger proportion of disputes terminating through the mediation of the Government were tilted towards being totally 'unsuccessful' for the workers, although 'successful' and 'partially successful' result groups claimed a substantial proportion. It was only in instances of conciliation by the Government that the results were predominantly in favour of workers. The results in cases of mutual settlement were more or less evenly distributed in the various categories.

In order to appreciate the correct position of industrial unrest, the number of man-days lost should be seen against a number measuring exposure to the risk of disputes. This number is appropriately the possible number of man-days scheduled to be worked. The ratio of the two would give an indication of the position of industrial unrest as measured by the loss in man-days available for work. The higher the ratio, the greater would be the deterioration of industrial unrest and, conversely, the lower the ratio, the greater would be the reduction in industrial unrest. Information about the man-days scheduled to be worked is not available in respect of all sectors of economic activity and, therefore, it is not possible to work out the above ratio for this entire sector. However, the necessary data are available in so far as the sector of manufacturing industry is concerned. From 1950 arrangements were made for the collection of information about the total number of man-days worked in the units covered by the Factories Act. The table given below shows the number of man-days worked and the number of man-days lost due to industrial disputes in this sector of manufacturing industry.

Year	Total No. of man-days worked (in 000's)	Total No. of man-days lost (000's)	Severity rate	Index number of	
				man-days lost	Severity rate
1950	6,53,087	1,183	1,779	439	420
1951	6,33,394*	2,697*	424	100	100
1952	6,61,989	2,056	310	76	73
1953	6,66,246	2,564	383	95	90
1954	6,76,142	2,713	400	101	94
1955	7,35,573	4,164	563	154	133
1956	N.A.	4,892	-	181	-

*Excluding Punjab & Delhi, as the figures of man-days worked were not available.

Approach to Industrial Relations: Shri V.V.Giri
Urges Abolition of Compulsory Adjudication

In an article entitled "Industrial Relations - An Approach", Shri V.V. Giri, Governor of Uttar Pradesh, published in the Indian Labour Gazette, Vol. XV, No.4, October 1957, has given his views on the problem of industrial relations in India. He concludes by saying that the machinery of compulsory adjudication can be completely removed from the statute book.

He states: "There has been unanimous opinion that the trade union movement in India is not strong and is to be strengthened to shoulder the manifold responsibilities. The weakness of the movement is due to a variety of reasons: multiplicity of trade unions, political rivalries, lack of resources, disunity in the ranks of workers and the domination of outsiders. It is indeed unfortunate that in spite of the common objective of the workers to improve their economic and social conditions - they should stand divided and often exhaust their energies in internecine quarrels. It is found that recognition has assisted in strengthening the movement to some extent. Measures should, therefore, be taken by the Government to grant recognition to the union which has the majority of employees, and side by side strive to bring about a unity in the movement with the ideal of 'one Union in one Industry'. This, the Government could realize by recognizing the different unions in an industry as an interim measure and persuade unions which believe in complete democracy to come together and form a single union or, if that is not possible, to assist them in an unofficial way to bring together workers belonging to various trade unions and elect a new representative body.

More important in my view is the maintenance of good industrial relations. Especially in a progressing economy as ours, I consider this subject to be of a vital importance. The state of industrial relations is intimately linked with the political pattern of the country in which it exists. The problem of industrial relations is also inextricably connected with the question of freedom of association, collective bargaining and methods of settlement of industrial disputes."

He continues to say that the need for an effective labour policy to bring about good industrial relations began to assume a definite shape only during the World War II. There were, of course, earlier measures to settle trade disputes. The Trade Disputes Act, 1929, modelled on the British lines, provided Courts of Enquiry and Boards of Conciliation. That Act, if properly implemented in its true spirit would have served the cause of industrial peace as it did in U.K. Its failure is entirely due to the non-implementation, in the proper way, of this legislation by the former bureaucratic Governments which always tried to help the employer more than assist the workers.

During the War period, The Government, in its anxiety to maintain War-production, introduced the Defence of India Rule, 81-A. This Rule prohibited strikes and lock-outs and provided compulsory adjudication and compulsory conciliation machinery for the speedy disposal of cases. Such measures had in mind interests other than the establishment or maintenance of good industrial relations. Similar rules were adopted in U.K. and U.S.A. also and it was an inevitable measure during the emergency of war. In these countries the workers as well as employers and governments realised that this compulsory method has done its part and further continuance would be more a hindrance than a help to establish industrial peace and good industrial relations. But in India, unfortunately, compulsory arbitration has not only been continued but a greater emphasis has come to be laid on this machinery than on mutual negotiations or voluntary conciliation.

"As an advocate of the internal settlement - mutual negotiations and voluntary conciliations - I have always held my faith that it is better for management and labour both to settle their differences by themselves. Compulsory arbitration has some attendant defects which, however, much one may improve the machinery, shall remain inherent in it. For instance, any decision by a third party cannot be as good as one evolved from within and based on mutual trust."

"Everyone agrees that internal settlement, preferably mutual agreement, is the best solution to solve differences between the employers and the workers. But at the same time, some of my trade union friends would like to have compulsory adjudication to remain in the picture as a last resort. They argue that trade unions in India are not strong enough to deal with the employers direct. Much of the strength of the trade union movement in India today, according to them, is due to this State support.

"In my view, as long as compulsory adjudication is present in the picture as a machinery for the settlement of disputes, the voluntary system can hardly succeed. Unless compulsory adjudication is totally removed from the Statute Book, lock, stock and barrel, the parties, during the period of mutual negotiations or voluntary arbitration, will not place all their cards on the table but will reserve the 'ace' one for the final game of compulsory adjudication. There is no need for fear that there would be large-scale unrest in the industries leading to chaos and anarchy by the total abolition of compulsory methods, for the State as supreme guardian of the vital services and law and order, can always have recourse to emergency legislation or ordinances. The Government can always appoint tribunals after giving opportunities to the parties to be heard and, if necessary, totally prohibit a strike or lockout if there is threat to the life and order of the community by such a dispute. I consider that it is compulsory arbitration that has cut at the root of the trade union movement. When the workers find that there is a machinery other than their own unions that would settle their disputes, they hardly have any faith or the necessity of it in their union. The removal of compulsory arbitration would help in providing solidarity among the workers as that along would bring them the strength to bargain effectively. Further, no amount of state paternalism, however liberal or benevolent it be, can create that atmosphere of industrial peace and co-operation that flourishes in a mutual agreement.

Safeguards.— At the same time, I would like to provide certain safeguards not only to face critical situations that affect the vital industries by way of emergency regulations, but, in the normal course, to avoid strikes and lockouts in all industries, major and minor.

Efforts should be made in every industry and in every unit of it to constitute joint standing machinery with equal number of representatives of labour as also of employers. The primary task of this body is not only to come into operation whenever a strike or lockout occurs, but to meet at regular intervals and discuss all the issues - production, welfare measures, rationalization and like problems pertaining to the industry. The best way of dispelling conflict and distrust between the parties is for them to work together on problems in which their interests are involved. As people work together, they learn to know one another better, and if goodwill exists understanding and appreciation in time replace aloofness and distrust. The usefulness of such a joint standing machinery hardly requires any stress.

"Further, the Tripartite Labour Conference, which is now held once a year, should meet as often as necessary and take upon themselves more onerous duties and discuss the prevailing climate in the industry. In order to do this, a permanent machinery with good staff and technical experts may be established both at the Centre and at State level. It is to be the responsibility of this machinery to keep in touch with the general development of the industry and the trend of industrial relations. This is not all. This machinery must provide itself with different panels for each of the basic and big industries consisting of representatives of workers and employers. Their duty is to come automatically into play and straightaway hear an industrial dispute involving a strike or lockout and submit the report of their findings. The permanent machinery provides the experts with basic facts which they have collected in the context of which the specific issues of strikes and lockouts could be discussed and conclusion reached. Experience in the past on major issues, such as lay-off and retrenchment, have been settled in

good cheer and to the satisfaction of all the parties by this method of tripartite and bipartite conferences representing the different interests in industries. And then legislation could be easily introduced giving a legal sanction to such decisions which have already been agreed upon. I do not think that it would be a problem to have a voluntary panel of names, especially in industries where there are strong employers' and workers' organisations.

"Where some differences still exist and remain unsolved, the tripartite or bipartite body, which submits its findings, might be empowered to decide whether the points of difference are worth reference to voluntary conciliation or arbitration. Even in this phase, the Government may encourage the parties to agree to mutual negotiations and voluntary conciliation. Disputes which cannot be settled in this way may be referred to an ad hoc Board of Arbitration. Most of the differences could thus be settled before they take the position of a dispute. If necessary, as a further measure to solve the disputes, the Government might constitute an Industrial Court on the lines of the U.K. Industrial Courts Act, 1919. In U.K., if the disputes are not settled by conciliation or voluntary arbitration, a Court of Enquiry under the Industrial Courts Act, is appointed. The reports of such bodies are primarily for the information of Parliament and of the public, but though not legally binding on the parties, their recommendations form almost the basis of a settlement of differences. A similar machinery can be established in India presided over by a distinguished person of the status of a Judge of the Supreme Court to go into these affairs with assessors representing the parties sitting with him."

Wage Boards.- Statutory wage fixation by wage boards and councils has been used in England to provide decent minimum in 'sweated' industries or in industries where trade unions are weak and ineffective, but it was usually hoped in these industries that union organisation would ~~not~~ ultimately become strong enough to bargain and negotiate in the ordinary, voluntary way. On the other hand, it is found that wage boards in India are being constituted in industries where the labour is strongly organised, like the textile or in the case of working journalists. It is pleaded that the wage boards in these cases are an additional effort to solve the industrial disputes. Far from it in actual practice, instead of providing a solution to the disputes, the conclusions of wage boards often provide the starting point. This

6.

machinery has resulted in delay, expense and continued state of tension between the parties and it often happens that the disposal of a case by the tribunal is only a prelude to the starting of another. The statutory nature of the wage boards compel the workers and the employers to abide by their decisions and they do so as long as it is advantageous to them, otherwise they show scant respect to them. They try to circumvent the decisions. In that case, the sanctity of the machinery is weakened and cases of that type have occurred in India. The recent case of wage boards for journalists also demonstrates this. So it is better to allow wages to be negotiated between the parties and if necessary through a system of voluntary conciliation and arbitration. Apart from this, compulsory adjudication has another disadvantage. If the adjudication machinery reaches on erroneous decision, it is not easily possible to remedy the harm or the injustice done to any side.

Shri Giri states that in view of the safeguards he has mentioned, he feels that the machinery of compulsory adjudication can be completely removed from the statute book. "My appeal to both the industrial and working class leaders is that they should give a fair trial to the measures I have suggested and insist on the settlement of disputes in a voluntary way. When this system can succeed in other advanced countries such as U.K. - on whose model we have drafted our system - I see no reason why it should not be applied in India with advantage."

Dns:

Industrial Disputes (Bombay) Rules, 1957.

The Government of Bombay published on 28 November 1957 the text of the Industrial Disputes (Bombay) Rules, 1957, made in exercise of the powers conferred under the Industrial Disputes Act, 1947. The rules deal inter alia with procedure for reference of industrial disputes to boards of conciliation, courts of enquiry, labour courts or industrial tribunals, form and attestation of arbitration agreement, powers, procedure and duties of conciliation officers, boards, courts, tribunals and arbitrators, procedure for notice of change in conditions of service applicable to workmen constitution of works committees, procedure for application under section 33 of the Act, procedure for retrenchment and re-employment of retrenched workmen.

The rules repeal the Industrial Disputes (Bombay) Rules, 1947, the Central Provinces and Berar Industrial Disputes (Settlement) Rules, 1949, in their application to the Vidarbha area, the Hyderabad Industrial Disputes Rules, 1950, in their application to the Marathwade area, the Saurashtra Industrial Disputes Rules, 1948, and the Industrial Disputes (Central) Rules, 1947, in force in the Kutch area of the State.

(Bombay Government Gazette, Part IV A,
28 November 1957, Pp. 1118-1163.)

Dns:

Draft Industrial Disputes (Bihar) Rules, 1957.

The Government of Bihar published on 27 November 1957 the draft of the Industrial Disputes (Bihar) Rules, 1957, proposed to be made in exercise of the powers conferred under the Industrial Disputes Act, 1947. The rules which repeal the Industrial Disputes (Bihar) Rules, 1947, deal inter alia with the procedure for reference of industrial disputes to Boards of conciliation, courts of enquiry, labour courts or industrial tribunals, the form of arbitration agreement, powers, procedure and duties of conciliation officers, boards, courts, tribunals and arbitrators, constitution of works committees, procedure for complaints regarding change of conditions of service, etc, procedure for retrenchment of workmen and re-employment of retrenched workmen.

The draft rules will be taken into consideration by the Government after 27 December 1957.

(The Bihar Gazette, Part II,
27 November 1957, Pp. 2841-2862.)

Dns:

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Industrial Disputes (Banking Companies) Decision
Amendment Act, 1957 (No.40 of 1957.)

The Industrial Disputes (Banking Companies) Decision Amendment Bill (vide page 73 of the report of this office for September 1957) as passed by Parliament received the assent of the President on 17 November 1957 and has been gazetted as Act No.40 of 1957. The Act gives effect to the recommendations of the Travancore-Cochin Banking Inquiry Commission as modified by the Central Government.

(Gazette of India, Extraordinary,
Part II, Section I, 18 November 1957,
pp. 505-507.)

Dns:

68. Labour Courts.

India - October-November 1957.

Bombay: Working of the Industrial Court and Tribunals
During 1956

During the year 1956, 1187 cases were decided by the Industrial Court and Tribunals in Bombay State as against 854 cases in the preceding year.

Decisions during 1956 included 709 arbitration cases, 165 adjudications, 206 applications and 107 complaints respectively under sections 33 and 33-A of the Industrial Disputes Act, 1947, while the total number of cases filed before the Court and Tribunals during the year under review consisted of 790 cases for arbitration, 214 for adjudication, 176 applications and 95 complaints respectively under sections 33 and 33-A of the Industrial Disputes Act, 1947.

Industrial Court.- The Industrial Court had 1221 cases during 1956. The details of the cases during 1955 and 1956 are given below:-

Subject Matter	Number of cases (1955)				Number of cases (1956)			
	Pending from 1954	Filed During 1955	Decided During 1955	Pending at the end of the year 1955	Pending from 1955	Filed During 1956	Decided During 1956	Pending at the end of the year 1956
References	80	320	204	196	196	217*	257	156
Submissions	4	13	7	10	10	13	15	8
Appeals	71	323	199	195	195	529	414	310
Applications	6	41	17	30	30	31	23	38
Total	161	697	427	431	431	790	709	512

*Of these 9 cases were remanded back by the Labour Appellate Tribunal of India.

Geographical distribution of 217 references filed during the year 1956, reveals that 55 per cent. of them were accounted for by Ahmedabad and other centres in Gujarat while Greater Bombay ranked next with 18 per cent. of the total references.

Analysed according to industries 85 per cent. of them were from the Textile Industry. Details according to industries are given in the following table:-

Industry	Number of references filed	
	1955	1956
Textile	300	184
Sugar	14	22
B.E.S.T.	4
Electricity	6	7
Total	320	217

Disputes regarding bonus figured among the causes leading to the references and accounted for 41 per cent., of the total number of disputes, while wages and dearness allowance contributed to nearly 27 per cent. of the total disputes. The following table gives details regarding the nature of demands:-

Demands	Number of references filed	
	1955	1956
Wages and dearness allowance	51	58
Bonus	71	89
Leave	1	8
Provident fund and Gratuity	70	10
Retrenchment and reinstatement	15	10
Holidays	71	1
Others	41	41
Total:	320	217

Industrial Tribunals.- The following table gives the comparative details of the work of the industrial tribunals for the years 1955 and 1956:

	1955	1956
Number of cases pending from the previous year	75	99
Number of cases filed during the year	191*	214**
Number of cases decided during the year	167	165
Number of cases pending at the end of the year	99	148

* Of these 3 cases were remanded back by the Labour Appellate Tribunal of India.

** Of those 2 cases were remanded back by the Labour Appellate Tribunal of India.

The table below sets out the details according to industries for the years 1955 and 1956:-

Industry	Number of cases filed	
	1955	1956
Engineering	50	57
Metals	4	3
Chemicals	19	37
Paper and Printing	22	10
Food, Drink and Tobacco	9	13
Wood Stone and Glass	9	11
Commerce finance and Trade	10	19
Public Administration	15	18
Transport	2	2
Rubber	..	3
Miscellaneous	51	41
Total	191	214

Classified according to issues involved about 43 per cent of the cases arose over demands relating to bonus, while demands for increased wages and dearness allowance ranked next, accounting for nearly 37 per cent. of the total cases. Details for 1955 and 1956 are set out in the table below:-

Nature of Demand	Number of cases filed	
	1955	1956
Wages and dearness allowance	64	79
Bonus	66	91
Leave and hours of work	8	8
Provident fund and Gratuity	8	9
Retrenchment and reinstatement	18	12
Miscellaneous	27	15
Total	191	214

Classified according to districts, Greater Bombay, alone accounted for about 61 per cent. of the total adjudication cases filed during the year under review.

(Labour Gazettee (Issued by the Government of Bombay). Vol. XXXVII, No.2, October 1957, Pp. 144-148).

Dns:

69. Co-operation and Participation of Industrial Organisations in the Social and Economic Organisation.

India - October-November 1957.

Workers' Participation in Management - Joint Council Formed at Madras: First Venture in Private Sector.

On 10 October 1957, the Chief Minister of Madras inaugurated a joint council of management, providing the workers an opportunity to participate in the management of the Simpson and Group Companies in Madras.

The first of its kind in the private sector, the joint council which will have 15 workers representing over 7,000 employees, and an equal number from the management will seek "to promote increased productivity and to satisfy the employees' urge for self-expression in the management of the enterprise."

A similar joint council was set up on 30 September for the management of the Government-owned transport engineering workshop in pursuance of the decision taken at a conference of state labour ministers in Delhi recently to promote workers' participation in the management of industries on an experimental basis.

The Chief Minister said the joint responsibility to manage the industry would enable to step up production in the country. An opportunity was given to the workers through this council to show how they could also efficiently contribute in the management of any industry. This experiment was bound to be a success with mutual understanding and workers' co-operation, he said.

If the new scheme introduced on an experimental basis, one in the public sector and the other in the private sector proved a success, the Chief Minister said, Government would consider its extension to more industries in the states.

Shri R. Venkataraman, State Labour Minister, who presided over the function, explained the objects of the new scheme and said the council would be consulted by the management on matters of administration, retrenchment, rationalisation, methods for improved production, expansion plans and welfare schemes. The question of bonus and fixation of wages and salaries were outside

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the purview of the council for they were matters to be decided by the trade unions and the management, he said.

Shri S. Anantharamakrishnan, the managing director of the Simpson and Group Companies, numbering fourteen, and Shri K. Gurumurthi, President of the Simpson and Group Companies Workers' Union, signed the agreement constituting the joint council before a large gathering of workers. The two State Ministers signed as witnesses.

(The Hindu, 11 October 1957)

Dns:

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - OCTOBER-NOVEMBER 1957.

81. Employment Situation.

Employment Exchanges: Working During September 1957.

General Employment Situation.- According to the review of work done by the Directorate-General of Resettlement and Employment during the month of September 1957, the employment situation did not record any improvement during the month under review. The number of registrations including re-registrations, was 1,60,681 as against 1,59,826 during the preceding month recording as insignificant rise of 855. Even though 5,611 employers i.e. 181 more than the previous month, utilised the services of the employment exchanges, the job opportunities made available by them recorded a meagre rise of 477, being 24,275 during September 1957. Despite an increase in the number of vacancies notified, the number of placements secured was 16,805 as against 18052 during August 1957. The live register obtaining at the end of the month recorded a substantial rise of 32,918 and mounted up to 8,61,571.

Widespread shortage persisted in respect of trained teachers, draftsmen, overseers, experienced stenographers, typists, compounders, midwives and nurses. A number of exchanges reported shortage of experienced civil, mechanical and electrical engineers, doctors, health visitors, accountants, surveyors, boiler attendents, electricians and skilled fitters and turners.

Widespread surplus continued in respect of untrained teachers, clerks, freshers from the educational institutions, motor drivers, carpenters, unskilled office workers and unskilled labourers. A fairly large number of exchanges reported surplus of motor mechanics, semi-skilled fitters and turners, primary school teachers, chowkidars and sweepers.

Registrations and Placings.- The following table shows registrations and placings during the month of September 1957 as against the previous month:

	<u>August 1957</u>	<u>September 1957.</u>
Registrations	1,59,826	1,60,681
Placings	18,052	16,805

2.

A notable increase in registrations was observed in the State of Bombay (3,254), Kerala (2,212), Madhya Pradesh (1,142), Bihar (1,012), Punjab (435) and Orissa (378). On the other hand, a significant decrease was noticeable in the State of West Bengal (3,630), Uttar Pradesh (2,018), Madras (1,145), Delhi (984) and Assam (213).

The decrease in placements was mainly accounted for by the exchanges in the State of West Bengal (1,250), Bihar (562) and Kerala (230), while an increase was noticeable in the State of Punjab (567), Delhi (164) and Bombay (153). Of the total number of placements effected as many as 4,422 were under the Central Government, 7,961 under State Governments, 1,813 under quasi-Government establishments and local bodies and the remaining 2,609 with other employers.

The number of employers who utilised the services of the employment exchanges during the month under report was 5,611 as against 5,430 during August 1957. In all 24,275 vacancies were notified by them as compared to 23,798 in the preceding month, which thus marked an increase of 477. The increase in the number of vacancies notified was conspicuous in the State of Bombay (794), Delhi (366), Madhya Pradesh (366), Punjab (337), Tripura (158) and Uttar Pradesh (155). A fairly significant decrease was however, recorded in the States of West-Bengal (1,059), Kerala (545) and Madras (111).

Register of Unemployed.— The number of persons seeking employment assistance through the employment exchanges on the last day of the month was 8,61,571 which was 32,918 more than the figure at the close of the previous month. The increase in the live register was widespread, but it was prominent in the States of Uttar Pradesh (7,293), Kerala (6,445), Bombay (4,153), West Bengal (3,681), Bihar (3,262), Andhra (2,640), Madras (1,560), Delhi (1,444), Punjab (1,352), Madhya Pradesh (1,054), Orissa (716) and Assam (704). In all 9,740 employed and self-employed persons of whom 372 were women remained on the live register at the end of the month under report.

The composition of the live register occupation-wise is shown in the table given below:

<u>Occupation</u>	<u>Number on live register on 30 Sep 1957</u>
1. Industrial Supervisory	6,211
2. Skilled and semi-skilled	62,260
3. Clerical	2,56,436
4. Educational	46,710
5. Domestic Service	31,109
6. Unskilled	4,16,562
7. Others	42,283
	<u>8,61,571</u>

3.

Employment Position of Special Categories of Applicants.
The table below gives the employment position of special categories of applicants:

<u>Categories</u>	<u>Registrations</u>	<u>Placings</u>	<u>Number of live Register</u>
1. Displaced persons	4,135	487	42,045
2. Ex-servicemen	5,086	866	23,891
3. Scheduled Caste applicants	18,308	2,484	84,407
4. Scheduled tribe applicants	3,496	322	12,233
5. Women	9,052	991	51,655

(Review of the work done by the Directorate General of Resettlement during September 1957).

Dns:

83. Vocational Training

India - October-November 1957.

Labour Ministry's Training Scheme: Training
During September 1957.

Training of Craftsmen.- According to the review of work done by the Directorate General of Resettlement and Employment during the month of September 1957, the number of trainees on the rolls of various training institutes/centres on 30 September 1957 was 12,307 of whom 10,860 (including 12 women) were undergoing training in technical trades and 1,447 (including 589 women) in vocational trades.

The following table indicates the total number of training institutions and centres and the number of craftsmen and displaced persons undergoing training on 30 September 1957.

<u>No. of Training Institutes/centres</u>	<u>Number of seats sanctions</u>	<u>No. of persons undergoing training</u>
386	18,225	13,548

As regards the construction of new workshop building at the Central Training Institute, Koni-Bilaspur, and supply of electric energy from the grid, the Labour Commissioner, Madhya Pradesh has been addressed demiofficially to send a formal proposal through the State Government so that necessary financial concurrence be obtained.

During the month under report, the Ministry of Finance sanctioned the proposals for the introduction of additional seats, thereby bringing the total number of additional seats sanctioned so far to 14,765.

Stores & Equipment.- The T.C.M. equipment worth approximately 3200 rupees was reported to have been received during the month under review. The value of equipment so far received under this Aid programme till the end of September 1957 comes to approximately by ~~21.02~~ lakhs rupees.

2.102 million

Indents for supply of machinery items worth 6800 rupees and a motor car worth four thousand rupees were placed on the Director General of Supplies and Disposals. These are to be supplied to Central Training Institute, Koni.

(Review of work done by the Directorate General of Resettlement and Employment during September 1957).

142

84. Vocational Rehabilitation of Disabled Persons.

New Delhi - October-November 1957.

Employment for Handicapped: Government Scheme to
Survey Opportunities

The Ministry of Education and Scientific Research has initiated a scheme to carry out a limited survey of the type of training and experience of those handicapped persons who seek employment. At present the survey will be confined to the blind, the deaf and the orthopaedically handicapped.

The primary object of the survey is to collect information, which might assist the Government of India in dealing more effectively with the problem of employment of the handicapped.

The survey is proposed to be carried out by circulating questionnaire to handicapped persons who have completed their training and are seeking employment as well as to institutions and associations working for the handicapped.

(The Hindustan Times, 28-10-1957).

Dns:

Training for Blind Women: Centre Opened at
Dehra Dun.

A training centre for adult blind women was declared open by Dr. K.L. Shrimali, Minister of State in Ministry of Education and Scientific Research on 30 September 1957.

The training centre which is situated at Rajpur, near Dehra Dun is the first of its kind in the country. Though the object of the centre is to train 100 women, it will start with 20 trainees in Bharati braille, knitting and chair caning. In the course of the next few months, facilities for training in simple mechanical operations are also expected to be provided at the centre.

In his speech, Dr. Shrimali stressed the need of doing away with the existing prejudice against the blind. The blind, he felt, had succeeded in various diverse professions. They should, therefore, be given training in such occupations for which they were best fitted.

He voiced the view that vocational training for the blind would also prove economical for the government, for it was ultimately the responsibility of the state to support the physically handicapped. The more trained and educated a blind person is, the less burdensome he would prove to the State.

The Minister said that special arrangements had been made for securing employment for the blind by opening separate sections in employment exchanges. Dr. Shrimali deplored the fact that there was no proper survey or registration of the blind in the country and whatever figures they had were based upon random survey. He felt confident that the facilities for educating the blind would greatly increase in years to come.

Employment.- Welcoming Dr. Shrimali, Dr. R.K. Bhan, Deputy Educational Adviser, said that in the sphere of the education of the blind, Dehra Dun was expected to become a national centre, consisting of several departments including a women section, a model school, a teachers' training institution, a braille press and a full-fledged sheltered workshop.

2.

He disclosed that a national advisory council for the education of the handicapped had been set up and provision made in the Second Five Year Plan for affording facilities for their education. Of late, Dr. Bhan said, they had become alive to the need for correlating training programmes with employment opportunities. "Our experience in the employment of the blind through our employment officer at Madras had given us enlightenment as to the capacity of the blind in handling mechanical operations", he said. This office, he added, had so far placed 70 blind trainees in different industrial concerns. They had also been able to employ a blind ex-trainee of the Centre as a stenographer in the Ministry of Defence.

(Tribune 4-10-1957).

Dns:

CHAPTER 9. SOCIAL SECURITY.

INDIA - OCTOBER - NOVEMBER 1957.

92. Legislation.

Employees' Provident Funds Scheme Extended to Industrial And Power Alcohol Industry and Asbestos Cement Sheet Industry.

In exercise of the powers conferred under the Employees' Provident Funds Act, 1952, the Central Government has decided that with effect from 30 November 1957 the following industries shall be added to schedule I of the said Act:

- "(1) Industrial and Power Alcohol Industry; and
- (2) Asbestos Cement Sheets Industry."

(Notification No. SRO 3067 dated 19 September 1957, the Gazette of India, Part II, Sec 3, 28 September 1957.).

Kerala: Draft Workmen's Compensation Rules, 1957.

The Government of Kerala published on 29 October 1957 the draft of the Workmen's Compensation Rules, 1957, proposed to be made in exercise of the powers conferred under the Workmen's Compensation Act, 1923. The rules deal inter alia with procedure for application for review of half-monthly payments and for commutation, deposit of compensation with the Commissioner, reports of accidents, procedure to be followed by commissioners in the disposal of cases, record of memoranda of agreements, and scale of costs and fees payable in respect of proceedings before the commissioner. The draft rules will be taken into consideration by the Government after 29 January 1959.

(Kerala Gazette No.44 dated 29 October 1957, Part I, Section IV, pp 1-30.)

Dns:

CHAPTER 11. OCCUPATIONAL SAFETY AND HEALTH.

NEW DELHI - OCTOBER-NOVEMBER 1957.

112. Legislation, Regulations, Official
Safety and Health Codes

Tetraethyl Lead Compound (Handling of) Regulations, 1957.

The Government of India published on 28 September 1957 the Tetraethyl Lead Compound (Handling of) Regulations, 1957, made in exercise of the powers conferred under the Indian Dock Labourers Act, 1934. The regulations, which extend to the whole of India and apply only within the limits of major ports as defined under the Indian Ports Act, 1908, prescribe inter alia the precautions to be taken by the owner, master, officer in charge or agents of the ship carrying tetraethyl lead compound, measures to be taken in the event of leakage of tetraethyl lead compound, and penalties for breach of the Regulations.

(Notification No. SRO 3071 dated 24 September 1957;
Gazette of India, Part II, Sec 3,
28 September 1957, pp, 2060-62).

Coal Mines Regulations, 1957.

The Government of India published on 24 October 1957 the Coal Mines Regulations, 1957, made in exercise of the powers conferred under the Mines Act, 1952, and in supersession of the Indian Coal Mines Regulations, 1926. The rules deal inter alia with returns, notices and records under the Act, procedure for examinations and certificates of competency and of fitness qualifications of inspectors and mine officials, duties and responsibilities of workmen, competent persons and officials, requirements about

mine plans, means of access and egress from mine ports, construction and installation of winding equipment, requirements of haulage roadways, precautions in opencast workings, development work, and depillaring operations, precautions against dangers from fire, dust, gas and water, standards of ventilation, arrangements for general lighting and use of safety lamps, precautions in storage of explosives and shotfiring, general provisions about construction and maintenance of machinery, etc.

(Notification SRO 3419 dated 24 October 1957; The Gazette of India, Extraordinary, Part II Section 3, 24 October 1957, pp. 2569-2671).

Kerala Boiler Rules, 1957

The Government of Kerala published on 29 October 1957 the text of the Kerala Boiler Rules, 1957, made in exercise of the powers conferred under the Indian Boilers Act, 1923. The rules deal, inter alia with the duties of the Chief Inspector, the inspectors and administrative instructions for registration and inspection of boilers.

(Kerala Gazette No.44 dated 29 October 1957, Part I, Section IV, pp.1-8.)

Kerala Economiser Rules, 1957.

The Government of Kerala published on 29 October 1957 the text of the Kerala Economiser Rules, 1957, made in exercise of the powers conferred under the Indian Boilers Act, 1923. The rules prescribe inter alia the procedure for registration of economisers, investigation of accidents to economisers and appeals.

(Kerala Gazette No.44 dated 29 October 1957, Part I, Section IV, pp.1-8)

Kerala Boiler Attendant's Rules, 1957

The Government of Kerala published on 29 October 1957 the text of the Kerala Boiler Attendants' Rules 1957, made in exercise of the powers conferred under the Indian Boilers Act, 1923. The rules require that the owner of a boiler shall not use it or permit it to be used unless it is placed under the direct and immediate charge of a person possessing a certificate of competency as an attendant. The rules deal inter alia with board of examiners, age and training of candidates, examination subjects, mode of examination, form of certificate of competency, etc.

(Kerala Gazette No.44 dated 29 October 1957, Part I, Pp. 1-16.)

Uttar Pradesh Qualifications for Welders of Boilers Rules, 1957.

The Government of Uttar Pradesh published on 23 November 1957 the Uttar Pradesh Qualifications for Welders of Boilers Rules, 1957, made in exercise of the powers conferred under the Indian Boilers Act, 1923. The rules prescribe inter alia the age, qualifications and training of candidates for qualified welding operator tests, the mode of examination of candidates and the form of certificate to be granted to the candidate.

(Government Gazette of Uttar Pradesh, 23 November 1957, Part IA, pp 1712-1715.)

LIST OF PRINCIPAL LAWS PROMULGATED DURING THE PERIOD COVERED BY THE REPORT FOR OCTOBER-NOVEMBER 1957.

INDIA - OCTOBER-NOVEMBER 1957.

CHAPTER 3. ECONOMIC QUESTIONS

Minimum Wages (Amendment) Act, 1957 (No.30 of 1957) (Gazette of India, Extraordinary, Part II, Section I, 18 September 1957, pp. 431-439).

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

- 1) Punjab Resumption of Jagirs' Act, 1957 (No.39 of 1957) (Punjab Government Gazette, Extraordinary 14 November 1957, pp. 1841-1845).
- 2) U.P. Large Land Holdings Tax Act 1957 (U.P. Act No. XXXI of 1957) (Government Gazette of the Uttar Pradesh, Extraordinary, 1 November 1957, pp. 1-14).

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

Industrial Disputes (Banking Companies) Decision Amendment Act, 1957 (No.40 of 1957) (Gazette of India, Extraordinary, Part II, Section I, 18 November 1957, pp. 505-507).

Dns :

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CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

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- * "Induction in Industry" and "A Grievance Procedure for Indian Industry" by R.P.Billimoria. Reprinted from Tisco, Journal of the Tata Iron & Steel Co.Ltd., Jamshedpur.

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