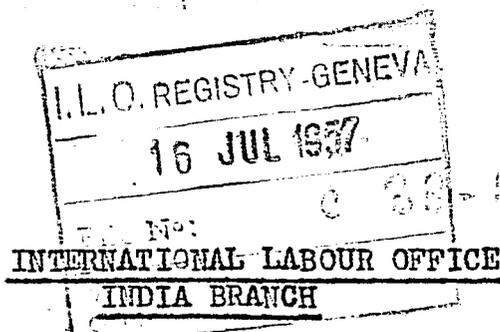


36422

75D

COPY NO. 27



Industrial and Labour Developments in June 1957.

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

<u>Contents.</u>	<u>Pages.</u>
<u>CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.</u>	
<u>11. Political Situation and Administrative Action:</u>	
Shri L.N. Mishra appointed Parliamentary Secretary to the Union Minister for Labour and Employment.	1
<u>CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.</u>	
<u>24. Non-Governmental Organisations (International, Regional and National) Other than Employers' and Workers' Trade Organisations:</u>	
Full Emplementation of Second Five Year Plan: Resolution adopted at A.I.C.C. Session.	2-3
<u>25. Wage-Earners' Organisations:</u>	
Revitalising I.N.T.U.C.: Shri Dravid suggests More of Thinking and Educative Propaganda.	4-8
<u>28. Employers' Organisations:</u>	
(a) Chavan lays Foundation Stone of the Bombay Textile Research Institute Ghatkopar: Chairman appreciates Government Assistance.	9-12
(b) 24th Annual Session of the All-India Organisation of Industrial Employers, New Delhi, 22 May 1957: President's Address.	13-16

Contents.

Pages.

CHAPTER 3. ECONOMIC QUESTIONS.

34. Economic Planning, Control and Development:

- (a) Meeting of National Development Council, New Delhi, 3 and 4 June 1957: Floor Prices to be fixed for Foodgrains: "Dandakaranya Scheme" for resettling Displaced Persons approved. 17-18
- (b) Food Situation in India: Minister's Statement in Parliament: Inquiry to be held into Grain Prices. 19-20
- (c) Rise in India's National Income by 3,900 Million Rupees during the Period 1953-1954 to 1955-1956. 21
- (d) Central Government Orders Enquiry into Closure of Three Textile Mills. 22
- (e) The Coal Bearing Areas (Acquisition and Development) Act, 1957 (No. 20 of 1957). 23-24

36. Wages:

Kerala: Dispute over Bonus for Plantation Workers settled at Tripartite Conference. 25

38. Housing:

- (a) Expenditure on Industrial Housing in Colliery Areas. 26
- (b) Bombay: Committee set up to execute Housing Schemes. 27
- (c) Seminar on Slum Clearance, Bombay, 14-20 May 1957: Clear Policy on Housing urged. 28-29

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

41. Agriculture:

- (a) Progress of Land Reforms in India: Minister's Statement in Parliament. 30-33
- (b) Conditions of Agricultural Labour: Debate in Rajya Sabha. 34-35

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

50. General:

- (a) Labour Conditions in Tanneries and Leather Finishing Industry. 36-43
- (b) Conditions of Jute Mill Labour: West Bengal Government Enquiry Findings. 44-45

56. Labour Administration:

Kerala: New Government's Labour Policy: Minister's Statement. 46-47

<u>Contents.</u>	<u>Pages.</u>
<u>CHAPTER 6. GENERAL RIGHTS OF WORKERS.</u>	
<u>63. Individual Contracts of Employment:</u>	
Bombay: Bill to amend Industrial Employment Standing Orders Act, 1946.	48-50
<u>65. Collective Agreements:</u>	
Collective Agreement in Mysore Iron and Steel Works: Industrial Truce for Five Years.	51-53
<u>67. CONCILIATION AND Conciliation and Arbitration:</u>	
(a) The Industrial Disputes (Amendment) Act, 1957 (No. 13 of 1957): Provisions relating to Compensation Amended.	54
(b) Industrial Disputes (Punjab Amendment) Act, 1957 (Punjab Act No. 8 of 1957).	55
(c) Industrial Disputes (Amendment and Miscellaneous Provisions) (Punjab Amendment) Act, 1957 (Punjab Act No. 9 of 1957).	56
<u>69. Co-operation and Participation of Industrial Organisations in the Social and Economic Organisation:</u>	
Labour Participation in Management: Legislation suggested for Working out Scheme in selected Industries: Study Group's Recommendations.	57-61
<u>CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES OF WORKERS.</u>	
<u>71. Employees and Salaried Intellectual Workers:</u>	
(a) Working Journalists (Conditions of Service) and Miscellaneous Provisions Rules, 1957.	62
(b) Implementation of Wage Board Decisions: Supreme Court grants Stay Order: Newspaper Bodies demand De Novo Inquiry.	63
<u>73. Officials and Public Employees of National, Regional and Local Administrations, of Nationalised Undertakings or Undertakings Managed with the Participation of the Public Authorities:</u>	
The Life Insurance Corporation (Amendment) Act, 1957 (No. 17 of 1957): Power to alter Remuneration and Terms of Service of Employees.	64

Contents.

Pages.

CHAPTER 8. MANPOWER PROBLEMS.

81. Employment Situation:

- (a) Working of the Calcutta Dock Workers' Decasualisation Scheme during the Year 1954-1955. 65-67
- (b) Employment Exchanges: Working during April 1957. 68-71
- (c) The Industrial Disputes (Amendment) Act, 1957 (No. 18 of 1957): Provisions relating to Compensation Amended. 72-74

83. Vocational Training:

Labour Ministry's Training Schemes: Progress during April 1957. 75-76

CHAPTER 9. SOCIAL SECURITY.

93. Application:

- (a) Working of the Maternity Benefits Acts during 1955. 77-80
- (b) Employees' Provident Fund Scheme extended to Workers in Oxygen, Acetylene and Carbon-dioxide Gases Industry. 81

CHAPTER 12. INDUSTRIAL COMMITTEES.

121. Special Information:

lays
Chavan Foundation Stone of the Bombay Textile Research Institute Ghatkopar: Chairman appreciates Government Assistance. 82

LIST OF PRINCIPAL LAWS PROMULGATED DURING THE PERIOD COVERED BY THE REPORT FOR JUNE 1957. 83

BIBLIOGRAPHY - INDIA - JUNE 1957. 84.

CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - JUNE 1957.

11. Political Situation and Administrative Action.

Shri L.N. Mishra appointed Parliamentary Secretary
to the Union Minister for Labour and Employment.

Shri L.N. Mishra, Parliamentary Secretary to the
Union Minister for Planning has been appointed Parliamentary
Secretary to the Union Minister for Labour and Employment.

(The Statesman, 14 June 1957).

'L'

2

Chapter 2 : International and National Organisations

24. Non-Governmental Organisations (International, Regional and National) Other than Employers' and Workers' Trade Organisations.

India - June 1957.

Full Implementation of Second Five Year Plan: Resolution adopted at A.I.C.C. Session.

The All-India Congress Committee, which met at New Delhi on 1 and 2 June 1957, adopted, among others, three official resolutions endorsing the Government's decision not to whittle down the Plan in its principal targets and urging an assured minimum price of food grains, introduction of co-operative farming and speedy land reforms as part of an 18-point food production drive.

Economic situation.— The resolution on the economic situation called for the utmost co-operation in implementing successfully the second Five Year Plan and urged that the determination to implement the Plan should not be weakened, and that the Plan must be implemented within the allotted period, so that the commencement of the third Plan was not delayed. Any readjustments of the Plan must be made consistent with the aim of the Congress, that is, the achievement of a socialist society and the building up of an economic structure on a progressively egalitarian basis.

3

It emphasised that the industrial core of the Plan, namely, the production of steel and coal and the development of transport and power, must be implemented. Greater production in all spheres should be aimed at. Any process of slowing down production was detrimental to the public interest. The other points made were: attempts must be made towards the removal of slum areas, the provision of better living conditions for the lower income groups in the rural and urban areas and for the rehabilitation of refugees, more especially from East Pakistan; and Government should make every effort to prevent the waste and to ensure the utmost economy in administration in the Central and State Governments institutions.

The Session was attended among others, by the Prime Minister, and Ministers from the Central and State Governments.

(Economic Review, Vol. IX, No.4,
15 June 1957, pp. 12-13).

4

25. Wage-Earners' Organisations.

India - June 1957.

Revitalising I.N.T.U.C.: Shri Dravid suggests More of
Thinking and Educative Propaganda.

Shri V.V. Dravid, Labour Minister, Madhya Pradesh and an Indian National Trade Union Congress (INTUC) labour leader has submitted a memorandum to top-ranking INTUC leaders, suggesting measures for the revitalisation of the INTUC*.

Stagnation in INTUC. - Shri Dravid ~~which has been~~ ~~privately circulated to INTUC leaders a memorandum,~~ states that the warmth and vigour which characterised the initial year of growth of the INTUC movement, seemed to be "cooling off".

"In the initial stages", observes Shri Dravid, "the INTUC movement, with the ideological fervour and organisational vigour which warmed the local leadership and the rank and file, stole a march, in spite of all odds, over its opponents and secured firm confidence of the working class. This advance synchronised with stabilisation of industry. In the background were the Congress Governments with their sympathetic approach flowing from an identical orientation.

"In the next phase, however, a state of stagnation seems to be making its appearance. The warmth and vigour which characterised the initial years of growth of the movement, seem somehow to be cooling off. Apart from the attention that anyhow has to be given to immediate problems, (and this, alas, usually on the dictates of expediency), there does not seem to be enough of alertness about the overall position; and consequently there seems to be an obvious need for basic thinking for giving proper guidance to the movement from stage to stage.

* A Memorandum for Serious Consideration and Effective Action
By INTUC and Congress Leadership. By V.V. Dravid, Shram Shibir,
Indore, 3rd May 1957, pp. 10.

5

"As a result of the deficiency in this fundamental aspect, there is not enough of educative propaganda among the rank and file. In fact, the weakness in respect of thinking and that on the propaganda side are inter-related. This is resulting in indifference and apathy among the rank and file.

"Their morale is further deteriorating because the shift away from the strike-fever achieved as a result of ~~our~~ initial spirited propaganda, has not been followed up with adequate alternative technique, in absence of which industrial disputes of vital concern to labour are getting bogged in pointless litigation and damaging delays. The harm done is not merely in respect of the issues in dispute, it extends to undermine the faith in Unionism as a movement and its functioning as one. The visible result is the falling off in new cadres of able field workers.

"The combined effect of the intellectual inertia in leadership and the paucity of active field workers could not be other than the stagnation that is setting in."

Need for thinking and educative propaganda.- To remedy this state of affairs, Shri David suggests that there has to be much more of intelligent appreciation of the country's socio-economic and political background and of the role and position of the INTUC movement therein; and there has to be very much more of intensive propaganda among the rank and file and real active work at mass level. Adequate publicity and cultivation of general public opinion must go hand in hand with this.

"In the field of industrial relations itself, having eschewed strikes, new sanctions which must demonstrate themselves to be more effective and progressive, have to be devised and the technique of our movement accordingly adjusted to a higher level of social development.

"While striving for such functional improvement, determined and sustained efforts have also to be simultaneously made to remove important lacunae or weak spots in the spread of the movement, like those generally in the public sector, salariat and non-factory labour. Obviously each category will demand some special consideration depending on the nature of its characteristics. This applies the most in the case of agricultural labour, where the appropriate pattern can only be evolved after considerable and careful pilot work, which however has to be undertaken now without further delay.

6

"Similarly, systematic constructive and welfare work has to be undertaken as an integral part of our organisational programmes. For making a definite and immediate beginning, suitable cooperative activities may be chosen, especially in view of the valuable additional strength they give us in our struggle for new social order."

Measures at a national level.- "While all this to a large extent concerns the local organisations, there are a few quite important points for the national leadership to attend to.

"There is need for a more continuous and closer guidance to those engaged in our movement on ideological and technical matters. It will be worthwhile therefore for our top leaders to meet at least twice every year for informal but detailed deliberations and discussions, during which selected personnel from various centres may remain present to get their problems and queries resolved. It is pertinent to remind here that the healthy start of the INFUC movement was the result, in no small measure, of such confabulation and collaboration among the fraternity of Gandhian labour workers under the auspices of the erstwhile Hindustan Mazdoor Sevak Sangh. This important and vital function of mutual consultation, coordination and guidance has still to be performed, no matter under what name or form.

"As for the actual work in the field, the country should be divided in suitable zones and each zone be placed in charge of a senior worker who can be available in the respective zone itself. He should undertake periodical visits to various centres in the zone to attend to all outstanding matters including the organisational aspects.

"An adequate training programme should be taken up. This is of utmost importance. For apart from improving the quality of present personnel, we need many more workers, at the level of field-activity and also as second-rank of leadership, if the basis of work proposed in this memorandum is adopted. Here again I believe we have no other option in view of our responsibilities on declaration of the socialist pattern as the country's objective. Special mention may be made in this connection of the Workers' Training College being started in Indore."

7

Role of the Government.- Shri Dravid suggests that the Government should keep a "constant and careful watch, with a view to securing the minimum desired improvement in orientation, organisation and methods in regard to labour matters in particular and socio-economic affairs in general. Specific difficulties arising at any place should be gone into and remedied timely.

"While such attention to current problems will be necessary and it can be expected to yield good results, it is worthwhile to note certain general points pertaining to government's modus operandi as they affect our work.

"The governmental policies and actions are generally in correct direction, but the action comes much too late and haltingly, and as a result fails to arouse enthusiasm in people.

"The institutional and procedural framework is not suited to dynamic action required for speedy and efficient execution of our development plans as fitting in the context of a period of phenomenal change. Requisite internal coordination is also lacking. Moreover, distribution of business among various agencies and at various levels is not carefully done and there is excessive centralisation.

"These defects have been frequently noted. Now it is high time that a thorough examination and consequent overhaul of governmental machinery and its functioning are taken up. Such reforms should be implemented as each measure suggests itself, so that the drive for improvement need not be held up for the fuller scrutiny.

"This will enable us to fulfill our role properly in the Indian people's movement for socio-economic reconstruction.

"This role is not static; I make hold to say that we should ~~aspire~~ strive hard and succeed to develop it to the status and stature where it becomes one with the greatest national movement after independence, that for a new social order.

"From this point I would also mention by way of an initial suggestion that we might think of the feasibility of taking the INTUC, in quite a few aspects, beyond the conventional sphere of employer-employee relationship."

8

INTUC-vis-a-vis Politics and the Congress.- The INTUC, states Shri Dravid, took recently an important and "wise" decision to support the Congress during the recent General Elections (vide pp. 4-7 of the report of this Office for December 1956). It follows that in between elections also the INTUC must support Congress. Further, its support cannot be lukewarm and sporadic but it ought to be consistent and active. From this position to participation there is hardly any dividing line to indicate and enforce. Besides, there appears to be no need nor justification for holding back from participation. For now the working class as a whole has to advance on all fronts and in regard particularly to its most fundamental objective, namely that of socialist order, political activity is inevitable. So, INTUC has to work within the Congress with which it has full identity in respect of aims, objects and methods.

More thought has therefore to be given to this subject, because participation in Congress work on a continuous basis, i.e., between the elections also, necessary and important as it seems to be, is not without its own series of problems. To begin with, from the strictly INTUC's point of view, there is the danger to guard against, of losing grip on its own labour work.

On the other hand, from the Congress party members' side there is likely to be suspicion and fear of losing one's position in the party and the consequent internal rivalry and bitterness.

"On a balance of considerations, I am inclined to think that our participation in Congress is bound to prove beneficial to the organisation and therefore to the country and hence to the working class, provided:

We do not neglect our own basic work in labour; within Congress also we function as devoted and disciplined Congressmen;

We refuse to lend our organisational support to any of the 'personal' groups within the Congress; but steadfastly strengthen forces having ideological fervour and necessary standards of performance, and work in well-planned and coordinated fashion with them in various spheres and at all levels. "

9

28. Employers' Organisations.

India - June 1957.

Chavan lays Foundation Stone of the Bombay Textile
Research Institute Ghatkopar: Chairman appreciates
Government Assistance.

Shri Y.B. Chavan, Chief Minister of Bombay laid the foundation stone of the Bombay Textile Research Institute sponsored by the Millowners' Association, Bombay, at Ghatkopar on 1 April 1957.

Textile Research in India.— In a message sent on the occasion, Shri Morarji Desai, Union Minister for Commerce and Industries, urged the need for maintaining efficiency and competitive position in the textile industry in national interest.

Shri Desai stated: "The first and foremost problems that confronts the textile industry is about its raw material, i.e., cotton. ~~At~~ At the time of partition the Indian cotton supply was only of the order of 2,800,000 bales. At that time the Indian cotton textile industry's full requirements of medium and long-staple cotton fell short by more than 1,600,000 bales. The problem of cotton has been more or less solved so far as medium and short-staple cotton is concerned. Today the production is more than 5,000,000 bales. However, the Government, by adoption of intensive methods of cultivation, expect to increase the production of cotton sufficiently during the Second Five Year Plan. We are still short of long-staple cotton for which we have to depend upon imports from Egypt, Sudan, East Africa, United Kingdom and United States of America. For becoming self-sufficient in long-staple cotton research has to be carried out with greater intensity.

"The second problem that faces the textile industry is that of efficiency of its labour. Our worker is less efficient than in any other foreign countries. The average number of spindles attended to by each operator in India is even now much less than in Japan, the U.K. and the U.S.A. More attention has, therefore, to be paid to research on increasing the efficiency of the worker in the textile industry.

"Coupled with the problem of efficiency of labour is also the problem of research in cotton textiles. This is the foremost problem and if the Indian textile industry is to emerge successfully from world competition, there can be no reason for doubt that unless the industry takes steps forward in research in products and processes it is bound to fall behind its competitors in other parts of the world.

"The textile industry is, however, already seized of this problem. The Ahmedabad Millowners' Association has established the textile research institute at Ahmedabad, which is doing very good work in research pertaining to various problems of cotton textiles. Substantial grants have already been made to this Association. The Bombay Textile Research Association will be another landmark in this direction and it is also proposed to establish a third one in South India and a fourth in Kanpur. The Government are prepared to consider liberal grants to these institutions from the textile fund which had been created by imposition of 3 per cent duty on exports of cotton textiles.

"The Ahmedabad Textile Research Association was given a sum of 1.9 million rupees from the general revenues towards its capital cost in 1948. It was then decided that from 1954, 50 per cent of the recurring expenditure and 50 per cent of the capital expenditure incurred will be paid to the three research institutes, namely, A.T.I.R.A., B.T.I.R.A., and S.I.T.R.A. from the Cotton Textile Fund. On the principle, A.T.I.R.A. has already been given a grant of 1,270,000 rupees to meet 50 per cent of the capital expenditure incurred during 1 April 1954 to 30 September 1956, besides 50 per cent of the recurring expenditure subject to a ceiling of 500,000 rupees annually for the year 1954-55, 1955-56 and 1956-57 has also been sanctioned.

I.

"The other two institutes, B.T.I.R.A. and S.I.T.R.A., have only recently been started and have been given grants on the above basis for the present to the extent of 15,478 rupees and 235,793 rupees respectively.

11

"In the matter of research in the various institutes there should be no overlapping of functions. Each institute should primarily solve the problems of the regional mills and at the same time share the benefit of the research with the sister institutes so that the benefits of the researches made in the various institutes are utilized by the textile mills all over the country. The research on cotton textiles should be with the following objects in view:

(a) Accurate scientific control of processes at all stages to avoid wastage through production of defective materials.

(b) The development of more efficient and shorter processes with the object of (i) decreasing cost of production (ii) saving labour and (iii) improving working conditions.

(c) Creation of new products.

"These objects have to be constantly kept before itself by the industry and research should be in this direction.

"Apart from the research on the above lines, research in the field of consumers' tastes abroad and at home is also necessary. A good deal of foreign exchange is earned by way of exports of cotton textiles. It is, therefore, necessary that if our exports of cotton textiles are to get an impetus, research should be made in the above direction also."

Sir Vithal N. Chandavarkar, Chairman, Governing Council, Bombay Textile Research Association, in his address said that it was proposed to give immediate service to the mill members in the fields of standards, engineering, supervisory training, statistical quality control, etc., pending the completion of the Institute buildings at Ghatkopar; attempts were being made to secure temporary accommodation somewhere between Ghatkopar and the mill area.

The scheme for the institute envisages a capital outlay of 10 million rupees and a maximum recurring expenditure of 1.15 million rupees. The Institute will be equipped and staffed to cover the entire field of textile research. Provision has been made for a well-equipped pilot plant and various laboratories for conducting fundamental and applied research in the mechanical and chemical processing of the cotton as well as man-made fibres. Operational research including statistical quality control and human relations will also form part of the activities of the Institute. There will be a Liaison Division to ensure effective collaboration between the research workers in the Institute and the mill technicians. A central library and information department will be set up to serve not only the immediate needs of the research workers, but also the diverse requirements of the technical staff working in the member-mills.

(The Indian Textile Journal, Vol. LKVII, No. 799, April 1957, pp. 396-401).

'L'

24th Annual Session of the All-India Organisation of Industrial Employers, New Delhi, 22 May 1957:
President's Address.

The 24th Annual Session of the All-India Organisation of Industrial Employers was held at New Delhi on 22 May 1957. Shri G.D. Somani, President of the Association, was in the Chair.

Presidential address.- Among the main points made by Shri G.D. Somani, in his presidential address were the formulation of a sound industrial wage policy in the context of earnings of workers in different sectors, such as agriculture, tertiary and domestic, the national income, its effects on costs and export inflationary potential.

Employer-employee relation.- Shri Somani referred to the approach of the Government to the employer-employee relationship and thought it needed a complete reorientation. Instancing the case of housing for workers Shri Somani said that housing was a 'must' for industrial workers as much to the entire population. The Government of India had a subsidised housing scheme for industrial workers only. This scheme which was introduced a few years ago envisaged the subsidisation of construction of accommodation for industrial workers, governed by the Factories' Act 1948 and also mine workers (other than those employed in coal and mica mines) governed by the Mines Act 1952. For this purpose, the Government was prepared to make outright grants to the extent of 25 per cent of the standard cost based on the ceilings prescribed in the scheme and to make advances to the extent of another 37-1/2 per cent. The scheme, had not been a success for a variety of reasons. Industry was not in a position to provide its share of the funds because of the heavy demands on its resources, demands which unless met, would adversely affect the working of the industry. Again, the specifications of the houses, the ceiling costs, administrative procedures and like matters which were prescribed by the Government were hardly conducive to the building up of houses. This was because from the beginning, the question of housing, had proceeded from narrow and inadequate premises. It is one thing to insist upon industry which operated far away from the Municipality or Corporation to provide houses for its workers. It is altogether a different proposition to ask the employers in urban and near-urban areas to provide houses for workers. The attack on the problem of housing for industrial workers must start with an attack on current misconceptions. In his opinion the problem of workers' housing when one examined it carefully dissolved into the problem of community housing in general.

Labour legislation.- Referring to labour legislation, Shri Somani said that a stage had been reached when "we must call a halt to legislation and review the numerous enactments on the Statute Book if only to ensure as to how they could be smoothly administered and adequately implemented".

Action, in Shri Somani's view, was called for in two directions: first, stock must be taken of the administrative machinery. It had to be considered whether the machinery was efficient and working as it should. Secondly, the different pieces of social legislation like Provident Fund, medical benefit, etc., should be viewed and reviewed in a coordinated way.

"Why should workers or employers be called upon to contribute separately to Provident Fund, medical benefit, etc. My proposal is that all these should be dovetailed into one single and simple scheme to benefit the workers to the possible maximum extent".

Shri Somani referred to wage boards and said now that the Government had decided to constitute wage boards for different industries, all the disputes pending before the tribunals in respect of industries for which wage boards were to be set up should be referred to these boards.

Shri Somani suggested that the Government should set up a statutory housing board for the promotion and execution of a national housing programme.

Shri Somani urged rationalisation of the methods of production if the standard of living was to be improved.

Referring to the ^{new} ~~next~~ taxes Shri Somani said that in his opinion, the policy of raising taxation all round to curb consumption might instead result in increased prices, thus jeopardizing any hope of holding the price line so essential for not merely implementing the Plan but also internal stability, both economic and political.

15

Shri Nanda's address.- Addressing the meeting Shri G.L. Nanda, Union Minister for Labour and Employment, warned both employers and employees against taking a narrow view of employment opportunities in the one case and of increased production on the other. Both were inimical to industrial peace and the progress of the country, he declared.

Explaining the background in which the employer-employee relations should be viewed, Shri Nanda drew attention, on the one side, to the extreme poverty, want and hardship for millions in the country - a background of glaring inequality and of foment which were giving rise to an unnecessary volume of unrest - and, on the other, the urges of a young democracy for higher standards of living and a way of life which should be consistent with the dignity of free human beings and their sense of social justice.

Laying great stress on the importance of human relations in industry, Shri Nanda said that in the context of the development schemes under the Five Year Plan it was his intention to take steps with the help of the representatives of the employers and workers to bring about, on a wide scale, an awareness of the problem of productivity and related issues in every field of economic activity.

Workers' Participation.- Regarding workers' participation in management, the Minister said that a sincere acceptance of the status of the employee as a partner in the productive enterprises was a fundamental condition to achieve this end. He warned that if the legitimate claims of industrial democracy were not met on the desirable lines, the peaceful evolution of economic and social organisations of the country might receive a serious setback.

He, however, accepted that if the workers were to make their due contribution in the management they must not only be properly organised but should also be educated to assume that role. To achieve this end, he announced, the Government had planned a seminar on labour-management co-operation to be held during the end of the year and he hoped the employers' organisation would co-operate in that venture. Its main purpose, he added, was to find solutions to the vexed questions of improving co-operation on the shop-floor.

Referring to the question of industrial housing, he expressed his disappointment at the slow progress in this direction, particularly when all facilities and resources had been provided by the Government for the purpose.

Social Security.- Shri Nanda then referred to the importance given to a comprehensive scheme of social security in the Plan and expressed his intention to set up soon a study group which would examine the question so that its report could be further discussed in a tripartite conference before further action was taken.

About the wage policy he disclosed that a study group was already examining the question in association with the Joint Consultative Board of Industry and Labour and he proposed to include it as an item for discussion in the next Indian Labour Conference.

Referring to some criteria regarding fixation of wages, which Shri G.D. Somani had mentioned in his presidential address, Shri Nanda stated that they had a relevance which in certain cases was severely limited on practical grounds. There was much in the country's economic set-up that would fail to stand the test of equitable distribution.

Shri Somani had also made references to the profusion of labour legislation. In his reply Shri Nanda expressed his inability to give any assurance that there would be no fresh legislation during the period of this Parliament. But his own preference was for consolidating the ones already in existence to make them more effective.

(Text of Presidential Address of Shri G.D. Somani, received by this Office; The Statesman, 23 May 1957).

'L'

17

Chapter 3: Economic Questions

34. Economic Planning, Control and Development.

India - June 1957.

Meeting of National Development Council, New Delhi,
3 and 4 June 1957: Floor Prices to be fixed for
Foodgrains: "Dandakaranya Scheme" for resettling
Displaced Persons approved.

The Ninth meeting of the National Development Council, which was attended by Ministers of the Central and States' Governments was held at New Delhi on 3 and 4 June 1957, the Prime Minister presiding.

Resettlement of Displaced Persons.- Addressing the Council, the Prime Minister gave a brief review of the magnitude of the rehabilitation problem presented by displaced persons from East and West Pakistan. The Council took two decisions towards a solution of this problem. First, it was decided to set up a central committee under the chairmanship of Pandit Pant to determine the number of displaced persons from East Pakistan to be settled in each State. Secondly, it was decided to constitute an autonomous central authority to develop an area of some 20,000 sq. miles in Orissa, as suggested by a rehabilitation committee of the Cabinet headed by Shri H.M. Patel (the Dandakaranya Scheme, vide section 85, pp. 106 of the report of this Office for February 1957).

Foodgrain prices.- The Council agreed in principle to a proposal for fixing a minimum price for food grains as an incentive to greater production. It left the details to be worked out by officials of the Planning Commission, the Union Food and Agriculture Ministry and other Ministries concerned in consultation with representatives of the States.

Among the points to be worked out in regard to minimum price are whether it should be fixed on a national or regional basis and whether it should be fixed from year to year or on a more permanent basis.

In the words of Shri V.T. Krishnamachari, Deputy Chairman of the Planning Commission, a minimum annual increase of 3 million tons in food production is regarded as essential to meet the requirements of an increasing population, of rising consumption standards and of industrial development. He said the Commission was addressing the States individually to stress the need of stepping up production by a full utilisation of available irrigation facilities.

(The Hindustan Times, 4 and 5 June 1957).

19

Food Situation in India: Minister's Statement in
Parliament: Inquiry to be held into Grain Prices.

The Union Minister for Food and Agriculture, Shri A.P. Jain, in a statement to the Lok Sabha on 14 May 1957, assured that the overall supply position of foodgrains was such as that no serious difficulties need be apprehended.

He said the Government had a very substantial wheat import programme to meet the legitimate requirements of different areas where the wheat crop might have suffered.

Shri Jain announced that the Government had decided to set up a high-powered committee to investigate fully the cause for the rise in prices despite higher production and to suggest "immediately and from time to time remedial measures which will prevent speculative hoarding and arrest undue rise in prices".

Briefly reviewing the food situation in the various States where scarcity conditions have been reported, Shri Jain said the Government had accepted in full the demand of the Bihar Government for wheat for distribution in the affected areas. Similarly the demands of Uttar Pradesh, Rajasthan, Bombay, West Bengal and Kerala and of some areas in Mysore and Assam were also being met either by additional supplies or the opening of more fair price shops in the affected regions.

Referring to rice production, Shri Jain said the rice output this year had been 28.1 million tons which was an all-time record. In spite of recent damage to the wheat crop in certain parts of the country, the production of wheat was expected to be about 8.6 million tons as against 8.3 million tons last year. It was very near the record production of wheat in 1954-55 which was 8.8 million tons.

The production of coarse grains this year, Shri Jain said, was slightly better than last year, though it was still about 3 million tons less than the record production of 1953-54. Altogether the total production of cereals this year was expected to be 56.2 million tons which was higher than that of last year or the year before. "There is, therefore," Shri Jain said, "no justifiable cause for alarm, even though the wheat crop has suffered in certain areas due to the recent rains, hailstorms and rust. The overall supply position was such that no serious difficulties need be apprehended. The Government has a very substantial import programme of wheat to meet the legitimate requirements of different areas where the wheat crop may have suffered".

Shri Jain stated that in spite of the record rice crop and the improvement in the total production of cereals this year as compared to last year, the prices compared continued to be generally higher this year than last year.

It was natural for the consumers, therefore, to complain of the high prices but for a proper appreciation of the situation it was very desirable to have the proper perspective.

Against 100 as the price index for 1952-53 which was now generally taken as the base year the latest wholesale price index for rice was 103, for wheat 90 and for cereals taken together 100.5. This showed that the current prices were not generally higher than in 1952-53; 1954 and 1955 were unusually low price years and a continuance of those low prices could not be expected.

There were probably several reasons why the prices of foodgrains were generally higher than last year in spite of better production. Apart from increased consumption arising from higher incomes, one obvious reason might be hoarding both by traders and producers.

To discourage hoarding by traders, the Reserve Bank of India, at the instance of the Government, had directed the scheduled banks to limit advances against foodgrains.

From all accounts it seemed that due to better credit facilities available to the farmer and increase in prices of cash crops the agriculturists were generally in a better position now than in the past to hold on to their stocks to get better prices later in the lean months.

This improvement in the position of the agriculturists was no doubt welcome from one point of view, but the natural consequence from the consumer's point of view was that now they had to pay higher prices.

The Government had been fully alive to the complex issues which arose out of this situation and had taken steps from time to time to minimize the difficulties of the consumers.

(The Statesman, 15 May 1957).

C 2210100

21

Rise in India's National Income by 3,900 Million Rupees
during the Period 1953-1954 to 1955-1956.

The national income of India at 1948-49 prices rose by 3,900 million rupees in two years between 1953-54 and 1955-56.

The fourth issue of the Annual Paper on National Income, released by the Central Statistical Organisation, says that the national income was 100,300 million rupees in 1953-54, 102,800 million rupees in 1954-55 and 104,200 million rupees in 1955-56.

The per capita income at 1948-49 prices, according to the report, correspondingly rose from 268.7 rupees in 1953-54 to 271.9 rupees in 1954-55 and 272.1 rupees in 1955-56.

The estimates for 1954-55 included in the paper are based on the detailed method of estimation followed for the earlier years and show an upward revision over the preliminary estimates published last year. The estimates for 1955-56 are, however, based on partial material and are subject to revision.

According to the paper, during the first Five Year Plan period the national income in real terms increased by 17.7 per cent as against the original Plan target of 11 per cent. The corresponding rise in the per capita income was 10.5 per cent.

The absence of any pronounced rise in 1955-56 over 1954-55 was mainly due to the fall in agricultural production revealed by the latest available crop figures. The total contribution to national income at 1948-49 prices by "agriculture" showed a decline of 500 million rupees in 1955-56 over 1954-55 as compared with a rise of similar magnitude in 1954-55 over 1953-54. There was no appreciable change in the yearly increase in the overall contribution by other sectors.

(The Statesman, 31 May 1957)

'L'

Central Government Orders Enquiry into Closure of
Three Textile Mills.

The Central Government has ordered an investigation of the affairs of three mills in Bombay State the Ministry of Commerce and Industry announced in a Press Note on 30 May 1957.

The mills are: Messrs Huthising Manufacturing Company Limited, Ahmedabad, Messrs Shri Sayajee Jubilee Cotton and Jute Mills Company Ltd., Sidhpur, and Messrs Gopal Mills Company Limited, Broach.

The panel of the investigating body includes, Shri Arvind Mafatlal, an industrialist who also been designated chairman; Shri Indravandan Oza, M.L.A., a labour leader; Shri H.L. Daulatzada, Chartered Accountant; and Shri Arvamutham, a Deputy Secretary from the Ministry of Commerce and Industry.

In their closure notices, the three mills appear to have expressed their inability to continue production owing to uneconomic working of financial difficulties. In the Gazette of India, Extraordinary, notifying the appointment of the investigating body, however, the Union Government expressed their inability to find any justification for the closure in view of the prevailing economic conditions.

Of the seven mills that had issued notices since January, the three being investigated have already closed, two including the British India Corporation Mills, have withdrawn their notices following Government intervention, while the remaining two are still awaiting the expiry of the notice period.

According to a Press note, the Government has been using their good offices to persuade the mills which issue notices of closure to withdraw them. Furthermore, the organisation of the Textile Commissioner under the Ministry of Commerce and Industry carried out detailed inquiries to avoid such closures. At the same time, the Government ensures all reasonable facilities to make the continuation of production possible.

According to the Press note, 3,732 workers have been affected by the closure of the three mills.

(The Hindustan Times, 31 May 1957)

The Coal Bearing Areas (Acquisition and Development) Act,
1957 (No. 20 of 1957).

The Government of India published on 10 June 1957, the Coal Bearing Areas (Acquisition and Development) Act, 1957 (No. 20 of 1957), seeking to establish in the economic interest of India greater public control over the coal mining industry and its development by providing for the acquisition by the State of unworked land containing or likely to contain coal deposits or of rights in or over such land and for the extinguishment or modification of such rights.

The Statement of Objects and Reasons of the Bill declares that according to the Industrial Policy Resolution of 1956 the future development of coal is the responsibility of the State. All new units in the coal industry will be set up only by the State save in exceptional circumstances as laid down in the Resolution.

The production of coal in India in 1955 was 38 million tons and the target for production for the Second Five Year Plan has been fixed at 60 million tons per annum. It has been decided that out of the additional production of 22 million tons per annum envisaged, the public sector should produce an additional 12 million tons per annum, the balance being allocated to the private industry for production from existing collieries and immediately contiguous areas.

Out of the additional 12 million tons in the public sector, the bulk (10 million tons per annum) will have to be raised by the development of new coalfields, such as Korba, Karanpura, Kathara and Jhilimili and Bistrampur. Very nearly all the coal bearing areas however are covered by mining leases held by private persons or prospecting licences which carry a right to a mining lease. Hence it is proposed to take power to acquire unworked coal bearing areas covered by private leases or prospecting licences which are found surplus to the production required in the private sector and to work these areas as lessees of the State Governments.

With the acquisition of zamindari rights by the State Governments, the rights in minerals are now vested in all areas in the State Governments, and it is not appropriate to use the Land Acquisition Act, 1894, for the acquisition of mineral rights, particularly because the Central Government does not intend to acquire the proprietary rights vested in the States. There is no other existing Central or State legislation under which the Government has powers to acquire immediately the lessee's rights over the coal bearing areas required by Government for the additional coal production. It is accordingly considered necessary to take power by fresh legislation to acquire the lessees' rights over unworked coal bearing areas on payment of reasonable compensation to the lessees, and without affecting the State Governments' rights as owner of the minerals or the royalty payable to the State Government on minerals.

The Bill provides for payment of reasonable compensation for the acquisition of the rights of prospecting licensees and mining lessees.

The principles for determining compensation are similar to the principles contained in the rules issued with the approval of Parliament under section 7 of the Mines and Minerals (Development and Regulation) Act, 1948. In regard to the acquisition of mining leases, the compensation payable under the Bill will be the actual legitimate expenditure incurred by the leaseholder, plus a sum, in the nature of interest, calculated on the expenditure incurred and not exceeding 50 per cent of such expenditure.

(The Gazette of India, Extraordinary,
Part II, Section 2, 13 May 1957, pp. 45-60;
The Gazette of India, Extraordinary,
Part II, Section 1, 10 June 1957,
pp. 219-231)

36. Wages.

India - June 1957.

Kerala: Dispute over Bonus for Plantation Workers
settled at Tripartite Conference.

The demand of workers in the plantation industry ^{in Kerala} for settlement of the question of bonus for the years 1955 and 1956 were settled amicably at a meeting of the Plantation Labour Committee held on 19 May 1957 in the presence of the Minister for Labour. The parties have agreed to the rates of bonus for two years 1955 and 1956.

Accordingly, in regard to the tea estates, estates coming under the purview of the Plantation Labour Act will have to pay 21-1/2 per cent of the annual average of the total earnings of the workers for two years. Other estates will have to pay 16-2/3 per cent of the annual average of the total earnings of the workers for two years. In regard to rubber estates, those which admeasure above 200 acres will have to pay 18 per cent of the annual average of total earnings of workers for two years. Estates which admeasure up to 200 acres and are within the purview of the Plantation Labour Act will have to pay 15 per cent of the annual average of the total earnings. Estates which do not fall within the purview of the Plantation Labour Act will have to pay 12-1/2 per cent.

(The Hindu, 24 May 1957).

38. Housing.

India - June 1957.

Expenditure on Industrial Housing in Colliery Areas.

Replying a question in the Rajya Sabha recently, the Deputy Minister for Labour stated that adequate financial allocations had been made for the housing of workers in the colliery areas. Provisions made during the last three years for construction of houses are given below:-

Year	Amount
	Rs.
1954-55	2,896,700
1955-56	2,244,300
1956-57	5,401,300

The coal-fields to which these amounts were assigned were Assam, Bokaro, Chanda, Giridih, Hyderabad, Jharia, Karanpura, Korea, Mugma, Pench Valley, Raniganj, Sambalpur, Talcher and Vindhya Pradesh.

(Indian Labour Gazette, Vol. XIV, No. 10, April 1957, page 818).

Bombay: Committee set up to execute Housing Schemes.

A Committee has been set up by the Government of Bombay with the Secretary to Government, Labour and Social Welfare Department, as Chairman for co-ordinating the work of the departments connected with housing activities in the State and for solving problems and removing difficulties in the execution of the housing schemes. Besides the heads of the Co-operative and Labour Departments, the Municipal Commissioner, Bombay, the Housing Commissioner, the Consulting Surveyor to Government, the Collector of Bombay and the Controller of Iron, Steel and Cement, a Representative of the Bombay Housing Finance Society and of the Bombay Co-operative Housing Federation is included in the Committee as its members. The Assistant Registrar of Co-operative Societies, Bombay, will work as Secretary of the Committee.

(The Hitavada, 17 May 1957)

'L'

Seminar on Slum Clearance, Bombay, 14-20 May 1957:
Clear Policy on Housing urged.

A seminar on Slum Clearance, organised by the Indian Conference of Social Work, was held at Bombay from 14 to 20 May 1957. It was attended by over 60 participants all concerned with the problem - town planners, chief executive officers of corporations, housing board officials, sociologists, economists, engineers, public health officers, social workers, representatives of municipal corporations, trade unions, etc. Representatives from the U.N.E.S.C.O., the Technical Co-operation Mission of the U.S.A., and the I.L.O. (Shri V.K.R. Menon) also attended the seminar.

The seminar was presided over on the first day by the Minister for Local Self Government, Bombay State. The Minister of Law and Labour, presided on the second day and the Finance Minister on the final day.

After the plenary session the seminar was divided into various working groups dealing with different aspects of the problem. Shri V.K.R. Menon, ILO representative was appointed chairman of the Working Group on Minimum Housing Standards and Slum Improvement.

Suggestions.- Addressing a Press Conference, Shri P.R. Nayak, I.C.S., Bombay's Municipal Commissioner and Director of the Seminar, said that the seminar had requested the Government of India to make a "clear and unambiguous declaration of the national housing policy."

He added that the seminar had made a number of concrete recommendations touching various aspects of the slum problem.

The Government of India had also been asked to give the national housing policy a "very high priority" next only to food and health.

The seminar recommended that immediate steps be taken to integrate policy and action in respect of all housing, town and country planning and slum clearance programmes by creating at the Centre a Ministry of Housing. Similar machinery might also be set up at the State level.

As a first step the seminar recommended that a scientific survey be conducted of the older or "depressed" parts of a city under qualified guidance to study the magnitude of the problem and the classification of slums for purposes of improvement or redevelopment.

The seminar suggested that the Centre should assist not only in slum clearance schemes as at present but also in improvement schemes where clearance was not necessary.

The seminar recommended, that the scrutiny and sanctioning of actual schemes should be entrusted to State Governments.

It suggested that the Government scheme should also provide for re-housing of people above a certain income in appropriate houses at standard rents. This could be done by enlarging the scope of the low-income group housing scheme. It should, in addition, provide for re-housing people of certain means in a tenement larger than the minimum prescribed.

The seminar recommended that special priority in the matter of releasing controlled materials be given to slum clearance and improvement schemes.

Steps should be taken, the seminar recommended, to induce private investors to participate in slum development and improvement. They might be given tax concessions for a certain period for houses with a monthly rental not exceeding 100 rupees.

(Shri V.K.R. Menon's observations were communicated to Geneva under this Office minute No. F.11/2058/57 dated 10 June 1957; texts of the final reports of Working Groups were also sent to Geneva separately).

(The Hindustan Times, 27 May 1957).

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

INDIA - JUNE 1957.

41. Agriculture.

Progress of Land Reforms in India: Minister's Statement
in Parliament.

Shri S.N. Mishra, Deputy Minister for Planning, informed the Lok Sabha on 22 May 1957, that the Government would be prepared to meet 50 per cent of the net expenses incurred by a State on its programme for consolidation of land holdings, subject to an overall maximum expenditure of 25 per cent of the gross expenditure.

Shri Mishra, who was giving a written reply to a question, said: "The Planning Commission has completed its study of the methods and solutions which have been evolved in different parts of the country for problems connected with consolidation of holdings. A memorandum has been prepared in which several proposals for expediting consolidation operatives have been brought together. The study and the memorandum have been sent to the States. In order to assist the States to expand their programmes for consolidation of holdings and drawing up phased programmes, it has been decided that schemes for consolidation of holdings should be eligible for financial assistance as part of the grow-more-food programmes."

Shri Mishra said a number of suggestions in the second Five-Year Plan were related to the concept of "family holding". It was suggested that a group of experts, should study the practical application of the concept of "family holding". "A committee has been constituted and the subject is under consideration."

He listed the progress of land reforms in different States during the second Plan period as follows:

Andhra Pradesh.- Minor inams were abolished and a Bill was introduced for the abolition of post-1936 inam estates. Other inam estates had been abolished earlier along with zamindaris.

The Andhra Tenancy Act, enacted in 1956-57, provides for fixity of tenure for tenants for a period of six years and for regulation of rent at 50 per cent of the gross produce in case of irrigated lands and 45 per cent of the gross produce for dry lands.

Comprehensive proposals for land reforms are under consideration of the State Government.

Assam.- Legislation was enacted for imposition of a ceiling at 50 acres. The law provides for State acquisition of surplus lands. The landlord's right to resume land from tenants has been restricted to $2/3$ rd of the area, subject to a minimum of $8\frac{1}{3}$ acres. The maximum crop share rent had been fixed earlier at $1/4$ th, of the produce where the landlord provided bullocks and seeds, and $1/5$ th when the tenant provided bullocks and seeds.

Bihar.- The Ceilings Bill had been introduced and reported upon by a select committee before the general elections. It has not yet been enacted. The Bill provides for a ceiling varying between 25 to 75 acres (according to the class of land) for a family of 5 and State acquisition of excess lands. It also includes a provision for limiting the landlord's right to resume land from the tenant. Tenants holding land on oral leases already enjoy fixity of tenure and the maximum produce rent has been fixed at $7/20$ th of the gross produce.

Bombay.- The Tenancy Act was amended in March 1956. Its implementation was taken up during 1956-57. It provides for limiting the right of resumption to one-half the area leased, subject to a maximum of three economic holdings and for transfer of ownership of the non-resumable area to tenants other than of small owners, that is owners holding an economic holding or less. An economic holding is to consist of 16 acres of "chiraiti" land or 8 acres of seasonally irrigated land, or paddy or rice land, or 4 acres of ~~perennially~~ perennially irrigated land.

Jammu and Kashmir.- A ceiling was fixed at $22\frac{3}{4}$ acres in 1950 and the excess land was acquired by the State Government without payment of compensation. Legislation for conferment of security of tenure had also been enacted earlier. Further proposals for tenancy reforms, abolition of rights of superior owners etc., are under consideration of the State Government.

Kerala.- Ejectment of tenants has been stayed since 1950. An ordinance has been promulgated recently for stay of ejectments of "varamdars" (crop-sharers) and "kudikidappukaras" (tenants of house sites). Comprehensive proposals for are under consideration.

Madhya Pradesh.- A committee was appointed for formulating comprehensive proposals for land reforms. It has submitted its report, which is under consideration of the State Government.

Madras.- Legislation was enacted for fixation of the maximum rent at 33.1/3 to 40 per cent of the normal gross produce varying according to the class of land. Legislation for stay of ejectments and for the restoration of dispossessed tenants ejected since December 1953, had been enacted earlier. Comprehensive proposals for land reforms are under consideration of the State Government.

Mysore.- Legislation has been enacted for stay of ejectment of tenants in different parts of the State, pending formulation of comprehensive proposals for land reforms. A committee has been constituted for formulating proposals.

Orissa.- Legislation for stay of ejectment of tenants had been enacted earlier. Its life was extended for two years. Comprehensive proposals are under consideration.

Punjab.- Legislation was enacted for the former P.E.P.S.U. area to provide for imposition of a ceiling on holdings at 30 standard acres (40 standard acres in the case of displaced persons). The excess land is to be acquired by the State Government on payment of compensation. Rules are being framed for implementing the law. Provision was also made for permanent rights for tenants in continuous possession for 12 years.

For the former Punjab area, legislation had been enacted earlier. It empowered the State Government to take over management of land held in personal cultivation in excess of 30 standard acres (50 standard acres in the case of displaced persons) for setting tenants ejected by landowners on the ground of resumption of land for personal cultivation. Rules were framed during the year for implementing the legislation.

33

Rajasthan.- Legislation for the abolition of intermediaries and tenancy reforms had been enacted earlier. Its implementation has been in progress. A committee was appointed by the State Government to make recommendations on ceiling on holdings. The report of the committee is awaited.

Uttar Pradesh.- Legislation was enacted for the abolition of zamindaris in urban areas. A Bill for the abolition of intermediaries in the Kumaon division has been taken up. Intermediaries in other areas have already been abolished.

West Bengal.-A ceiling has been fixed both on the future acquisition and on the existing holdings at 25 acres. The necessary records are being prepared for implementing these provisions. The excess land will be acquired by the State Government on payment of compensation.

Delhi.- A Bill for the imposition of ceiling on the existing holdings was prepared, but could not be enacted by the time the reorganisation of the State took place. Its enactment is now under consideration.

Himachal Pradesh.- A comprehensive measure of land reform, including provisions for abolition of intermediaries, tenancy, reform and ceiling on holdings, was enacted in 1955. Its implementation has been held up due to writ petitions in the Supreme Court.

Manipur.- Ejectment of tenants has been stayed. A comprehensive Bill has been drafted.

Tripura.- The Land Reform Bill has been drafted.

(The Hindustan Times, 23 May 1957)

Conditions of Agricultural Labour: Debate in Rajya Sabha.

The Rajya Sabha debated on 24 May 1957 a non-official resolution seeking the appointment of a parliamentary committee to consider measures required to meet the "shortage of agricultural labour in the country resulting in the low production of food grains".

Shri Ram Sahai (Cong.-M.P.), who moved the resolution, withdrew it after Shri A.M. Thomas, Deputy Minister for Agriculture, had explained that the problem was not that of shortage of agricultural labour but of unemployment and under-employment.

To meet this situation, Shri Thomas said, the Government had provided 41.9 million rupees in the second Plan for assisting settlement of the landless labour, while the State Governments would spend 50 million rupees for their rehabilitation. To meet the under-employment situation, cottage and small-scale industries including measures for the improvement of agricultural production and animal husbandry, would be undertaken.

Shri Ram Sahai, moving his resolution, said the number of agricultural workers in the rural areas had gone down resulting in production being adversely affected. Something should be done to arrest the trend of rural people migrating to towns for seeking employment.

Shri Narayan Nair (Comm.-Kerala), supporting the resolution, said there was a surplus of labour in the South, but it was scarce in the North. The problem required serious consideration and measures should be devised for a more even distribution of agricultural population.

Shri Kishenchand (P.S.P.-Andhra), said the real cause for low production was the fragmentation of land. Unless the holdings were consolidated into big farms and co-operative farming introduced, there was no salvation for the food difficulties of the country.

Intervening in the debate, the Deputy Minister, said taking an overall view there was really a surplus of agricultural labour in the country. The 1950-51 labour inquiry and the studies of the Planning Commission showed that agricultural labour constituted 30.1 per cent of the rural population, which was rather high. There might, however, be certain pockets in the country where agricultural labour was scarce.

He referred to the scheme for resettlement of surplus agricultural labour from Kerala in Bhopal and said they could work but a scheme to ensure mobility of labour.

(The Hindustan Times, 25 May 1957)

11

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - JUNE 1957.

50. General.

Labour Conditions in Tanneries and Leather Finishing Industry.

The Labour Bureau undertook a survey of conditions of labour in tanneries and leather goods factories in 1953, with a view to bring up-to-date the data on the industry collected by the Labour Investigation Committee in 1944-45. Questionnaires were issued to 123 out of a total of 508 tanneries and leather manufactories in India in 1953. Of these only 40 responded. The Bureau made repeated attempts to obtain information from the remaining units without any result. Though the information received could not be considered representative it was felt that since no data in respect of the industry had been published for a long time it may be of some use to people interested in the industry if the available information was published. The generalization contained in the following paragraphs, therefore, relate only to units supplying information and is subject to certain limitations.

Employment.- The State-wise distribution of the forty responding units and the employment therein during the years 1952 to 1955 are given in the table below. From the table it will be seen that the total employment in these units remained more or less constant during the period 1952-55. With the exception of Andhra and Madras, in all the States the employment in the industry remained almost at the same level.

State	No. of Units responding.	Number of workers employed on 1st June			
		1952	1953	1954	1955
Part 'A' States -					
Andhra	6	120	149	165	259
Bihar	1	370	355	349	318
Bombay	3	374	395	404	349
Madras	19	1,789	1,767	1,735	1,953
Orissa	1	N.A.	33	44	34
Uttar Pradesh	6	1,495	1,546	1,518	1,064
West Bengal	2	130	150	140	139
Part 'B' States -					
Madhya Bharat	1	26	26	23	22
Mysore	1	95	87	68	67
Total.	40	4,399	4,508	4,446	4,205

N.A.- Not Available.

Of the total of 4,205 workers employed in the 40 responding units in June, 1955 only 93 or 2.2 per cent were employed through contractors and the rest were employed direct. It will be seen from that the units in Bihar, Orissa, West Bengal, Madhya Bharat and Mysore did not engage any contract labour at all.

The labour force employed in the units consisted predominantly of men. Only 14 units in five States employed a total of 106 women. The largest number was employed in Madras. The percentage of women to the total labour force was 2.5. Only one unit in Madras employed 4 children.

Time-rated and Piece-rated Workers.- Data regarding time-rated and piece-rated workers are available for 38 of the 40 responding units. There was considerable variation in the system of engagement of workers from State to State. Whereas in West Bengal, Madhya Bharat and Mysore all workers were engaged on a time-rate basis, in Andhra over 97 per cent of the workers were employed on a piece-rate basis. However taking into account all the units the percentage of time-rated and piece-rated workers in 1955 was 57.6 and 42.4 respectively.

Absenteeism.- The yearly average figures of absenteeism in the units in Bihar, Bombay, Madras, Uttar Pradesh, West Bengal and Mysore are shown in the table below:-

State	Unit No.	Annual Average Absenteeism
Bihar	No. 1	11.0
Bombay	No. 1	8.5
	No. 2	10.7
Madras	No. 1	7.0
	No. 2	36.1
	No. 3	18.5
	No. 4	11.2
	No. 5	23.5
	No. 6	12.0
	No. 7	18.4
	No. 8	11.6
	No. 9	9.3
Uttar Pradesh	No. 1	20.7
	No. 2	13.4
West Bengal	No. 1	8.7
Mysore	No. 1	4.7
Average	-----	15.0

The detailed information revealed that as is often the case there is a wide fluctuation in the absenteeism rate not only in units in different States but also in the units in the same State.

Length of Service.- Information regarding the length of service of workers and their classification as permanent and temporary was called for from only those units which employed 50 or more workers. Of 21 such responding units, only 16 furnished the necessary information and the same is presented in the table below. The information relates to workers employed direct.

	Length of Service				Total
	Loss than 1 year.	1 to 5 years	5 to 10 5 to 10 years.	Above 10 years	
Permanent.	157 (7.6)*	609 (29.3)*	725 (34.9)*	586 (28.2)*	2,077
Temporary.	375 (81.7)*	84 (18.3)*	-	-	459
Total.	532 (20.0)*	693 (27.3)*	725 (28.6)*	586 (23.1)*	2,536

* Figures in brackets are percentage to total.

39

It would be seen that the bulk of the labour force in the industry was permanent and only 18.1 per cent of the workers were temporary. In June 1955, approximately 51.7 per cent of workers had over 5 years' service and 48.3 per cent had less than 5 years' service to their credit. As can be expected the percentage of workers with longer service was more in the case of permanent employees.

Labour turnover.- Seventeen of the larger units, i.e., those employing 50 or more workers furnished information regarding the number of workers who left the job or who were discharged, dismissed, retired during 1954. According to the figures supplied by these units, 665 workers out of a total of 2,716 left the service for one reason or the other. The labour turnover rate works out to as much as 24.5 per cent. In one of the fairly large undertakings, the number of quits during the year was 337 out of a daily average employment of 605, i.e. 55.7 per cent.

Recruitment and Training.- With the exception of three units, recruitment of workers in all the units was being done directly by the management. In the first of the three units, technical labour was being secured through employment exchanges. In the second, the posts were, at times, advertised and workers recruited. Only in the third unit, which is under the Bata Shoe Company Limited, workers were being recruited through the personnel department. There was no regular system of training workers. Generally they were taken as temporary workers and picked up the work in the course of their employment. In three of the larger units, however, some efforts were being made to train workers. In one unit, workers were being taken, in the first instance, as probationers for a period of six months and were paid at the rate of 15 rupees per week. After successful completion of the training they were absorbed as permanent workers. In the second unit, training facilities for outsiders, i.e., students, were available. Such trainees were, however, not paid any remuneration by the management. The third unit, which is in West Bengal, imparted training to only such persons as were sent by the State Government.

Wages and Earnings.- The Labour Investigation Committee of the Government of India felt that the wages of workers in this industry were generally low and suggested statutory provision for the fixation of minimum wages. In pursuance of that recommendation tanneries, and leather goods factories were included in the Schedule to the Minimum Wages Act which was passed in 1948. Most of the State Governments have fixed the minimum wages of wages of persons employed in this industry under this Act. The following are the rates which were in force during 1954-55.

State	Minimum daily rate of wages*
	Rs. A.
Part 'A' States -	
Andhra	1 0 to 1 5
Bihar	2 6
Bombay	1 9 to 2 5
Madhya Pradesh	1 3**
Madras	1 0*** to 1 5
Punjab	1 12
Uttar Pradesh	1 0
West Bengal	2 0
Part 'B' States -	
Hyderabad	1 0****
Mysore	1 5*****
Travancore-Cochin	1 4 to 2 0

* These rates have been rounded to the nearest anna and relate to 1954-55.

** For persons employed in tanneries. Piece-rates have been fixed for those employed in leather manufactories.

*** In Madras the rates were revised in September 1956. The revised rates vary from twelve annas to 1 rupee 2 annas for time-rated workers and are exclusive of a flat dearness allowance of Rs.25 per month. In this State wages of piece-rated workers have also been fixed under the Act.

**** Excluding dearness allowance of Rs.26/- per month.

***** Excludes dearness allowance of annas 11 per day.

Apart from wages and dearness allowance no other payments are generally being made in the industry. Only four units - one each in Bombay and three in Madras paid attendance bonus and two units - one each in West Bengal and Mysore paid production bonus to their employees.

Some idea of the earnings of workers in this industry can be had from the returns received in the Bureau under the Payment of Wages Act, 1936. The average annual earnings of workers according to the returns received under this Act during the year 1950 to 1954 were as follows: 1950 - Rs.640.7, 1951 - Rs.752.3, 1952 - Rs.718.9, 1953 - Rs. 923.2 and 1954 - Rs.815.4. The State-wise break up of the data for the year 1954 shows that the average annual earnings were the highest in Bihar (Rs.1,394.5). In the remaining States the earnings were as follows: Uttar Pradesh - Rs. 1,103.7; Bombay - Rs.972.9; West Bengal - Rs.794.2; Madras - Rs.556.9; Andhra - Rs.536.7; and Orissa - Rs.238.6.

41

Working Conditions: Hours of Work and Shifts.- The daily and weekly hours of work in 37 of the forty responding units was eight and forty-eight respectively. In the remaining three units, the daily hours were as follows: (i) 8-1/2 hours from Monday to Friday, i.e. 42-1/2 hours a week in the Bata Shoe Company Limited (Bihar); (ii) 8-1/2 hours from Monday to Friday and 5-1/2 hours on Saturday in the second unit in 'West Bengal'; and (iii) in the third unit in Madras the hours of work varied from 41 hours 45 minutes per week to 46 hours 45 minutes depending upon the category of workers. The spreadover was generally nine hours with an hour's rest interval. In one unit in Madras the timing hours and duration of rest interval of different categories of workers was different. None of the responding units worked more than one shift.

Leave and Holidays.- Information relating to leave and holidays with pay has been furnished by 39 units. One of these units has stated that the workers were being engaged only on daily wages and hence presumably no leave was being given. In the remaining 39 units leave was granted in accordance with the provisions of the Factories Act, i.e., at the rate of one day for every 20 days worked. Twenty of these units granted festival and other holidays, their number generally varying from 2 to 8 days per year. In other two units grant of festival and other holidays was governed by the standards set by the State Governments. The practice of giving casual leave existed only in three units, while sick leave was being given by five units.

Accidents.- Information supplied by seven units, which employed 1,504 workers in 1954, shows that there were in all 73 accidents. Of these only one was fatal. Thirty of these accidents were compensated and a total sum of Rs. 4,813 was paid. Five other accidents were compensated by the Employees' State Insurance Corporation.

Industrial Relations: Grievance Machinery.- Information on the subject was asked for only from units employing 50 or more workers. Of the 21 such units, the daily average employment in five was less than 100 and as such they did not come under the scope of the Industrial Employment (Standing Orders) Act, 1946. Of the remaining sixteen undertakings, ten had framed standing orders and all of them excepting one had them certified. Works Committees existed in six units and in another it was being constituted. Three of the units in which such committees were functioning, have stated that they were working satisfactorily. Other units have not commented upon their working. Labour Officers had been appointed only in two of the units, while in another a Grievance Committee had been constituted to hear and settle workers' complaints. As in most of the other industries in India the settlement of disputes in this industry also is normally by adjudication. A new experiment of settlement of mutual differences through negotiations and collective agreements has recently been made in a large unit viz., the Bata Shoe Company Limited (Bihar).

42

In November 1954, a collective agreement was signed by the management and representatives of workers employed in this unit. The agreement provides for a mutually agreed set of standing orders, rates of pay, hours of work, working conditions, payment of bonus, etc. The agreement is for a period of five years commencing from January 1955.

Trade Unions.- One of the findings of the Labour Investigation Committee was that labour in this industry was unorganised. There seems to have been some progress since then, at least in the larger units. At the end of March 1954 there were 21 trade unions registered under the Indian Trade Union Act 1926, in the industry group 'Leather and Leather Products' with a total membership of 9,202. Of the forty units which have sent their replies, only nine had unions. In eight units only one union existed while in the remaining units there were as many as three unions of workers. Managements of six units had recognised the unions of their employees. Some employers have complained about the multiplicity of workers' unions and the consequent difficulties faced by them in their dealings with such unions.

Welfare and Housing.- Eight of the larger units and four of the smaller units had provided houses to their workmen. The percentage of workers provided with housing accommodation in different units varied from about 13 to 85. Only three of the units charged rent from workers. The rent charged by these units was 2 rupees per month, 8 rupees per month and 1 rupee 5 annas per ~~month~~ week respectively. With the exception of one unit in Bihar, viz., the Bata Shoe Company Limited, and one in Mysore, viz., the Mysore Chrome Tanning Company, all other units provided one room tenements. In the former, the workers' houses were two-room pucca built tenements with a bath room, a kitchen, a verandah and a court yard, covering a total floor area of 3,029 sq. ft. The rent for these houses was 1 rupees 5 annas per week. In the latter unit, the accommodation provided consisted of the one living room and a kitchen and no rent was being charged.

Education and Recreational Facilities.- Educational and recreational facilities for workers and their families were available only in three of the large units, viz., the Bata Shoe Company Limited, the Gordon Woodroffe Leather Manufacturing Company, Madras and Mysore Chrome Tanning Company. In the first named unit, there was a sports club, a reading room and a free primary school. Free cinema shows were also being arranged occasionally for workers. The second unit had a sports club which had a library and also arrangements for indoor and outdoor games. The Mysore Chrome Tanning Company, had employed a teacher for giving education to workers' children.

Medical Facilities and Other Amenities.- Apart from the facilities available under the Employees' State Insurance Scheme, wherever it has been enforced, some units had made arrangements for treatment of workers in case of sickness. The Bata Shoe Company at Mokamehghat (Bihar) had organised a workers' sickness benefit society. The membership of this society was compulsory for all workers, who has to contribute according to a graded scale, the management contributing an amount not less than the total contributions of workers. The management, of the society was in the hands of a Committee of Management, consisting of two representatives each of the management and workers. Under the Scheme the members were entitled to get free treatment in case of ordinary illness. If a member was seriously ill, the doctor visited him at his house and treated him. These facilities were also available to wives and children of workers who resided in the Company's premises or in its vicinity.

Other amenities provided by some of the large units included canteens, creches, grainshops, etc.

Provision for Old Age.- Provision for old age pension and gratuity existed only in six large undertakings. In five out of these both the Provident Fund and gratuity Scheme existed. In one unit, however, only the former was in operation. Usually permanent workers or workers with a certain minimum length of service were entitled to become member of Provident Funds. The rate of contribution to the Fund was 6-1/4 per cent of the basic salary in five of these undertakings and 7-1/2 per cent in the sixth one. Subject to certain conditions gratuity was being paid to workers in five of these units, at the rate of 2 to 3 weeks' wages for every year of service.

(Indian Labour Gazette, Vol. XIV, No. 10, April 1957, pp. 787-797).

Conditions of Jute Mill Labour: West Bengal
Government Enquiry Findings.

A fall in employment, reduction of permanent hands and increases in the number of badli workers and a sharp drop in the number of women employees are some of the interesting findings of the West Bengal Government's inquiry into the jute mill industry.

The inquiry was made at the instance of the Prime Minister following a memorandum submitted to him by some Communist Member, of Legislative Assembly in ~~1955~~ one of his visits to West Bengal in 1956.

The report, made on the basis of replies by 88 mills (out of 101 in the State), ~~on~~ to a questionnaire issued by the Government in December 1956, reveals unsatisfactory housing for jute mill labour. It has brought to light the total wages that the industry has to pay every year. The bill has gone up from 196.5 million rupees in 1951 to 245.7 million rupees in 1956.

A disquieting feature is that while the number of permanent hands has been reduced by about 19,000 from 214,000 in 1951 to 195,700 in 1956, the number of badli workers has risen by about 10,000 during the same period from about 32,400 to 42,200.

The fall in the number of women employees from 30,400 to 19,569 is probably the outcome of the measure of economy adopted by the industry, the minimum wage for which has been fixed in October 1955 at 67 rupees 2 annas and 9 pies against 63 rupees and 6 annas in 1951 and 58 rupees and 8 annas in 1948. Women are entitled to maternity and some other benefits, the obligation for payment of which decreases with the reduction in the number of women.

45

Most of the 88 mills whose conditions have been studied on the basis of replies submitted by them are stated to have complied with labour legislation offering benefits to workers.

Housing.- Despite the offer of help by the Union Government in the shape of loan and/or subsidy to build houses for industrial workers, the housing condition of jute mill labourers is not satisfactory. Out of about 195,000 workers in the mills, only 86,000 workers are provided with accommodation in about 48,000 tenements all of which again are not provided with kitchens or water taps.

The analysis of housing conditions indicates that the ~~number~~ majority of workers - 55 per cent - are not provided with any housing accommodation. The practice generally prevalent among jute mill labour is that four or five of them or even more hire a room in a bustee at a very small rental which is divided among them. The higher rental for a house under the industrial housing scheme would be resented by a worker. This is, perhaps, one of the reasons for inadequate construction of houses under the scheme in the industrial area.

Since 1955, when the total number of persons employed in the industry came down to 255,466, there has been a further drop in employment in jute mills as a result of what is termed in industrial circles as "natural wastage" and retirement with retrenchment benefit, following modernisation in some of the jute mills.

(The Statesman, 26 May 1957)

56. Labour Administration.

India - June 1957.

Kerala: New Government's Labour Policy:
Minister's Statement.

Shri T.V. Thomas, Labour Minister of the Communist Government in Kerala, replying to the debate in the State Assembly on 17 June 1957, on the demands for grants for his department, stated that the State Government had been adopting a policy different from that adopted by the Government previous Government on labour problems. The Government was pledged to safeguard all the just demands and rights of workers.

Shri Thomas said it was the policy of the Government not to resort to compulsory adjudication of labour disputes as far as possible. Instead it would offer all possible assistance to the parties to come to a peaceful settlement through negotiations. With this purpose in view the Government had set apart more than 100,000 rupees in the budget for constituting industrial relations committees in the various industries of the State. If the amount was found inadequate the Government will not hesitate to ask for supplementary grants for the purpose later, he said.

As regards bonus, he claimed that the Government had adopted a principle which could be a model for other States in the country. The Government's policy was that the workers should be paid bonus as deferred wages irrespective of profit or loss in the industries. As long as there was a wide gap between the actual wages and fair wages the principle of paying bonus as deferred wages would have to be adopted, he said.

Shri Thomas said that the wages prevailing in the various industries now were entirely inadequate. He hoped the Industrial Relations Committees in the various industries will take up this matter.

The Minister said that there were certain legal difficulties in extending the Minimum Wage Rules to all industries. The period for introducing minimum wages had expired by 1956. The Government, he said, requested the Centre to pass the necessary legislation for the purpose. A Bill had already been introduced in the Parliament and the Union Labour Minister had promised to get it enacted without much delay, he said.

The Government, he said, had however, decided to bring industries like printing and banking within the minimum wages schedule and extend the Minimum Wage Rules to these industries.

As to organising ^{an} industrial relations committee for agriculture, the Minister said that such committees will not be helpful in industries, where labour was not organised. In such cases there were other methods of doing it, he said.

(The Statesman, 18 June 1957)

48

Chapter 6 : General Rights of Workers.

63. Individual Contracts of Employment.

India - June 1957.

Bombay: Bill to amend Industrial Employment Standing Orders Act, 1946.

The Government of Bombay has published on 20 June 1957, the text of the Industrial Employment (Standing Orders) (Bombay Amendment) Bill, 1957.

Explaining the objects and reasons for bringing forward the measure, a statement annexed to the Bill says that a Bill amending the Industrial Employment (Standing Orders) Act, 1946, was passed by the former State Legislature of Bombay in September 1955. The Bill was assented to by the President, and was also published as an Act. That Act was to come into force on the date to be notified by the State Government; and it was intended to bring it into force as soon as revised model standing orders and consequential amendments to rules, had been settled. Meanwhile, the Industrial Employment (Standing Orders) Act, 1946, was itself amended by Parliament, and those amendments by the Central Act being later than the Bombay amendments, they would prevail over the Bombay amendments in so far as the latter are inconsistent with them; and consequently, it is not feasible now to bring the Bombay amendments into force by notification. Because of this difficulty, the provisions of the Bombay amendments are proposed to be re-enacted with some modification, and applied throughout the new State. The more important modifications are contained in clauses 1, 5, 20 and 21 of the Bill. The following notes on clauses explain the provisions of the Bill:-

Clause 1.- The Bombay amendments extend to the pre-reorganisation State of Bombay only. It is now intended that the proposed legislation should extend throughout the new State.

49

Clauses 2, 3, 6, 7 and 9.- Experience has shown that certification of standing orders under the Industrial Employment (Standing Orders) Act, 1946, takes a long time; and that in the meanwhile workmen are left without the protection of any standing orders applicable to them. The model standing orders prescribed under the Act reserve only as model and, unlike the model standing orders notified by Government under the Bombay Industrial Relations Act, 1946, have no binding effect. It is, therefore, proposed that power should be taken to make model standing orders applicable initially to all establishments covered by the Act and, thereafter, to permit the employers and workmen to submit within six months thereafter, draft amendments to the model standing orders according to the requirements of each individual establishment. The Certifying Officer will, after consulting the other party, decide whether any modification to such draft amendments are necessary, and then certify the draft amendments with or without modification. The new provision is calculated to reduce the work on all sides, and expedite the process of certification of standing orders. Standing Orders which are already certified, will remain unaffected and will continue to apply.

Clause 4.- The Bombay Industrial Relations Act, 1946, provides for certification of standing orders in respect of all establishments employing 20 or more workmen, which are covered by the Act, whereas the Industrial Employment (Standing Orders) Act is applicable to establishments employing one hundred workmen or more. It is proposed that the latter Act should be made applicable to all establishments employing fifty workmen or more, and thus extend the provisions of that Act to a larger number of workmen.

Clause 5(b).- The definition of the term "employer" is proposed to be enlarged. Where an owner of an industrial establishment enters into a contract with a person for doing any work then in relation to the workmen employed by the contractor the owner of the establishment would be the employer. Section 2(d)(iii) of the Industrial Employment (Standing Orders) Act was amended for this purpose but the Bombay amendments are applicable only in areas of the former State of Bombay. As it is intended to extend this to the whole of the present State of Bombay, these provisions have been re-enacted.

Clause 14.- Section 10 is proposed to be amended in order to permit modification of model standing orders, with or without amendment, on an application by the employer or workmen, after a specified period.

50

Clause 16.- The Act does not at present provide for a penalty for contravention of the provisions of the Act or of the Rules made thereunder, other than those falling in sub-sections (1) and (2) of section 13. A new sub-section is, therefore, being added to remedy this defect. Provision is also made to authorise the Court to require an employer to pay adequate compensation to the workman directly or adversely affected by contravention or an illegal modification of the standing orders, for which the employer may have been convicted.

Clause 19.- It is proposed that in all standing orders a suitable provision should be made for the age for retirement or superannuation of workmen. A new item "Age for retirement or superannuation" is, therefore, being added to the Schedule to the Act.

Clause 20.- The Principal Act has been amended by the Saurashtra Act, VIII of 1953, in its application to the Saurashtra area of the State of Bombay, by the addition of sub-section (2) to section 7 of the Principal Act. Since the above legislation is intended to extend to the whole of the new State, the amendment made by the Saurashtra Act is being deleted, model standing orders prescribed by the former Saurashtra Government being at the same time saved.

Clause 21.- Industrial establishments for which the Central Government is the appropriate Government under the Principal Act, are excluded from the purview of the above legislation.

(The Bombay Government Gazette, Part IV,
dated 20 June 1957, pp. 77-94).

65. Collective Agreements.

India - June 1957.

Collective Agreement in Mysore Iron and Steel Works:
Industrial Truce for Five Years.

In September 1953, the management of the Mysore Iron and Steel Works and the representative of the Mysore Iron and Steel Works Labourers' Association had entered into a three-year agreement covering various aspects of Labour-management relations. On the expiry of this agreement the Labourers' Association presented a fresh charter of demands to the management in October 1956 initiating fresh discussions and negotiations between the management and the representatives of the Association. As a result of these negotiations an agreement was signed between the two parties on 26 November 1956. The salient features of the agreement are given below.

In view of the imperative need to build up the national economy and for a further development of the industry by speeding up production, the employees have agreed not to place any fresh demand or demands or declare any strike during the period of five years with effect from 1 November 1956. The management on its part have agreed to pay annual bonus to their employees on the following revised basis:-

Net Profit.	Amount of Annual Bonus.
Below 5 per cent of the Capital.- ---	No Bonus.
Between 5 and 7 per cent. ---	1/12th of the total earnings*.
Between 7 and 9 per cent. ---	1/6th of the total earnings*.
Above 9 per cent. ---	1/4th of the total earnings*.

* Exclusive of dearness and other allowances.

It has been agreed that in no case bonus exceeding 1/4th of the total earnings will be paid.

Under the agreement the minimum wage of adult workers has been fixed at 1 rupee per day. This minimum does not apply to boys and women for whom it is provided that their pay would be fixed in the grade of Re. 0-10-0/0-1-0/1-0-0. The management has agreed to an upward revision of scales of pay of all the six categories of daily rated-workers and of certain categories of monthly-rated employees drawing less than 300 rupees per month. For fixing the pay in the revised scales it has been provided that weightage would be given to employees at the following rate according to their length of service from 1 July 1947:-

- (i) For a service of 5 to 7 years - One increment.
- (ii) For a service of 7 years and above - Two increments.

For purposes of grant of annual increments the existing minimum of 240 days' attendance during the incremental year has been reduced to 230 days in the case of daily-rated employees provided he produces a medical certificate from the prescribed medical officer to the effect that the employee was sick for a period of not less than 10 days in the year concerned. The existing limit of 65 days' combined leave with and without allowances has been raised to 75 days in the case of monthly-rated employees if they produce a similar medical certificate.

It has been agreed that the existing vacancies will be filled by promotion on the basis of seniority without conducting any tests but vacancies occurring after 1 November 1956 will be filled by the current procedure of tests for common-jobs.

As regards dearness allowances, the agreement provides that it will be paid in accordance with the policy of the Government from time to time. The Management has agreed to make some alterations in the scale of production bonus and to raise the existing limit of one day's leave with pay for purposes of claiming the attendance bonus to two days in the case of monthly-rated staff. The demand relating to the increase in the rate of heat allowance has not been accepted but it has been provided that the existing rate of two annas per day will also be paid to monthly-rated employees of the status of foremen and below working in heat departments. Similarly, increase in the rate of night-shift allowance has not been accepted but the Management has agreed to pay this allowance at the current rate of two annas per day to monthly-rated employees also.

It has been agreed that the benefits under the agreement will be given effect to from 1 November 1956.

(Indian Labour Gazette, Vol.XIV, No.19, April 1957, pp. 821-822)

'L'

67. Conciliation and Arbitration.

India - June 1957.

The Industrial Disputes (Amendment) Act, 1957
(No. 18 of 1957): Provisions relating to
Compensation Amended.

The Bill to replace the Industrial Disputes (Amendment) Ordinance, 1957 (No. 4 of 1957) providing that retrenchment compensation will be repayable in case of bona fide closure or transfer of an undertaking (vide section 81, pp. 92-93 of the report of this Office for May 1957), as passed by the Parliament received the assent of the President on 6 June 1957 and has been gazetted as Act No. 18 of 1957.

For details, please see section 81, pp. 72-74 of this report.

55

Industrial Disputes (Punjab Amendment) Act, 1957
(Punjab Act No. 8 of 1957)

The Government of Punjab gazetted on 3 June 1957 the text of the Industrial Disputes (Punjab Amendment) Act, 1957, passed by the Punjab Legislature. The Act which received the assent of the President on 1 June 1957 amends sections 7 and 7C of the Industrial Disputes Act, 1947, in its application to the State of Punjab with a view to making eligible the existing tribunals for appointment as tribunal/ labour court under the said Act.

(Punjab Government Gazette, Extraordinary,
3 June 1957, pp. 889-890).

'L'

Industrial Disputes (Amendment and Miscellaneous Provisions)
(Punjab Amendment) Act, 1957 (Punjab Act No. 9 of 1957).

The Government of Punjab gazetted on 3 June 1957 the Industrial Disputes (Amendment and Miscellaneous Provisions) (Punjab Amendment) Act, 1957, passed by the Punjab State Legislature. The Act amends Section 30 of the Industrial Disputes (Amendment and Miscellaneous Provisions) Act, 1956, to enable the Industrial Tribunal, Patiala, since wound up, to be reconstituted and to start proceedings on the disputes referred to it by the State Government, from the stage at which these were left off.

(Punjab Government Gazette, Extraordinary,
3 June 1957, pp. 891-892).

'L'

57

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

India - June 1957.

Labour Participation in Management: Legislation suggested
for Working out Schemes in selected Industries: Study Group's
Recommendations.

Permissive legislation to initiate workers' participation in the management of industrial undertakings in India has been suggested by the Study Group appointed by the Government of India which recently toured several European countries to study this question* (vide section 69, page 73 of the report of this Office for September 1956).

The proposed legislation, according to the report submitted by the Group, should, however, provide only the framework, the procedure being left to be developed by joint consultation. While recommending some form of legislation the Group recognises that "the success of all joint bodies depends on the spirit in which they are worked and the law cannot prescribe the spirit".

Participation has been given a wide connotation by the group, including in its scope various forms of consultation between workers and management at different levels. "A sharp line cannot be drawn between the rights of consultation and participation", says the report. "The question is one of degree and if the practical arrangements ensure advance consultation and joint discussion and if the attitudes are those of cooperation and of consideration for each other's views, the workers would, in effect, be participants and not mere advisers."

* Report of the Study Group on Worker Participation in Management, 1957 (Manager of Publications, Delhi), pp.117.

Great emphasis has, therefore, been placed on the need for a reorientation of attitudes, both of the workers and of the management through sustained education efforts. The group does not favour the imposition of a rigid system from above and is of the view that forms of participation should be flexible. They should evolve organically out of day-to-day practice. The report says: "Joint consultations should be in-built. Such consultation is not merely a matter of bringing together two parties. Jointness has to be there all along the line".

Workers' Interest.- The group is also of the opinion that "the first interest of workers are wages, conditions of work, security and fair grievance procedure, and if there is bitterness over these, no real participation is possible. Satisfactory arrangements for collective bargaining for the settlement of all disputes are, therefore, essential for the success of workers' participation."

The existence of a strong and self-confident trade union which will co-operate with and sustain the machinery of participation is another basic element in its success.

The Study Group left India in October 1956 and visited the U.K., France, Germany, Sweden, Yugoslavia and Belgium. Besides visiting a large number of departments and institutions the group discussed the problem with representatives of Governments, employers' and workers' organisations in the countries on the basis of a questionnaire prepared by them.

Besides Shri Vishnu Sahay, Secretary of the Union Ministry of Labour, the members of the group were Shri Michael John, M.P., President, Tata Workers' Union, Jamshedpur, Shri Jatin Mitra, President, Hind Mazdoor Sabha, Calcutta, Shri S.R. Vasavada, President, Indian National Trade Union Congress, Ahmedabad, Shri Naval H. Tata, Director, Tata Industries, Bombay, Shri L.N. Birla, Birla Brothers, Calcutta, Shri Y.P. Kulkarni, Director, Railway Board, New Delhi, Shri R.B.L. Mathur, Deputy Chief Mechanical Engineer, Eastern Railway, Namalpur, Shri S. Krishnaswamy, Under Secretary, Ministry of Production and Shri D. Rajagopal, Personnel Manager, Hindustan Machine Tools, Limited, Bangalore. (Shri Naval Tata and Shri S.R. Vasavada and Shri L.N. Birla could not join the group owing to unavoidable reasons).

Democracy.- The group was set up by the Government of India in pursuance of the recommendations of the Second-Five-Year Plan, which postulate that a socialist society is built up not solely on monetary incentive but on ideas of service to society and the willingness on the part of the latter to recognise such service. It is necessary in this context that the worker should be made to feel that in his own way he is helping to build a progressive State. The creation of industrial democracy, therefore, is a pre-requisite to the establishment of a socialist society. For the successful implementation of the Plan, increased association of labour with management is necessary.

The group in its report described in detail the pattern of labour participation in management in the countries it visited. It has formulated its recommendations after detailed evaluation and appraisal of the system in each country.

Regarding the application of legislation the group feels that Government should have the power to decide where the law should be applied, taking into account the size of the undertaking, the local demand and the State of workers' organisation and their preparedness for participation.

It has also suggested that the industry concerned should be a suitable one and feels that it would be advisable to leave alone the smaller industries whose workers have to be protected under the Minimum Wages Act. The group has suggested that it would be advisable to begin the experiment with undertakings which are not too complex.

Joint Councils.- Referring to the structure and composition of joint councils of management, the group is of the opinion that there may be a single council for an undertaking as a whole provided it is not made up of units at different places.

For undertakings spread over several places there may be separate councils at the local regional or national levels. Such bodies should, however, necessarily have sub-committees, technical committees or study panels to deal with different subjects. This would prevent overloading of the agenda, particularly, in big undertakings.

Many countries, says the report, have adopted the principle of equal representation of workers and employers. Strict adherence to this, however, is not necessary as the essence of joint consultation is decided by agreement and not by voting. It has been recommended that a special provision should be made for the representation of technicians on the joint councils of management, for practical success will depend largely on their superior knowledge and their initiative.

The group feels that there should be a demarcation of functions between the Joint Councils of Management and the Trade Unions. To create conditions of success of the joint machinery, says the report, one should recognise that Joint Councils cannot cover the whole field of workers' interest. A demarcation of functions is necessary and matters requiring collective bargaining should be left to trade unions. But even after the demarcation of duties it is necessary to ensure that the trade unions co-operate with the joint machinery. For the success of workers' participation, it is necessary that there should be a strong self-confident trade union closely connected with the machinery of participation and with a reasonably clear separation of functions.

The report has indicated, on the basis of experience in other countries, that the councils may be conveniently consulted over matters like alteration in standing orders, retrenchment, proposals for rationalisation, closure, reduction in or cessation of operations, introduction of new methods, procedure for engagement and punishment.

They may also have the right to receive information and make suggestion about the general economic situation of the concern, the state of the market production and sales programmes organisation and general running of the undertakings, circumstances affecting the economic position of the undertaking, methods of work and the annual balance-sheet and profit and loss statement and connected documents and explanations.

The object, says the report, should be to provide a means of communication, collaborate in the improvement of working and living conditions, collaborate in improving productivity, encourage suggestions and help in the administration of laws and agreements.

To reduce the danger of apathy, the report suggests that the councils of management may be given some administrative responsibility apart from the right of consultation and the right of information. These administrative powers may cover welfare schemes, supervision of ~~veational training~~ safety measures, operation of vocational training and apprenticeship schemes, preparation of schedules of working hours and breaks, preparation of holiday schedules and payment of rewards for valuable suggestions.

Of these, particularly important, says the report, will be administration of welfare schemes which will give practical training in administrations. A "suggestions" system will also be specially educated. "There will be a tendency to scorn workers' ability to make suggestion of value. Many suggestions will, of course, be impracticable and may even be puerile. But, there will be some surprises also", adds the report.

Impressions of visit.- The group during its tour of various countries, found that great importance was being attached to workers' education in all schemes of labour participation in management. Apart from technical instruction imparted through classes organised by trade unions and in many cases by the undertaking itself, workers are given instruction in economic matters relating to management.

"Throughout our visit," say the members, "we were impressed with the importance of adequate preparation for the success of workers' participation. In every country we visited there are workers' colleges, courses, evening classes, seminars, printed literature and the like to train them not merely to become more skilled but also to acquire understanding of the work they are engaged in so that they can really 'participate' and not merely be passive tools in the hands of demagogues. In this, initiative elsewhere has come from the trade unions. But our unions have not always got the resources for this purpose and it will be necessary for Government to assist."

Educational Campaign.- The study group has, therefore, suggested that the Government should accept leadership for ~~organising~~ organising a sustained educational campaign. It has, however, cautioned against turning such a campaign into a departmental affair. The group is in favour of a tripartite machinery of direction and has suggested utilisation of employers' organisations, trade unions, universities and non-official bodies for the implementation of a programme of workers' education.

"Participation of trade union leaders on the boards of nationalised undertakings", says the report, "is not new in our country. They have, however, been appointed as enlightened leaders of the trade union movement and not as representatives of the concerned trade union, ~~movement and not as~~ One may not go as far as the German practice of co-determination but introduction of the "representation" principle may, in time, have to be considered in the nationalised sector as the preparatory and educational measures bear fruit and by learning how to participate at the work place level, the workers fit themselves more and more for participation at the higher level."

Divided into three sections, besides the introduction, the report gives briefly a description of the systems of workers' participation in management in the countries visited. The systems prevalent in different countries are analysed and evaluated in one section, while another contains the group's recommendations supplemented by observations on the steps necessary in erecting a proper background for workers' participation. An I.L.O. paper on "Workers' Participation in Management" is included as one of the appendices to the report.

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES OF WORKERS.

INDIA - JUNE 1957.

71. Employees and Salaried Intellectual Workers.

Working Journalists (Conditions of Service) and Miscellaneous Provisions Rules, 1957.

The Central Government has framed the Working Journalists (Conditions of Service) and Miscellaneous Provisions Rules, 1957, in exercise of the powers conferred under the Central Act No. 45 of 1955 (vide section 71, pp. 77-78 of the report of this Office for January 1956). The Rules, inter alia, lays down the procedure for the applications of the provisions relating to payment of gratuity, hours of work, holidays, leave, etc.

(Notification No. S.R.O., 1937, dated 23 May 1957; The Gazette of India, Extraordinary, Part II, Section 3, 27 May 1957, pp. 1728/1 - 1728/8).

Implementation of Wage Board Decisions: Supreme Court grants Stay Order: Newspaper Bodies demand De Novo Inquiry.

According to a press release issued on 18 June 1957, the Vacation Judge of the Supreme Court granted on 17 June 1957, an ad interim ex-parte stay until 26 August of the operation of the decisions of the Wage Board for working journalists on a petition filed under Article 32 of the Constitution on behalf of the Express Newspapers, Limited, and Shri Ramnath Goenka. The petition, which challenges the constitutional validity of the Working Journalists (Conditions of Service and Miscellaneous Provisions) Act of 1955 and of the decisions of the Wage Board constituted under the Act will be heard on 26 August 1957 along with another petition filed by the same parties under Article 136 of the Constitution for special leave to appeal from the Wage Board decision.

The judge observed that this was a very vital and controversial matter which must be heard by more than one judge. The main point urged on behalf of the petitioners was, he said, that the Wage Board had been given uncontrolled and unbridled powers which interfered with their right to carry on business. The petitioners had also contended that the decisions of the Wage Board were by a majority of four to three and that the dissenting note had not been published.

The executive committees of I.E.N.S. and the I.L.N.A. which met in New Delhi on 3 June 1957, in resolution criticised the award of the Wage Board on the ground that any inquiry which aimed at improving the working conditions of working journalists must have some definite relation to the conditions of service of other employees who contributed equally with working journalists to the prosperity of a newspaper. If there were to be a fair inquiry, it should have been on the basis of an inquiry into the newspaper industry as a whole. The executive committees were of the opinion that the implementation of the Wage Board decisions would lead to the closure of many newspapers thereby throwing out of employment a large number of working journalists whom the Government was seeking to help, and in addition, thousands of other newspaper employees. The committees, therefore, called upon the Government to order a de novo inquiry and to set up a committee to "consider the financial consequences of the Wage Board decisions and their disastrous effect on the newspaper industry".

(The Statesman, 4 and 18 June 1957).

73. Officials and Public Employees of National, Regional and Local Administrations, of Nationalised Undertakings or Undertakings Managed with the Participation of the Public Authorities.

India - June 1957.

The Life Insurance Corporation (Amendment) Act, 1957 (No.17 of 1957): Power to alter Remuneration and Terms of Service of Employees.

The Life Insurance Corporation (Amendment) Bill, (vide pp.84-86 of the report of this Office for May 1957), as passed by the Parliament received the assent of the President on 6 June 1957 and has been gazetted as Act No.17 of 1957 on 8 June 1957.

The Act vests the Central Government, inter alia, with power to alter the remuneration and terms of service of employees of nationalised insurance companies.

(The Gazette of India, Extraordinary, Part II-Section 1, dated 8 June 1957, pp. 211-213)

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - JUNE 1957.

81. Employment Situation.

Working of the Calcutta Dock Workers' Decasualisation Scheme during the Year 1954-1955.

According to the report of the Calcutta Dock Labour Board for the year 1954-55 on the working of the Calcutta Dock Workers (Regulation of Employment) Scheme which was framed under the Dock Workers (Regulation of Employment) Act, 1948, the total number of employers and workers registered under the scheme was 29 and 7,101 respectively. During the year, a Committee was appointed by the Board for registration of Hatch Foremen and Dock Foremen and a pool for such categories of workers was started from 29 October 1954. As some complaints were received to the effect that the registration of workers had not been carried out properly, the Board appointed a Committee to examine the matter. After scrutiny of the cases, the Committee recommended de-registration of 106 workers. Thirty-one of the affected workers preferred an appeal to the appeal tribunal against the recommendations of this Committee and they were subsequently reinstated under the instructions of the tribunal. Since the cases of the remaining 75 workers were identical, they were also subsequently reinstated. The Committee detected 16 cases in which fraudulent means had been adopted for registration. These were referred to a special officer for taking disciplinary action. In the previous report of the Board a mention was made of the 'go-slow' movement launched by a section of registered workers. To deal with this a conference of the various interests was called by the Government of India and a settlement was reached at New Delhi in May 1954. The Government decided to appoint a Gangs Reorganisation Officer with a view to ensuring that registered workers transferred to the monthly register ensuring were strictly in order of seniority. This decision was challenged by a labour union by instituting a suit in the High Court.

In view of the fact that there was a steady and continuous improvement in the financial position of the Board it was decided that the levy imposed under the scheme should be reduced with effect from 1 April 1954. The rates of levy approved by the Board in terms of clause 41 of the scheme on the gross wages of Pool and Monthly workers were as follows:-

From 1 April 1954 to 31 August 1954 -----	80 per cent.
From 1 September 1954 to 31 March 1955-----	50 per cent.

The Board also decided that in respect of monthly labour, the stevedores who had monthly workers on their rolls would be reimbursed from the Board's fund the leave salaries paid by them to their monthly ratings. This was given effect to from October 1953. The total sum collected as levy during the year was 6,902,888 rupees. The amounts paid by the Board to workers under some of the important heads during the year was as follows:-

	<u>Rs.</u>
Attendance money -----	985,238
Minimum Guarantee -----	562,525
Leave allowance to Pool Workers -----	1,689,100
Leave allowance to Monthly Workers-----	583,147
Injury Leave Wages -----	73,044

At an emergent meeting of the Board held on 4 February 1954 the Chairman suggested, inter alia, that the surplus labour in the port should be retrenched. After due consideration of the suggestion a scheme for voluntary retirement of workers with some benefits was finally framed in May 1954. Under this scheme 122 workers retired from the service of the Board after receiving the benefits at the following rates:-

	<u>Rs.</u>
Sardars -----	2,000
Mates and Winch drivers-----	1,600
Khamalies I & II -----	1,300
Khamalies III and IV -----	1,200
Rolias -----	1,000

During the year under review Standing Orders for both Pool and Monthly Workers were framed and certified by the Certifying Authority. The Standing Orders provide, inter alia, for the grant of leave to workers at the following rates:-

With Wages -

- (a) Earned leave: 1/20th of the days attended.
- (b) Casual leave: 7 days in a year.
- (c) Sickleave: 7 days in a year (can be extended up to 10 days in special cases).

~~With wages~~ - Without wages -Four months.

The Standing Orders also provide for the payment of full wages by the stevedore concerned to any worker who is injured while on duty till such time as he started earning compensation under the Workmen's Compensation Act.

The Board constructed a new Call Stand in the dock area in order to relieve congestion in the old Call Stand and for giving bookings to certain categories of workers. In addition a temporary shed was constructed outside the Old Call Stand to give protection to workers from sun and rain. Other welfare measures adopted included the installation of fans, provision of drinking water facilities in the Stand, and the construction of latrines and urinals near the Stand for the use of registered workers and members of the staff of the Board. The recreational activities included Inter-Office Football League Tournament, Inter-Sectional Matches and a dramatic performance. The Board organised a Children's Day and also arranged a function to celebrate ~~X~~ Independence Day. A sum of 1,242 rupees was paid by the Board to the Recreation Club during the year. In addition it paid 844 rupees as expenses for cremation of workers and 250 rupees as ex-gratia payments to the families of deceased workers.

(Indian Labour Gazette, Vol. XIV, No. 10,
April 1957, pp. 797-799).

Employment Exchanges: Working during April 1957.

General employment situation.- According to the review of work done by the Directorate General of Resettlement and Employment during the month of April 1957, there was improvement in the overall employment situation. The vacancies notified to exchanges numbered 27,469, as compared with 22,646 during the previous month; the bulk of the increase represented vacancies in State government offices. Placements increased from 13,071 to 15,814. The live register showed that there were 753,537 applicants awaiting employment assistance at the end of the April as compared to 747,341 at the end of the previous month.

Widespread shortage persisted in respect of overseers, draughtsmen, experienced stenographers, fast typists, nurses, midwives and compounders. Shortage in respect of engineers, doctors, boilermens and trained teachers was fairly widespread. A number of employment exchanges also reported a shortage of accountants, health visitors, physical training instructors, skilled fitters, turners, electricians, surveyors, road roller drivers, X-ray technicians, electroplaters, refrigerator mechanics and meter repairers.

Widespread surplus persisted in regard to untrained teachers, motor drivers, clerks, carpenters, unskilled office workers, unskilled labourers and freshers from schools and colleges. Motor mechanics, semi-skilled fitters, chowkidars and sweepers were also reported to be surplus to requirements.

Registration and placings.- The following table states shows registration for employment and placings during March and April 1957:-

	<u>March 1957</u>	<u>April 1957</u>
Registrations -----	111,216	145,438
Placements -----	13,071	15,814

As is clear from the above table, registrations recorded a notable increase of 34,222 as compared to previous month. The increase in registrations during the month under report, was almost widespread, but it was comparatively large in the States of Uttar Pradesh (13,804), West Bengal (4,756), Bihar (3,787), Madras (3,067), Andhra (2,682), Bombay (2,262), Madhya Pradesh (1,269) and Punjab (1,031).

A total of 93,420 applicants were submitted to employers for selection during the month under review as against 78,302 during the preceding month. There was thus a rise of 2,743 in the number of placements secured by the employment exchanges. This increase was mostly located in the States of Uttar Pradesh (965), West Bengal (671), Bihar (339), Bombay (257), Rajasthan (218) and Madhya Pradesh (207). Of the total number of placements effected as many as 5,827 were effected under the central government, 5,503 under the State governments, 2,021 under quasi-government establishments and local bodies and the remaining 2,463 with other employers.

Vacancies notified.— During the month under report, 5,827 employers utilised the services of the employment exchanges as against 5,126 during March 1957. Number of vacancies notified by them was 27,469 as compared to 22,646 in the preceding month, which thus marked an increase of 4,823. The increase in the number of vacancies notified was marked in the States of Uttar Pradesh (1,430), Bihar (1,417), West Bengal (882), Punjab (733) and Orissa (252). A fairly significant decrease was, however, recorded in the State of Mysore (209). Of the total vacancies notified 8,822 were made available by the Central Government, 11,532 by State Governments, 3,066 by quasi-government establishments and local bodies and the remaining 4,049 by other employers. There was thus an increase of 3,261 in the public and of 1,562 in the private sector. The following table gives the composition of the live register according to occupations.

<u>Occupations.</u>	<u>No. on Live Register as on 30 April 1957.</u>
1. Industrial Supervisory. -----	3,872
2. Skilled and semi-skilled. -----	57,395
3. Clerical. -----	213,675
4. Educational. -----	25,759
5. Domestic service. -----	28,610
6. Unskilled. -----	387,783
7. Others. -----	36,407
Total.	<u>753,537</u>

Register of unemployed.- The number of persons seeking employment assistance through the exchanges on the last day of the month was 753,537 which was 6,196 more than the figure at the close of the previous month. The increase in the live register was pronounced in the States of Uttar Pradesh (3,790), West Bengal (3,755), Madras (3,592), Punjab (2,646) and Madhya Pradesh (934). On the other hand, a notable decrease was noticed in the States of Bihar (6,599), Delhi (1,703), Rajasthan (924) and Assam (822). In all 8,953 employed and self employed persons, of whom 302 were women, remained on the live register at the end of the month under report.

Employment position of special categories of persons.- The employment position of special categories of persons is shown in the table below:-

	<u>Registrations.</u>	<u>Placements.</u>	<u>Number on Live Register.</u>
1. Displaced persons.	4,330	683	42,650
2. Ex-servicemen.	5,021	877	24,650
3. Scheduled castes.	15,969	2,389	75,747
4. Scheduled Tribe applicants.	3,022	538	12,627
5. Anglo-Indian applicants.	273	32	409
6. Women.	7,747	912	41,976

The report for the month under review also gives the results of a special investigation into the incidence and duration of unemployment among engineering graduated and diploma-holders registered with Employment Exchanges as on 31 March 1957.

According to the investigation, the number of engineering graduates on the live register decreased from 690 (as on 30-9-1956) to 354 at the end of March 1957. Among the graduates 15 were, according to their own declaration, employed persons and had registered themselves in search of better prospects. In addition, 11 graduates were undergoing on-the-job training on the date of registration and, therefore, could not strictly be termed as unemployed.

Two hundred and sixty-seven or 75 per cent of the engineering graduates were in search of jobs for less than a year whereas only 23 or 6 per cent were unemployed for 2 years or more.

Engineering diploma holders.- At the end of March 1957, 459 diploma holders were on the live register of employment exchanges as against 718 at the end of September 1956. Of them, 13 had declared themselves to be employed persons and had registered themselves with a view to bettering their prospects. Only 8 diploma holders were undergoing some sort of on-the-job training on the date of registration.

Two hundred and eighty-six or 52 per cent of the total number of diploma holders were unemployed for less than a year and 83 or 18 per cent were seeking jobs for 2 years or more.

(Review of Work done by the Directorate General of Resettlement and Employment, during the month of April 1957; issued by the Ministry of Labour, Government of India).

72

The Industrial Disputes (Amendment) Act, 1957
(No.18 of 1957): Provisions relating to
Compensation Amended.

The Bill to replace the Industrial Disputes (Amendment) Ordinance, 1957 (No.4 of 1957) providing that retrenchment compensation will be repayable in case of bona fide closure or transfer of an undertaking (vide section 81, pp.92-93 of the report of this Office for May 1957) as passed by the Parliament received the assent of the President on 6 June 1957 and has been gasetted as Act No.18 of 1957.

Debate on the Bill.- Opening the debate on the Bill in the Lok Sabha on 20 May 1957, Shri G.L. Nanda, Union Minister for Planning and Labour stated that under the Bill retrenchment compensation would be payable to workmen whose services were terminated on account of the transfer or closure of undertakings. In the case of transfer of an undertaking, if a workman was re-employed on terms and conditions which were not less favourable to him, he would not be able entitled to any compensation. In the case of closure on account of natural calamities or circumstances beyond the control of the employer, the maximum compensation payable to workmen had been limited to three months' average pay.

Shri Narayanan Kutty Menon (Comm.-Kerala), welcomed the "broad features" of the Bill, but said many of its provisions required to be amended and improved.

Shri Menon made a strong plea for the workers employed in the construction and the building industry and said they must be entitled to full retrenchment benefit even if they did not put in two complete years of service. He wanted the Bill to have retrospective effect from 24 October 1953.

Shri S.M. Banerjee (Ind.-U.P.) said the provision in the Bill about closure would be misused by employers to retrench workers under some plea without paying retrenchment compensation.

Dr. B.C. Kamble (Ind.-Bombay) said the measure might be challenged again in the Supreme Court on grounds of discrimination between one class of workers and another if building workers were kept out of its purview. This discrepancy in the measure must be corrected and it should apply to all workers.

Shri S.A. Dange (Comm.-Bombay) said labour laws, which were meant to limit the "jungle law" of capitalists, were sought to be nullified by interpretations of courts. These labour laws should be kept out of the purview of "depredations" of lawyers and courts. There were 11 judgments of the Supreme Court which had curtailed the rights of workers guaranteed under labour legislation. "Somehow or other a sort of contradiction is developing between principles of justice of the Supreme Court and the principles of justice as envisaged by our labour legislation. If these two concepts of social justice conflict with ~~with~~ each other, then who is to judge?"

He urged that the conception of social justice embodied in Article 38 of the Constitution should be amended. Many employers had taken advantage of it to appeal to the Supreme Court against decisions of labour tribunals favouring workers. The Supreme Court in its turn had in several cases under this plea of social justice reversed the decisions of the tribunals.

He said the Government had to bring forward legislation to amend the Constitution when the zamindars moved the Supreme Court against these zamindari laws. "I want that the same practice should be adopted in regard to laws relating to the working class. These laws should be so framed and the Constitution so amended that these laws could not be torpedoed by courts so far as the benefits are concerned to the working class".

Shri Dange said that the exclusion of construction workers from the purview of the Bill would be an incentive against speedy disposal of work which would retard the Five-Year Plan. He wanted these workers to be given full compensation like other workers.

Minister's reply.— Replying to the debate, Shri Nanda said that though the proposed legislation did not give 100 per cent satisfaction to workers yet whatever had been done was very near to it.

Referring to the plea for amending the Constitution because there had been a change in the concept of social justice, Shri Nanda said that there would always be a difference in the interpretation of laws and it could not be avoided. Therefore, if there was any gulf between the concept of social justice as laid down in the Constitution and that existing it could only be bridged by Parliament.

It has been said the Bill proposed to take away all the rights extended to all other workers from those employed in construction activities and that it would create inequality. The workers engaged in construction activity were not on par with others and had to be considered as such. Where the question of incentives was concerned there must be some demarcating line. Steps were being taken to protect the interest of these workers also. But, Shri Nanda said, the changes brought about by the Bill would not be so great as to frighten them.

Referring to the provisions laid down in the Bill as a result of the Supreme Court decision, ~~have~~ he invited the members to make suggestions so as to protect the reasonable interests of employees.

Government Amendments.- During clause by clause consideration, the House accepted some Government amendments.

One amendment gave effect to the provisions of the Bill regarding payment of compensation to workers in case of closure or transfer of undertakings operative from 28 November 1956 - the day immediately following the date on which the Supreme Court delivered the judgment nullifying the provisions.

Another enabled those employed in construction works to get the benefit of notice and retrenchment compensation provided the duration of construction work exceeded two year.

The House then passed the Bill.

(The Gazette of India, Extraordinary,
Part V, Section 1, dated 8 June 1957,
pp. 213-215;
The Hindustan Times, 21 May 1957).

83. Vocational Training.

India - June 1957.

Labour Ministry's Training Schemes: Progress during
April, 1957.

According to a review of work done by the Directorate General of Resettlement and Employment during the month of April 1957, out of 159 trainees who took the final examination for instructor-trainees in the 18th session at the Central Training Institute for Instructors at Koni, 135 were declared successful.

New Training Centres.- Sanction was issued, during the month, for the introduction of 96 additional seats at existing Craftsmen Training Centres in West Bengal. With this sanction the total number of additional seats sanctioned for craftsmen training amounted to 4,892. A proposal to construct a workshop for the industrial training institute, Cuttack, was accepted. Sanction for the expenditure on the workshop was under issue. Proposals for opening new Training Centres or for increasing the capacity of existing centres received from the Governments of Madras, Himachal Pradesh and Rajasthan were under consideration with the Directorate General of Resettlement and Employment while similar proposals received from Manipur and Tripura were pending with the Central Ministry of Finance for their concurrence.

Equipment and Stores.- Under the Indo-U.S. operational Agreement No.35, equipment worth approximately 64,000 rupees was received at Training Centres during the month. With these supplies the total value of equipment received under this aid scheme up to the end of April 1957, amounted to 1.639 million rupees.

In addition, requests for supply of equipment valued at 1,180,000 rupees for Training Centres in Uttar Pradesh, Rajasthan, Himachal Pradesh, Kerala and under the Delhi Administration, which receive aid from the Government of India under the latter's schemes for development of Craftsmen training, were considered. Sanctions for purchase were under issue.

The following table gives the number of training institutes, seats sanctioned and the number of persons undergoing training:-

Number of Training Institutes and Centres.	-----	468
Total Number of Seats sanctioned.	-----	12,478
Number of persons undergoing training.	-----	14,017

(Review of Work done by the Directorate General of Resettlement and Employment during the Month of April 1957; issued by the Ministry of Labour, Government of India).

Chapter 9: Social Security

93. Application.

India - June 1957.

Working of the Maternity Benefits Acts during 1955.

Legislation providing for the payment of cash maternity benefits, grant of leave and provision for other facilities to give maternity relief to women workers employed in industries exists in most of the States in India. All the Part 'A' States have their own Maternity Benefit Acts. Hyderabad, Madhya Bharat, Mysore, Rajasthan, Saurashtra and Travancore-Cochin among Part 'B' States, and Ajmer, Bhopal, Delhi and Tripura among former Part 'C' States have similar Acts. Besides, the Central Government has passed the Mines Maternity Benefit Act, which provides for similar benefits to women workers in Mines. Similar benefits have also been extended to women workers in the plantations in Assam, West Bengal and Travancore-Cochin, under the State Acts.

The scope, qualifying conditions, the period and rate of maternity benefits are not uniform under the various ~~Acts~~ State Acts.

The administration of the Acts in the various States is the responsibility of the factory inspectorates. The Mines Maternity Benefit Act is administered in coal mines by the Coal Mines Welfare Fund Commissioner; in other mines its administration has been entrusted to the Chief Inspector of Mines. Annual Reports on the working of the Acts prepared by the administering authorities show statistics relating to the number of women workers covered by the Acts, number of claims paid, the amount of benefit paid, etc., which are given below:-

States.	Average No. of women employed.	No. of Women who claimed maternity benefit.	No. of women who were paid maternity benefit in full or in part.	No. of cases on which a bonus was given or maternity benefit was paid for miscarriage or death.	Total amount paid.
(1)	(2)	(3)	(4)	(5)	(6)
Part 'A' States -					<u>Rs.</u>
Andhra	47,161	286	279	5	6,769
Assam	175,698	42,550	41,259	56	3,524,596
Bihar	9,233	959	946	16	82,233
Bombay	68,590	3,026	2,554	16	107,774
Madhya Pradesh	26,524	260	217	1	13,648
Madras	62,268	4,450	4,132	173	171,832
Orissa	2,710	66	59	-	3,435
Uttar Pradesh	1,030	30	15	-	1,230
West Bengal*	58,781	16,681	15,193	-	888,131
Total Part 'A' States -					
1955	451,995	68,108	64,654	272	4,799,648
1954	431,964	52,715	50,158	764	4,112,766
Part 'B' States -					
Hyderabad	8,512	180	181	-	10,169
Mysore	3,868	495	495	-	36,231
Ttavancore-Cochin	28,254	7,576	7,044	-	402,005
Total Part 'B' States -					
1955	40,634	8,251	7,720	-	448,405
1954	25,524	1,587	1,584	1	96,980
Part 'C' States -					
Ajmer	771	18	18	-	411
Bhopal	241	-	-	-	-
Total Part 'C' States -					
1955	1,012	18	18	-	411
1954	1,773	16	14	-	277
Mines -					
Coal	50,273	2,988	2,887	807	119,579
Others	68,999	5,500	5,842	445	221,927
TOTAL Mines -					
1955	119,272	8,488	8,729	1,252	341,506
1954	103,811	7,034	7,526	1,094	287,600

* Figures relate to Tea Plantations only, figures for other sectors not available.

As in the past the number of claims made and the amount of benefit paid during the year under review were higher in those States which employ a large number of women workers. Thus, Assam which employs the largest number of women workers mainly in plantations, where workers are employed on a family basis, shows the highest number of claims made and the largest amount paid as maternity benefit. Next in the order, among Part 'A' States, are West Bengal, Madras and Bombay. In West Bengal, women are mostly employed in jute mills and tea plantations. In Madras, which follows next, tobacco factories, textile mills and factories producing food stuffs employ a very large number of women workers. In Bombay, a considerable number of women is employed in the cotton textile industry. The information received in respect of Punjab, shows that there were only 26 claims for maternity benefits for which an amount of 2,158 rupees was paid under the Employees' State Insurance Act, 1948. These figures have not been incorporated in the table. Among Part 'B' States, Travancore-Cochin, which employs a large number of women in plantations and other industries, had the largest number of claims and the amount paid as benefits. Among former Part 'C' States, only Ajmer furnished the number of claims and the amount paid as benefits. Mines, which employed about 119,000, also shows a large number of such claims made. The amounts paid in different States are affected by various factors such as the rate and duration of payments which differ from State to State.

A study of the figures relating to claims made and the average amount of maternity benefit paid in the various States and mines shows that in 1955, the percentage of claims was highest in Part 'B' States - the figure being 20.3. In Part 'A' States, the figure stood at 15.1. The information in respect of former Part 'C' States relates only to the State of Ajmer where the percentage of claims was 2.5. In mines, the figure stood at 7.1. Among Part 'A' States, West Bengal had the highest percentage (28.4), followed by Assam (24.1). Madhya Pradesh had the lowest percentage i.e., 1.0. Among Part 'B' States, the percentage was highest in Travancore-Cochin (26.8) and lowest in Hyderabad (2.1). As compared to 1954, the overall percentage of claims increased in 1955 in Part 'A', 'B' and 'C' States as also in mines. The sharpest increase was noticed in the year under review in the State of West Bengal where the percentage of claims increased from 7.3 in 1954 to 28.4 in 1955. The decline was, nowhere, so significant. The data for Delhi have not been included in the table as maternity benefits in the State are now being paid under the Employees' State Insurance Scheme.

The average amount of benefit paid per case was highest in Part 'A' States, i.e. 74 rupees. Part 'B' States (58 rupees), Mines (39 rupees) and Part 'C' States (23 rupees) come next in the order. Among Part 'A' States, the average amount paid was the highest in Bihar (87 rupees). Assam, Uttar Pradesh and Madhya Pradesh come next. Mysore amongst among Part 'B' States showed a high average amount of benefit paid per case. The average amount paid per case was higher in coal mines than in other mines. As compared to the previous year, the average amount of benefit paid per case during 1955 was lesser in both Part 'A' and Part 'B' States. The reverse was the position in Part 'C' States and mines. A sharp decline occurred in West Bengal where the average fell from 134 rupees in 1954 to 58 rupees in 1955. There were no cases of sharp increase. The average amount paid per case did not show much change in the States of Andhra, Assam, Bihar, Bombay, Madras, Ajmer and in the case of Mining.

From the reports received from the States it would appear that, generally, the employers' attitude to the Acts, especially of those employing large number of women workers, was one of co-operation and understanding. Complaints were few and prosecutions were fewer still. Details regarding the number of complaints received and the number of prosecutions launched during the years 1954 and 1955 are given in the following table:-

States.	No. of complaints received.		No. of prosecutions launched.	
	1954	1955	1954	1955
Andhra	2	-	-	2
Assam	273	317	-	-
Bihar	-	6	-	-
Bombay	21	43	-	-
Madhya Pradesh	3	1	-	1
Madras	58	53	4	11
West Bengal	-	-	-	-
Hyderabad	128	58	-	-
Madhya Bharat	1	-	-	-
Saurashtra	2	-	-	-
Travancore-Cochin	-	N.A.	-	24
Mines -(Non-Coal)	43	-	-	-
Total.	511	478	4	38

N.A. - Not Available.

Employees' Provident Fund Schemes extended to Workless
in Oxygen, Acetylene and Carbon-dioxide Gases Industry.

In exercise of the powers conferred under the Employees' Provident Funds Act, 1952 (19 of 1952), the Central Government has added to Schedule I of the Act (indicating the industries to which the Employees' Provident Fund Schemes applies) the oxygen, acetylene and carbon-dioxide industry, as item (K) under the head 'Heavy and Fine Chemicals'.

About 3,600 more workers will benefit by this extension.

The contributions of these workers to the fund, along with the employers' share, are estimated at over 97,000 rupees.

About 5,475 factories and establishments have so far been covered by the Act. The number of subscribers is about 2,400,000. The average monthly collection of provident fund contributions is about 18.2 million rupees. The total contributions up to March 1957 amounted to about 802.6 million rupees.

(S.R.O. 1976, dated 8 June 1957;
The Gazette of India, Part II, Section 3,
15 June 1957, page 1242;
The Hindustan Times, 19 June 1957)

CHAPTER 12. INDUSTRIAL COMMITTEES.

INDIA - JUNE 1957.

121. Special Information.

Chavan lays Foundation Stone of the Bombay Textile
Research Institute Ghatkopar; Chairman appreciates
Government Assistance.

Shri Y.B. Chavan, Chief Minister of Bombay laid the foundation stone of the Bombay Textile Research Institute sponsored by the Millowners' Association, Bombay, at Ghatkopar on 1 April 1957.

For details, please see section 28, pages 9-12 of this report.



LIST OF PRINCIPAL LAWS PROMULGATED DURING THE
PERIOD COVERED BY THE REPORT FOR JUNE 1957.

INDIA - JUNE 1957.

CHAPTER 3. ECONOMIC QUESTIONS.

The Coal Bearing Areas (Acquisition and Development) Act, 1957 (No. 20 of 1957). (The Gazette of India, Extraordinary, Part II, Section 1, 10 June 1957, pp. 219-231)

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

- (a) Industrial Disputes (Punjab Amendment) Act, 1957 (Punjab Act No. 8 of 1957). (Punjab Government Gazette, Extraordinary, 3 June 1957, pp. 889-890).
- (b) Industrial Disputes (Punjab Amendment) Act, 1957 (Punjab Act No. 9 of 1957). (Punjab Government Gazette, Extraordinary, 3 June 1957, pp. 891-892).

CHAPTER 8. MANPOWER PROBLEMS.

The Industrial Disputes (Amendment) Act, 1957 (No. 18 of 1957). (The Gazette of India, Extraordinary, Part V, Section 1, 8 June 1957, pp. 213-215)

BIBLIOGRAPHY.

INDIA - JUNE 1957.

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

- * (a) "Co-operative Societies in the Bombay State - Annual Administration Report, 1954-1955". Issued by the Government of Bombay. pp.194. (One copy sent to Geneva vide this Office Minute No. D.3/2213/57 dated 12 July 1957).
- * (b) "Co-operative Farming and Individual Farming on Co-operative Lines". By Dr. Otto Schiller. Received from All-India Co-operative Union. pp. 93 & 1.

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

- * "Annual Report (for the Year 1955-1956) on the Working of the Coal Mines Provident Fund and the Coal Mines Bonus Schemes". Issued by the Ministry of Labour, Government of India. pp. 46.

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

- * (a) "Collective Agreement and Standing Orders and Rules for Supervisory and Clerical Staff". pp.17.
- * (b) "Collective Agreement and Standing Orders and Rules for Workmen". pp.24. Received from Bata Shoe Co., Calcutta. (One copy each of the above sent to Geneva vide this Office Minute No. A.32/1675/57 dated 3 June 1957).

CHAPTER 11. OCCUPATIONAL SAFETY AND HEALTH.

- * "Silicosis in the pottery and ceramic industry". Issued by the Office of the Chief Adviser Factories, Ministry of Labour, Government of India. pp.53. (One copy sent to Geneva vide this Office Minute No. D.1/2214/57 dated 12 July 1957).

'L'

* Publications received in this Office.