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Industrial and Labour Developments in July 1957.

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

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - JULY 1957.

11. Political Situation and Administrative Action.

Fifteenth Session of the Indian Labour Conference, New Delhi, 11 - 12 July 1957: Programmes for Workers' Participation in Management and Workers' Education approved: Principles of Wage Policy and for Workers' Discipline laid down.

The fifteenth session of the Indian Labour Conference was held at New Delhi on 11 and 12 July 1957, Shri Gulzarilal Nanda, Union Minister for Labour and Employment, presiding. The Conference was attended by several Ministers of the Union and States' Governments. Shri V.K.R. Menon, Director of this Office attended the Conference by special invitation.

Agenda.- The following were the items of the agenda before the Conference:-

1. Action taken on the decisions of the Fourteenth Session of the Indian Labour Conference.
2. Report of the Fourth Session of the Committee on Conventions.
3. Report of the Study Group on Workers' participation in Management.
4. Report on Workers' Education.
5. Training Within Industry (T.W.I.).
6. A model agreement to guide employers in regard to rationalisation.
7. Steps necessary to popularise the Subsidised Industrial Housing Scheme among employees and co-operatives.
8. Wage Policy during the Second Five Year Plan.
9. Workers' discipline.

The Ministry of Labour had prepared detailed memoranda on the items of the agenda; the more important of these are briefly reviewed below:-

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Training Within Industry.- The Ministry's memorandum on this subject is on the same lines as the one prepared by this Office on T.W.I. last year.

Model Agreement on rationalisation.- Rationalisation, i.e., the proper reorganisation, on a scientific basis, of men, machines and management in an industrial undertaking or an industry as a whole has assumed added importance and urgency in India in the context of the plans for the development of the country's economic ~~years~~ resources, existing and potential. It was apprehended, not without justification, that such technological changes would result in large scale retrenchment and unemployment and heavier work loads for the existing complement of workers; as such, the earlier attempts at rationalisation had evoked the bitter opposition of organised labour and the resulting controversies and industrial strife threatened to undermine the very productive effort which was sought to be increased through the introduction of rationalisation.

The difficulties that arose in the introduction of schemes of rationalisation at the unit level are:-

- (a) apportionment of work load,
- (b) extent to which wages are to be increased in the event of increased work load,
- (c) extent of machinery which is obsolete and requires to be replaced,
- (d) enforcement of stricter standards of control over the installation of new machines, and
- (e) retraining of retrenched workers and finding alternative jobs for them.

The matter was discussed at several Conferences and on the basis of these discussions certain broad principles which should govern the introduction of any scheme of rationalisation were evolved, and incorporated in the First and Second Five Year Plans. The Ministry of Labour, had, in this regard, drawn up a model agreement to guide employers.

The agreement lays down that the company shall have the right to make such technological changes in operations as it deems necessary for efficient operation of machinery and rational use of labour and material, subject to the terms of this agreement and without prejudice to the provisions of any law for the time being in force. A technological change is defined to mean any change in plant or equipment, or a change in a process or method of operation, resulting in the diminution of the total number of employees required to operate the department or plant. The term shall not include conditions of lay off caused by the State of business or variations in demand and shut down for plant repairs or other temporary or seasonal interruptions of work.

Before any 'technological change' is effected the company shall give reasonable notice, ranging from three weeks to three months, to the union of its intention to effect such change. The notice shall be in a form mutually agreed upon and shall contain full information regarding the nature of the proposed change, approximate date of such change, proposed duties for workers concerned and their job assignment and the expected earnings.

Wherever possible, the employer will also furnish information regarding the change and the reduction in the number of jobs and also the effect of the change on the number of jobs in other departments affected by the same change.

Steps should be taken to expend if possible the activities of the plant or the unit of production so as to absorb persons that are likely to be rendered surplus as a result of the introduction of the technological change. No employee shall be retronched if other jobs are available in the same plant or under the same employer carrying rates of pay comparable to the previous rates of the employees concerned subject to their fitness for alternative jobs. Steps should also be taken by the employer to train such employees for making them suitable for the alternative job.

The agreement provides that the parties shall meet and discuss the proposal as soon as possible after the notice has been given. The employer will furnish all information which is necessary for a complete understanding of the proposed change and will explain the contemplated change to the union. The union shall, within a week after the discussion with the employer, submit its views or proposals to the employer. If there is agreement between the parties, the employer may introduce the change on the due date in accordance with the agreement.

The order of retrenchment, if any, shall ordinarily be as provided for in Section 25-G of the Industrial Disputes Act, 1947. The employer may depart from the principle of juniority only in exceptional cases and for reasons to be recorded in writing. Retrenched employees shall have preference for employment under the same employer.

It is also provided that a notice shall be posted in the department affected by impending retrenchment, inviting volunteers for retrenchment on payment of the retrenchment compensation due under the Industrial Disputes Act, 1947.

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Regardless of seniority, "protected workmen" as defined in section 33(3) of the Industrial Disputes Act, 1947, shall be retained despite retrenchment resulting from the change, provided such members are of average knowledge, skill efficiency and physical fitness and are considered suitable for the jobs to be entrusted to them.

The union shall be given adequate opportunity to study the new change so as to enable it to gauge the work loads and earnings of the employees engaged in the new operations.

If there are differences between the parties on any matter covered by this agreement, the matters in dispute shall be referred for arbitration. A panel of arbitrators acceptable to both parties should be maintained by the employer.

Subsidised Industrial Housing Scheme.— The memoranda outlines the progress of the Subsidised Industrial Housing Scheme (vide section 38, pp. 49-53 of the report of this Office for April 1957) and states that as compared to State Governments, the response from employers and co-operatives of industrial workers has not been as encouraging as anticipated. Out of 89,408 tenements sanctioned, the employers accounted for 12,787 or 14 per cent and the co-operatives for 1,669 or only 2 per cent. When the Subsidised Industrial Housing Scheme was formulated, it was hoped that both the employers and the co-operatives of workers would take advantage of the terms that had been offered and put up a large number of houses. The expectations have not materialised. The following suggestings are made:—

- (a) It should be incumbent on employers to provide at least some houses for their workers under the Subsidised Industrial Scheme;
- (b) The quantum of financial assistance to employers may be raised from 62-1/2 per cent to 75 per cent, i.e., 50 per cent loan plus 25 percent subsidy, and guarantees from Scheduled Banks may be accepted as alternative security in lieu of execution of agreements and mortgage deeds;
- (c) The Central Government is already advancing short-term loans, under the Low Income Group Housing Scheme, at low rates of interest to State Governments for acquisition of land and its development with essential services such as water-supply, drainage, roads, electricity, etc. The State Governments may be permitted by the Central Government to sell part of such developed land to employers and co-operatives, on nonprofit no-loss basis, for the construction of houses under the Subsidised Industrial Housing Scheme. Where the housing colonies are located far away from the factory area, cheap transport should be provided to workers with the assistance of the State Government and employers;

- (d) The Housing Department of State Governments should assist employers and co-operatives in the procurement of essential building materials;
- (e) The Allotment Committee consisting of the representatives of the State Government, employers and workers, may allot houses, out of turn at their discretion, upto 20 per cent of the accommodation available, instead of 10 per cent provided in the existing rules, for the benefit of skilled workers, who may be termed as "Key personnel";
- (f) Housing Co-operatives have to handle long-term finance and management of real estate, unlike co-operatives formed for other purposes; the Housing Departments of State Governments should, therefore, organise separate housing co-operative movements, and for this purpose a special unit drawn from the Registrar of Co-operative Societies should function under the administrative control of the State Housing Department;
- (g) Taking into account the inability of many workers to provide their own contribution, viz., 25 per cent of the cost, the Central Government has permitted State Governments to build houses under the scheme and allot them to workers on a hire-purchase basis. However, if some of the workers prefer to own the houses straightaway, they may be permitted to withdraw their contribution of 25 per cent from their accumulations under the Employees' Provident Fund Account;
- (h) For effective implementation of housing schemes for workers and other low income groups, a greater co-ordination in various departments is necessary at the State level. At present, in most of the States, the subject of housing is being handled by several departments, which creates difficulties, particularly in the way of workers taking full advantage of the Subsidised Industrial Housing Scheme. It is, therefore, suggested that each State Government should have a Housing Department dealing with all aspects of housing in an integrated manner.

Wage Policy.— Two important aspects of wage policy, as stated in the Second Five-Year Plan, are (i) the laying down of principles to bring wages in conformity with the expectations of the working class, and (ii) the appropriate machinery for the application of these principles to cases referred to it. With regard to the latter, it has been accepted that tri-partite wage boards, where interests of employers, workers and consumers are represented, would provide an appropriate forum. As to the former, there has been a demand from workers that a Wage Commission be appointed to settle these principles. The view taken by the Planning Commission was that the appointment of a Wage Commission should be deferred till the results of the Wage Census which is proposed to be undertaken soon became available. In the meanwhile the Planning Commission set up an official Study Group to examine the data and information available in the country in their relation to framing suitable guide-lines for settlement of wage demands. No specific terms of reference were formed for the Study Group; it was free to think out for itself the kind of material that would be useful for authorities appointed for fixation of wages.

The Group held a series of meetings between June and October 1956 and considered various issues affecting the question of wages. It then appointed a Sub-Group to prepare material which could be presented in the form of a report. This Sub-Group recommended to the Study Group that rather than drawing up a formal report, it would be better if notes were prepared on different aspects of wage problems and sent to the wage fixing machinery. This plan was approved by the Study Group and the following four notes have been drawn up:-

- (a) Some general principles in the determination of industrial wages in India.
- (b) Principles of Wage Fixation.  
(A Study of Industrial Awards).
- (c) Determination of Minimum Wages.
- (d) Share of Wages in Factory output.

The Study Group has suggested that the wage policy should be designed to secure continued improvement in the living standards of workers, reasonable returns for the employers and the economic and social objectives of the community. These were inter-dependent considerations and in theory there was no conflict between them. But experience has shown that in this delicate balance, the workers were often left behind, mainly because of their weak bargaining position. The balance between the three factors could best be maintained by tripartite wage boards in which all the three interests could be represented.

The demand of workers for a fair wage, which had received a further fillip by the acceptance of the socialist pattern of society as the objective of State policy, was dependent on the capacity of the industry.

The Study Group has suggested that the capacity to pay should be judged on a region-cum-industry basis and not that of a single unit or of industries as a whole in the country. The wage policy should also provide for wage differentials which was a necessary concomitant of wage system in modern industrial organisation.

The ILO Productivity Team that visited India reported that the ~~said~~ ad hoc differentials established by various awards were unscientific and had produced many anomalies blurring the relationship between earnings and the work performed and had an adverse effect on incentives. The Team had recommended establishment of differentials on a proper job evaluation as in Western countries. Adverting to this, the Study Group has stated that there is always a tendency amongst workers to insist on maintenance of the current differentials. A pragmatic approach will therefore have to be adopted with the active participation of employers and workers.

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Dealing with the economic and social implications of a wage policy, the Study Group says that from the purely economic point of view a wage policy should avoid exerting inflationary pressures or pressures on balance of payments, promote productivity and facilitate savings and capital formation.

On the social side it must move in the direction of reducing inequalities of income and wealth and a more even distribution of national product. This should be achieved by increasing the wages at the bottom rather than reducing the top wages.

While the economic and social objectives might clash in wage determination, says the Study Group, it should be remembered that economic efficiency is both a result and an essential condition for the satisfaction of legitimate social aspirations. Workers would not put forward their best unless they got as a reward for their work what current social or political climate dictates as fair.

At the same time an effort to push social objectives beyond what economic considerations warrant in the short run could only lead to disillusionment or a self-frustrating scramble.

The Study Group has also dealt with the suggested antithesis between higher wages and greater employment and doubts whether in fact there was any such antithesis. It was no doubt essential to increase employment, but there could be no real gain in merely increasing the number of discontented employees. Each employed person should be assured and paid a fair wage.

If the experience of industrially advanced countries is any guide, pressure of unions for wage increases has always been a powerful factor in bringing about improvements in technological efficiency. As long as wage increases were reasonable there was no reason why higher wages and more employment might not go together.

The Study Group concedes that wherever on the facts of the case it is borne out that increase in wages has not kept pace with increase in productivity, there would be a prima facie case for wage increase.

But workers could not expect to be compensated fully for increase in productivity. In a country where demands for capital formation were heavy and would continue to be so for some time to come, workers would have to be content with wage increases smaller than was warranted by increases in productivity. At a time when all-round austerity was called for it was fair to expect workers also to contribute their share to the sacrifice.

Workers' Discipline.- The memorandum on this subject states that workers' discipline assumes a new significance in the context of the social transformation now under way in India. The basic social changes that are taking place call for a new outlook on the part of the workers and a shift of emphasis in all collective action for advancing their interests. The traditional policies have to be changed in the altered social context. There is need today for a reappraisal of the situation which offers to the working class new opportunities for cooperation in building up an economy based on social justice.

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The first condition for the success of this endeavour is maintenance of industrial peace so that production programmes may proceed without interruption. Though the record in this respect was reasonably good during the last few years the number of man-days lost due to industrial disputes rose to 5.6 million in 1955, and 7.0 million in 1956 as against an average of about 3.5 million during the four years previous years. There have also been many instances of 'go-slow' 'pen-down' and 'stay-in' strikes and the like.

At the present critical stage of its development the country can hardly afford to countenance any action that results in loss or slow-down of production. What is needed at the moment is a sense of purposeful discipline leading to ever-increasing production. The leaders of the working class can assist in the drive for higher production by taking a more active interest in the production of discipline among the ranks.

Indiscipline often arises from frustration and absence of a sense of responsibility. Active steps have been taken during the last few years for improving working conditions and expanding welfare amenities; for raising the level of earnings and providing a measure ~~act~~ of social security. The machinery for prevention and settlement of disputes has been readjusted in order to make it more effective in its operation and a climate is being created for closer association ~~and~~ of workers with actual management. These measures may not be enough to meet the aspirations of the workers fully. They are, nevertheless, not insignificant by way of an earnest and should help in creating confidence in the future and in generating a sense of responsibility among the workers.

It may be necessary to take measures of an educational nature for developing, among the workers, an awareness of the great changes that are taking place and of the positive role that they have to play in bringing about and sustaining a new social order. The roots of indiscipline often lie as much in the minds of men as in the environment in which they work and live. When there is an atmosphere of indiscipline in community life in general it is bound to be reflected in the industrial life of the community. The behaviour of management in their day to day dealings with labour has also a direct influence in determining their attitude and behaviour. If the management look upon their workers as partners in a common endeavour they will generally respond by carrying out their duties with dignity and discipline.

In devising measures for improving workers' discipline one approach may be to confine attention, in the first instance, to the so-called pockets of indiscipline and make a study of the underlying causes that lead to frequent acts of indiscipline in these areas. It may then be possible to set up local machinery for promotion of discipline ~~to set up local machinery for~~ through educative propaganda and other measures for eliminating the basic causes of indiscipline.

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Proceedings: Shri Nanda's address.- In the course of his speech inaugurating the Conference, Shri Nanda explained the labour policy of the Government in the context of the Second Five-Year Plan.

Need for higher productivity.- Emphasising the need for higher productivity, the Labour Minister said there were several measures which the country had to adopt to ensure the fulfilment of the Plan, but the most effective and fruitful of them could be described as the achievement of higher productivity in every aspect of their economic life.

For both higher productivity and better discipline among workers, Shri Nanda added, conditions would have to be created which included among other things a sense of security of employment, prompt attention to grievances, a fair deal in all matters, free latitude for organisation, a practical recognition of the status of the worker as a partner and consideration for his well-being.

Workers' participation.- The problem of productivity had, on the worker's side, to be considered in intimate relation to his outlook and attitude, his degree of training, the material incentives and the environment in which he worked and lived. The various items on the agenda - wage policy, housing, training, workers' participation in management, discipline, workers' education - had all to be treated as parts of an integrated approach to the attainment of higher standards in respect of workers' performance as well as well-being.

The success of the experiment of workers' participation in management, Shri Nanda said, would be "an earnest of our desire in industrial democracy without which a socialist pattern for India can have little meaning".

There was, however, danger that workers' participation might "just remain a slogan or become an eyewash". "If that happens", Shri Nanda said, "the results in the industrial field, by which we lay so much store, may not materialise to the extent of our expectations."

"Whoever fails to do his part in this new endeavour will take on himself the responsibility for holding up the progress of the country in an essential aspect.

"Our first steps should be firm and sure." Let us not think of spectacular arrangements. We need a sound set-up which will endure and grow. For this a certain amount of preparation is necessary which should begin without loss of time", Shri Nanda said.

Workers' discipline.- Turning to the question of workers' discipline, Shri Nanda said he felt very uncomfortable when he heard from many people that indiscipline was rife in offices and factories.

"I feel so because I am jealous about the good name of the workers, having spent a lifetime with them and in their service. When the workers lose their sense of discipline, they and the community have lost something very precious. Without a high standard of discipline there can be no prospect of either improved productivity or any effective participation of the workers in management".

In this connection, he recalled "instances of rowdyism, coercion and intimidation" which had occurred in recent months. "Murderous assaults have taken place, the victims being managers as well as workers in several cases. This is a measure of the breakdown of industrial relations/as well as, to an extent, of the machinery of law and order in those parts".

"It will be wrong", Shri Wanda added, "if I leave the impression that workers alone are responsible for this deplorable state of affairs. I am well aware of the fact that in the case of the serious manifestations of indiscipline to which I have referred, the sins of omission and commission of the managements concerned may have had much to do, as causes or as contributory factors. But nothing at all can constitute a justification for an assault or a murder".

Code of Behaviour.- Shri Wanda appealed to the delegates to the conference to take counsel together and evolve a code of behaviour in the enforcement of which the employers and the various workers' organisations should give unreserved co-operation.

On the question of workers' earnings, the Labour Minister said he adhered to the view that in spite of the increase in wages in recent years, in money as well as in terms, workers' earnings and their standard of living were too low.

"I cannot help this view when I think of the houses and the environment in which the workers live and the kind of food, education, clothing and other amenities which become available to them.

"I also realise that these deficiencies are a part of the general problem of poverty in the country and what the working class lacks cannot be made good to them for the most part without a corresponding increase in output and productivity. A rising standard of living must be matched by increasing levels of production".

Rationalisation.- Referring to rationalisation, Shri Wanda said it was a good word but it had come to possess a bad odour. Workers were apt to resist proposals for improvements in plant and processes which might lead to a shrinkage in the volume of employment. This was a ~~justification~~ justifiable attitude in the conditions obtaining in the country.

Shri Wanda said he would have no hesitation in making the admission that he himself had come in the way of several such schemes. The existing employment of these who had entered the industry must be protected in one form or another, but the manner of doing so must be such that it did not defeat the very object they had in view.

The question of potential employment was also raised in the same connection and it was a valid issue. He would, however, urge that potential employment should be considered in a wider context, since too narrow a view of it might not be in keeping with their own aim of securing expanding opportunities for employment.

Shri Wanda stressed that the attitudes towards industrial practices which were fully rational in the static economy of the past years became untenable in a period of all-round expansion. The natural reaction of workers to innovations which had an impact on employment had now to be revised in the light of the implications of a planned economy.

Employment.- A plan for economic development, Shri Wanda said, had also to embrace a plan for employment. The massive investments in the Plan must enlarge the extent and range of employment. At the same time higher standards of living which were made possible as a result of the Plan should lead to a growing demand for the products of industry.

But it was only higher productivity levels which could create the requisite surpluses for larger investments as well as higher standards of living. The labour movement owed it to the would-be newcomers into industry as well as to the rest of the community that these fundamentals were not ignored in practice. "We cannot also afford to be oblivious of the fact that every year there is a net addition of 1.8 million to 2 million people to the working force in the country on account of the continuous increase in the population. It must be our common aim that the total effect of our policies is the creation of maximum employment in the country, accompanied by a steady rise in living standards.

"This will also inevitably mean, for the workers and their children, opportunities of a varied kind, at higher levels of skill. If we let out ideas and proposals we always tested on this touchstone, I am sure we can reach agreed conclusions about most things, and our differences will be confined to a very small area."

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Wage Disputes.- On wage determination, Shri Nanda said the task was beset with so many complexities that it was not surprising that decisions sometimes presented anomalous features.

A fully balanced settlement of the parties' claims could only arise from a process of give-and-take, based on an intimate knowledge of conditions, which the affected parties alone could undertake. It was the absence of dependable criteria and norms which hampered the work of adjudication and discouraged efforts at amicable settlement between the parties.

Shri Nanda felt that much more could have been achieved in regard to housing for workers, and the possibilities in this respect had not been fully used.

He called for active co-operation from the employers' and workers' organisations in the movement of "training within industry" which, he said, could operate as a vital force in rising the level of efficiency and improving employer-employee relations in the industrial undertakings.

Shri Nanda hoped that the claims of the Plan would occupy the thoughts of the delegates as the realisation of the targets of the Plan called for very special efforts on the part of all, especially workers and managements.

General Debate.- Representatives of employers, workers and Governments expressed their general views on some of the items before the conference before it split up into two committees to consider them in detail.

Shri G.D. Somani (All-India Organisation of Industrial Employers) assured the fullest co-operation of employers in implementing the Plan. On the question of workers' participation in management, he wanted a small sub-committee to be set up to work out the details of the pattern of the councils of management.

Regarding housing, Shri Somani said that one of the major problems was that relating to administrative rules. There was delay in getting the sanction of administrative departments in respect of the subsidy and aid. Steel and cement should also be supplied cheap and the Government should not itself contribute to an increase in prices by heavy taxation.

The question of wages, Shri Somani continued, was very complicated. A Wage Board had been set up for the textile industry. He hoped its deliberations would be successful. But one point to be borne in mind was the problem of keeping down the costs of manufacture both from the point of view of the internal and export markets.

Supporting the Labour Minister's plea for maintaining discipline among workers, Shri Somani said discipline should ~~be in the way of production~~ be maintained and nothing should come in the way of production.

Shri S.R. Vasavada (INTUC) said that labour had assured the people and the Government of its "unstinted support" to the second Plan. But the wage policy must be sympathetic, progressive and dynamic. "Is it not fair on the part of the Government, employers and the country to see that those who strove to make the first Plan a success are given their due share, in the increased wealth of the country?" he asked. All the increase might not go to the workers - they had not demanded any such thing - but they must get a fair share, he added.

On rationalisation in industry, Shri Vasavada said it should be subject to three conditions: no retrenchment of existing labour force; proper method of distribution of gains of rationalisation amongst workers, management and consumers; and proper employment conditions.

Shri Vasavada said that indiscipline existed not only amongst workers but among managements also. While discipline should be enforced they must diagnose the disease before seeking remedies. Indiscipline, whether in the private or public sectors, in his opinion, was due to the absence of any definite policy in respect of industrial relations, welfare of workers and other such factors. How could they expect workers to maintain discipline if they had no redress of their grievances, he asked.

There should also be complete respect for awards, Shri Vasavada continued. How could employers ~~and~~ or Government expect industrial peace or discipline when the moment Parliament passed a legislation employers rushed to the Supreme Court to challenge it on technical grounds or when wage boards gave decisions and employers immediately invoked the Supreme Court's jurisdiction? He had a number of cases of awards not being implemented by State Governments.

Again the Railways, Posts and Telegraphs and the Production Ministry had complete freedom from the Industrial Disputes Act. How they could expect industrial peace in these establishments when the machinery for settling disputes was not available to the workers?

Shri Vasavada suggested the convening of a conference of workers and employers to evolve a truce for the Five Year Plan and providing for arbitration machinery for settling all disputes and differences that might arise between workers and employers.

Shri Naval H. Tata (Employers' Federation of India) welcomed the Government's policy of bringing before the conference important items before taking decisions.

Pleading for a "wage freeze", Shri Tata said that they were living in abnormal times. There was an inflationary trend. There were methods of checking profits of industries through excise duties and other taxation measures. The wages of workers had undergone many changes and the per capita income in organised industry had gone up considerably. But if, as result of the inflationary trends, the workers found it difficult to meet the domestic budget, the fault did not lie with the employers. Under the circumstances there was need for wage restraint for a temporary period. In other

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countries undertaking planning too, it had been found that for a time wages had to mark time. Otherwise wages would chase prices.

Regarding workers' participation in management, Shri Tata pleaded for voluntary action. A small committee might work out details of the pattern of the councils of management, he said.

On the question of indiscipline, he did not want to apportion blame, but the question was to what extent indiscipline was due to genuine discontent and to what extent to the agitation of trade union leaders. There had been instances of workers refusing to abide by awards when these did not suit them. Shri Tata was of the view that to some extent the attitude of Governments and tribunals had also contributed to indiscipline.

He could not understand what objection labour should have to rationalisation, even if it involved retrenchment, if all the necessary compensation was given. In the long run it would be found that rationalisation benefited the workers also even if they had to undergo some temporary hardship. Where as a result of rationalisation and extra human effort or technical skill, the industry gained some profits, industry itself was willing to give labour its due. But he could not understand the demand of labour when the increased profits were not due to any extra effort or skill of labour.

Shri S.A. Dange (AITUC) said that he regretted to find a rather new note on wages in the speech of the Union Labour Minister. If a wage freeze was ruled out, if a general wage increase was also ruled out, then only a wage cut remained; but that did not seem to be the idea of the Minister.

Intervening Shri Nanda said that all that he had meant was that there could not be a general 15 or 20 per cent rise, but there could be rise only when circumstances warranted.

Criticising the report of the study group of the Planning Commission on the question of wages, Shri Dange said that all the central trade union organisations were of the view that conditions existed for a general wage increase, though it might be more in some cases and less in others. This rise was justified because of the increase in wealth and productivity. In view of the boom in profits he saw no reason why a wage rise could not be granted. It was not that Government was unmindful of it. Wages had been increased in the coal industry and a Wage Board had been set up for the textile industry.

It was unfortunate that the Government rarely moved unless there were "strikes or some other kind of indiscipline". Instead of preaching discipline to workers, it would be better "if some kind of social discipline is introduced in the thinking of employers and courts". Courts should have some consideration to national planning and social policy. Shri Dange said that he could not understand the demand for a wage freeze when there was no freeze on the profits of employers.

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Shri Dange rejected on behalf of the AITUC the Government proposal for a model rationalisation agreement which, he said, was really "a model unemployment agreement". Asking a worker to work four looms instead of two, as was proposed in the Kanpur textile mills, did not mean any technological change, though it might mean technical skill on the part of the worker in the manipulation of his hands.

"In the name of technology and progress we are not going to agree to any scheme of rationalisation resulting in increased workloads or increased unemployment".

Shri Dange said that before trying to introduce management councils, they might do well to see that works committees functioned well. Even in Government establishments, whenever the labour representatives elected did not belong to any particular union that the officers patronised or whenever these works committees sought to discuss important issues, they were never summoned. "If works committees did not function in Government establishments, ~~to talk~~ what right had the Government to talk of management councils in the private or public sector?" Shri Dange asked.

Shri Dange added: "Let us try the work committees, give them powers and see how they function. Let us have these management councils to begin with in the Government sector, because success would be easier as, unlike in the ~~private private~~ private sector, in the public sector profit was not the primary motivating force".

The Labour Minister of Madras, Shri R. Venkataraman, said that it would probably be better if they waited for some experience to be gained before going in for legislation in respect of workers' participation in managements. The Madras Government, he added, ~~would~~ would for its part try the experiment in a public sector industry and a private sector industry. He suggested the same procedure to other States. The experience of such experiments could be considered at the next conference and then it would be time to think of what type of legislation should be evolved. He also pleaded for participation of workers in the boards of directorates of companies. This alone, he argued, would give the workers' "inside knowledge" and help them to discharge their functions adequately.

Pleading for compulsory recognition of a single trade union in each industry by a process of secret ballot amongst workers, Shri Venkataraman said that much of the indiscipline could be traced to trade union rivalries. He referred to a present dispute in the Harvey group textile mills in the ~~trade~~ Madurai and said that though all the trade unions and managements had signed an agreement on new workloads and the carrying out of the award of an industrial tribunal, still the agreement could not be made effective because of trade union rivalry.

The Madras Labour Minister was opposed to rationalisation schemes involving reduction in working force. It would be difficult for States, he said, to maintain industrial peace if this was allowed.

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Dealing with the wage structure, Shri Venkataraman said he was not sure the tripartite wage committees would be very successful, as their decisions would not be binding and public opinion in the country was not strong enough to make them binding. He had been a member of a statutory wage board whose decisions were binding and even here the decisions had not been implemented. The decisions of the Wage Board for working journalists instead of becoming final were becoming the starting point of a series of disputes.

Shri J.N. Maitra (HMS) pleaded for a wage commission and said this alone could gather all the necessary data and formulate the lines on which the wage board could function.

Opposing rationalisation schemes, Shri Maitra suggested that in a country like India where capital was scarce, it was better to use the capital for new industries than to modernise existing ones and throw out workers.

Shri H.P. Merchant (All-India Manufacturers' Organisation) said that wage policy should be linked to productivity. Cases of assault, rioting, etc., should be made cognizable to deal with the problem of indiscipline he said.

Shri Bishwanath Dubey (United Trade Union Congress) said he was surprised at the employers' plea for a wage freeze. It was not prices that chased wages but wages that tried to chase prices. Either the prices should be controlled - he had seen no suggestion for that from the employers - or workers must get adequate dearness allowance to compensate the increase in prices.

After the general discussion, the Conference split up into two Committees to consider the agenda. The reports of the Committees were endorsed by the Conference and constituted the decisions of the Conference. The reports of the Committees are reviewed below.

1) Report of the Study Group on Workers' Participation in Management. - While there was general agreement, in principle, with the basic idea of worker participation in management there was some discussion whether the idea should be implemented through legislation or by mutual agreement between employees and employers in selected industrial establishments. On behalf of the employers, it was suggested that they should be given a period of two years to operate the scheme of workers' participation voluntarily and if this experiment did not succeed, Government might bring in legislation. The employees' representatives were, however, apprehensive about leaving the matter only to the initiative of employers and employees and desired that in order to avoid any delay in the implementation of the scheme an enabling legislation should be instituted. During the course of discussion it was pointed out that as the scheme was proposed to be implemented in selected industrial units, the question of instituting legislation should not be thought of at this stage. Such a scheme sponsored on the volition of employers may promise better success. There was some discussion regarding the method of selecting the workers' representatives, particularly where there were more than one union. After some discussion it was decided that a small sub-committee of four persons each from the employers' group and the employees' group and Government be set up immediately to consider the details regarding

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the scheme of worker participation in management. The Committee, however, accepted the main recommendations contained in the Report of the Study Group relating to the main functions of the councils of management, exclusion of wage, bonus and individual grievances from the purview of these councils, entrusting the councils with certain administrative responsibilities including administration of welfare and safety measures, and vocational training and maximum utilisation of tripartite machinery and the co-operation of trade unions.

2) Report on Workers' Education.- The Committee endorsed the recommendations regarding workers' education contained in the report with some modifications. The recommendations, as modified, are as follows:-

i) A Central Board, having semi-autonomous authority, should be established comprising representatives from trade unions, employers, Government (including Ministries of Labour and Education) and educational institutions. Its primary functions should be to: (A) Lay down policy; (B) Administer the programmes, allocate funds, inspect, co-ordinate, audit accounts; etc.; (C) Arrange for the provision of educational materials; (D) Establish standards for teachers and programmes; (E) Encourage the establishment of active educational departments within the national unions and federations; and (F) Otherwise, stimulate and promote the development of workers' education.

ii) At the instance of the Central Board or when a local demand is made, State and/or Regional Boards on the pattern of the Central Board should be set up as soon as practicable. Within their respective areas, the functions of these Boards should be similar to those of the Central Board.

iii) Local Workers' Education Boards should be created in industrial centres by existing Boards. The Local Boards should encourage local workers' education activities and administer approved programmes.

iv) Any industrial worker, whether literate or illiterate, trade union member or not, and full-time union officials and staff should be eligible for the services provided by the Boards. Selection of candidates for the Workers' Education Programme should be made by the Local Boards.

v) Where trade unions exist, applications for workers' education may be channelled through such trade unions. In the absence of trade unions, workers may apply direct to their respective Boards.

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vi) A series of programmes should be organised in existing educational institutions, at local union level, community centres, places of employment, or at labour colleges and schools that may be established to provide instruction in:- (A) Trade union consciousness; (B) The purposes, functions and administration of trade unions; (C) The conduct of union-management relations and knowledge of the industry; and (D) The development of a mature individual and his role as a citizen.

vii) Instruction should be provided for programmes as follows:- (A) Single-session conference; (B) Part-time classes; (C) Full-time courses from one week to three months or of a longer duration when required; and (D) Such other methods as may be found desirable. Full attention should be paid to the techniques of instruction such as informal discussions, role-playing, field work, seminars, lectures, films, correspondence courses, etc.

viii) Provision should be made for training teachers and programme administrators for full and part-time assignments. While existing facilities should be used to their maximum, an initial project of teacher-administrator instruction should be inaugurated forthwith.

ix) Suitable materials in the necessary languages should be prepared consisting of: pamphlets, books and charts; teaching manuals and guides; and audio-visual aids.

x) Institutions and individuals interested in workers' education should be encouraged to form a non-official Workers' Education Association acting in co-operation with the adult education movement.

xi) The Workers' Education Programme should be financed by: Central and State Government grants; contributions from trade unions; assistance in kind from educational institutions e.g. class rooms, libraries, teaching, etc.; support by employers through payment of release time wages for the duration of the training period; and grants from funds consisting of unpaid wages, fines, canteen profits, etc.

3) Training Within Industry.- While stressing the fact that this scheme deserved greater support from the employers and other concerned interests, the Committee accepted the following suggestions set out in the memorandum: (i) T.W.I. should be intensified by having definite programmes drawn up for (a) groups of typical industries and (b) on a regional or State basis dealing, in order of priority, with areas where the larger industries are located. (ii) Special programmes should be arranged for industries in the nationalised sector, including potential supervisors required for the new industries to be developed during the Second Five Year Plan. (iii) The scheme should be implemented in consultation with the workers' unions. (iv) Persons trained under the scheme should, as far as possible, be continued on the job for which they had received training, so that their training might be of greater utility.

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4) Workers' Discipline.- The representatives of Government and Employers' and Workers' organisations at the meeting of the Sub-Committee discussed the question of maintaining proper discipline in industrial undertakings and cordial human relations so as to ensure maximum production in the wider national interest. It was accepted that the dignity and status of the worker should be recognised to ensure harmonious relations and better production.

The Sub-Committee unanimously agreed on the need for adherence to the following principles by employers and workers:-

- (1) There should be no strike or lockout without notice.
- (2) No unilateral action should be taken in connection with any industrial matters.
- (3) There should be no recourse to 'go-slow' tactics.
- (4) No deliberate damage should be caused to plant or property.
- (5) Acts of violence, intimidation, coercion or instigation should not be resorted to.
- (6) The existing machinery for settlement of disputes should be utilised.
- (7) Awards and agreements should be speedily implemented.
- (8) Any action which disturbs cordial industrial relations should be avoided.

Having agreed to the foregoing general principles, the Sub-Committee recommended that the following matters might be further studied:-

- (1) Uniformity in wages, service conditions and other benefits in the same industry in an area.
- (2) Need for long-term settlements, avoidance of dilatoriness and speedy settlement of industrial disputes.
- (3) Sanctions against employers or unions violating any of the principles mentioned in the preceding paragraph.
- (4) Proper definition of 'unfair labour practices'.
- (5) Question whether curtailment of production consequent on closure would amount to an act of indiscipline.

The Sub-Committee considered that the Works Committee at the unit level would be an useful agency to deal with matters relating to discipline and recommended the setting up of such committees wherever they do not exist and the appointment of similar councils at the local, regional and central levels.

5) Model Agreement on Rationalisation.- The Committee discussed the content of rationalisation and the procedure to be followed by establishments which proposed to introduce schemes involving higher productivity. It was emphasised that Government should make arrangements to ensure that measures of rationalisation which do not serve real economic interest in the present conditions of the country should be avoided. The Committee agreed on the basis provided for this purpose in paragraphs 28 and 29 of the Chapter on Labour Policy and Programmes in the Second Five Year Plan and emphasised particularly that: (1) There should be no retrenchment or loss of earnings of the existing employees i.e. the full complement required for the operations before rationalisation should be maintained except for cases of natural separation or <sup>wages</sup> wages.

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Workers could, however, be provided with suitable alternative jobs in the same establishment or under the same employer, subject to agreement between the employer and his workers. (2) There should be an equitable sharing of benefits of rationalisation as between the community, the employer and the workers. (3) There should be a proper assessment of workload made by an expert or experts ~~of~~ mutually agreed upon and also suitable improvement in the working conditions.

Subject to the above conditions, the following broad procedure was suggested on the lines of the model agreement prepared by the Ministry of Labour.

6) Industrial Housing Scheme.- The Committee noted with regret that the funds allocated for construction of houses to the various agencies viz., Governments, employers' and workers' co-operations had not been fully utilised. It urged that steps should be taken to remedy this unsatisfactory situation. The Committee examined the reasons for insufficient response from employers and workers for the Subsidised Industrial Housing Scheme and concluded that workers were not prepared to rent such houses in many cases because those were located in places far from their place of work. Note was taken in this connection of the need for co-ordinating Industrial Housing Scheme with those of slum clearance. Employers complained of administrative delays in getting financial sanctions, non-availability of building materials and the soaring land cost. The State Governments also pleaded for modifications in (a) the procedure for the allocation of funds (b) distribution inter se of the allotted funds between the different agencies (c) the procedure for acquisition of land for construction of houses and also (d) the types of accommodation on the basis of local conditions.

Rising costs and non-availability of land are becoming a major impediment to industrial housing. In order to overcome this difficulty steps should be taken by Government to freeze land prices at suitable levels and to make the land available for construction of houses under the industrial housing schemes.

A question was raised by the workers' representatives whether Government contemplated integration of existing schemes, namely, those of industrial housing, housing for low income group and other subsidised housing. It was explained on behalf of Government that some suggestions had been made to this effect but before taking any final decision in this regard Government would place the matter before the Indian Labour Conference, if such integration was likely to affect the provision for Industrial Housing.

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There was a general plea that there should be a rise in the ceiling on cost for tenements as fixed at present, and that the matter should be examined immediately. The Committee also urged on the Central Government that with the subsidy which the Centre gives to the States, the employers and the co-operatives of workers, there should be a guarantee that the necessary supplies of building materials would be made available if the distribution of such material was controlled by the Central Government.

The Committee also approved all the suggestions made in the Ministry's memorandum except that on allotment of accommodation to "key personnel".

Wage Policy.- The Committee considered the four notes placed before it and felt that they would be useful as background material for wage fixation. The Committee took note of the difficulties in assessing quantitatively the individual importance of various factors affecting wage fixation, such as, productivity, cost of living, the relation of wages to national income and so on and proceeded to discuss the wage policy with specific reference to minimum wages and fair wages.

With regard to the minimum wage fixation it was agreed that the minimum wage was 'need-based' and should ensure the minimum human needs of the industrial worker, irrespective of any other considerations. To calculate the minimum wage the Committee accepted the following norms and recommended that they should guide all wage fixing authorities, including minimum wage committees, wage boards, adjudicators, etc.

(1) In calculating the minimum wage, the standard working class family should be taken to consist of 3 consumption units for one earner; the earnings of women, children and adolescents should be disregarded.

(2) Minimum food requirements should be calculated on the basis of a net intake of calories as recommended by Dr. Akroyd for an average Indian adult of moderate activity.

(3) Clothing requirements should be estimated at a per capita consumption of 18 yards per annum which would give for the average worker's family of four, a total of 72 yards.

(4) In respect of housing, the rent corresponding to the minimum area provided under Government's Industrial Housing Scheme should be allowed for in the minimum wage.

(5) Fuel, lighting and other 'miscellaneous' items of expenditure should constitute 20 per cent of the total minimum wage.

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While agreeing to these guide lines for fixation of the minimum wage for the industrial worker throughout the country, the Committee recognised that there may be instances where difficulties might be experienced in implementing these recommendations. Wherever the minimum wage fixed went below the recommendations, it would be incumbent on the authority concerned to justify the circumstances which prevented them from the adherence to the norms laid down.

The Committee took note of the steps taken by Government for conducting (a) a wage census and (b) family budget enquiries in various industrial centres.

As regards fairwages, it was agreed that the Wage Boards, should go into the details in respect of each industry on the basis of the recommendations contained in the report of the Committee on Fair Wages. These recommendations of the Fair Wages Committee should also be made applicable to employees in the public sector.

The Committee agreed that the appropriate machinery for wage fixation would be tripartite wage boards similar to that already appointed for the cotton textiles industry. The Committee suggested that Government should set up, as early as possible, Wage Boards for the following sectors of employment: (a) Jute, (b) Plantations, (c) Mines and Ores (except coal), (d) Engineering, (e) Iron and Steel, (f) Chemicals, (g) Sugar, (h) Cement, (i) Railways, (j) Posts and Telegraphs, (k) Civilian employees in defence industrial establishments, and (l) Ports and Docks.

The Committee suggested that the Government Study Group might usefully assemble available material on the following subjects for the information of all concerned: (1) Work load and job evaluation, (2) Rationalisation of management in industries including those in the public sector, (3) Working Conditions, and (4) A detailed study of the relative share of workers, capital, management and the public exchequer in the factory product. In suggesting this it recognised the difficulties in the assembling of such material and its interpretation for the purposes of wage fixation, but felt that a beginning may be made in this direction.

I.L.O. Conventions.- The Conference also adopted the report of the Committee on Conventions (vide section 14, pp. 26-29 of this report).

(The fourteenth session of the Indian Labour Conference was reviewed at Section 11, pp. 2-10 of the report of this Office for May 1955).

(Documents of the Conference received  
in this Office).

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Kerala Government Policy announced: Nationalisation  
only in case of Mismanagement.

The Government of Kerala has declared that industrial units not included in Schedules "A" and "B" of the Industrial Policy Resolution of the Government of India "will not be nationalised unless ~~the~~ in the case of particular unit there is gross mismanagement leading to loss of national wealth or deliberate and continuous refusal on the part of the management to abide by the Government's policies with regard to the living and working conditions of the employees".

As regards the transport industry, the Government has already declared its intention of implementing a phased programme of nationalisation.

A booklet entitled "Industrial Policy of the Government of Kerala" issued on 21 June 1957, says that "reasonable compensation" will be paid in the case of those industries which, for any reason, are proposed to be nationalised. "This will also apply to foreign-owned plantations when they are nationalised with the concurrence of the Central Government."

The Government assures all encouragement and help to those entrepreneurs who are prepared to play a part in the economic development of Kerala.

It will do its utmost to give all possible forms of assistance to industrialists in setting up and managing industries. The taxation and price policies of the Government will be so devised as to allow reasonable profit after providing for accumulation of capital at reasonable rates.

As regards labour, the Government says that it will try to develop peaceful relations between the employers and employees. Long-term collective agreements will be encouraged providing for reasonable wages, allowances and bonus.

It is confident that the working class of the State will realize that it is in their interest to adopt a policy of entering into long-term agreements, provided the employers concede their legitimate demands. The Government is also convinced that stable industrial peace can be attained only with the willing co-operation of both parties.

The Government also offers State guarantees for private industrialists to secure credit from the Central Financial Corporations and other agencies of institutional credit. It will help industrialists to procure raw materials, equipments and other means of production and will assist them in exploring internal and foreign markets.

For promoting industrial peace, the Government says that it will take steps to get trade unions recognised and encourage mutual negotiations at all levels to eliminate all causes of friction to enable the worker to secure reasonable demands and to ensure uninterrupted production.

Consultative Committee.- For the purpose, the Government will use the machinery of joint consultative committees and tripartite boards. It will also recommend to employers the establishment of management councils which include representatives of employees which will help remove bottlenecks in production.

The Government will set an example by constituting such councils in Government-owned enterprises.

The policy statement says: "As an agency for planned national development in the context of the country's expanding economy, the private sector will have the opportunity to develop and expand."

The Government cannot force its policy of industrial peace either on the employers or the employees, but it is confident that the employers and employees will both realise the necessity of a patriotic and responsible attitude in this matter and help in their endeavour.

"The Government on its part wishes to emphasise that it will welcome and assist the development of all industries, large, medium or small, with promptness and enthusiasm," the statement said.

(The Statesman, 26 June 1957 )

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12. Activities of External Services.

India - July 1957.

Participation in Conferences, Meetings, etc.

(a) Shri V.K.R. Menon, Director of this Office, attended the meeting of the Indian Labour Conference, held at New Delhi on 11 and 12 July 1957.

(b) At the invitation of the Union Minister for Labour and Employment, Shri V.K.R. Menon accepted the chairmanship of a Study Group constituted by the Government of India to consider the possibility of introducing a comprehensive social security scheme in India. The first meeting of the Group was held at New Delhi on 1 August 1957.

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14. Conventions and Recommendations.

India - July 1957.

Fourth Session of the Labour Ministry's Committee  
on Conventions, New Delhi, 11 and 12 July 1957.

The fourth session of the tripartite Committee on Conventions set up in accordance with the recommendations of the thirteenth session of the Indian Labour Conference (vide pp. 1-12 of the report of this Office for January 1954), was held at New Delhi on 11 and 12 July 1957, Shri P.M. Menon, Joint Secretary, Ministry of Labour presiding. Shri V.K.R. Menon, Director of this Office was also present by special invitation.

Agenda.- The Committee had before it the following agenda:-

1. Action taken on the conclusions of the previous sessions of the Committee.
2. Position of ratified Conventions having special provisions for under-developed countries.
3. Convention No.29 concerning Forced Labour.
4. Convention No. 100 concerning Equal Remuneration.
5. Reports on Unratified Conventions:
  - (i) Minimum Wage Fixing Machinery Recommendation, 1928 (No.30).
  - (ii) Minimum Wage Fixing Machinery (Agriculture) Convention, 1951 (No.99).
  - (iii) Minimum Wage Fixing Machinery (Agriculture) Recommendation, 1951 (No.89).
6. Recommendations adopted by the 39th Session of the International Labour Conference (1956):
  - (i) Welfare facilities for workers (Recommendation No.102).
  - (ii) Vocational training in Agriculture (Recommendation No.101).

The Ministry of Labour had prepared detailed memoranda on these items of the agenda.

Decisions:

(1) Review of action taken on the conclusions of the previous sessions.- The Committee took note of the position in respect of the different Conventions and Recommendations, as indicated in the memorandum and recommended as follows:

(i) Convention No.20 concerning Night Work in Bakeries,1925.- The Committee took note of the position stated in the memorandum and came to the conclusion that it was not necessary or advisable to ratify the Convention.

(ii) Convention No.43 concerning Sheet Glass Works,1934.- In view of the infant nature of the Sheet Glass industry in India, the Committee agreed with the State Governments that there was no need for disturbing the existing practice of 3 shifts per day and 48-hour week.

(iii) Convention No.99 concerning Minimum Wage Fixing Machinery (Agriculture),1951.- Action for ratification of the Convention should be initiated in consultation with the Ministry of Law after the amending Act is passed by Parliament.

At an earlier session the Committee had recommended that after the Minimum Wages Act, has been amended, the Convention should be ratified if it appears, on the advice of the Ministry of Law that the amended law satisfied the requirements of the Convention. An amending Bill is already before Parliament.

(iv) Recommendation No.87 concerning Vocational Guidance,1949.- The Committee took note of the position stated in the memorandum and desired that the "Career Pamphlets" brought out by the Directorate General of Resettlement and Employment should be given adequate publicity.

(v) Recommendation No.31 concerning Prevention of Industrial Accidents,1929.- The Committee noted the information relating to industrial accidents in factories as given in the memorandum and made the following recommendations: (a) The question of accidents in non-factory employments, in respect of which there are no statutory regulations, was assuming importance and should be dealt with as a matter of urgency. Any steps for preventing accidents in such employments that might already be under consideration should be expeditiously implemented. (b) It should be recommended to State Governments that small bi-partite committees at the industry cum-local level should be constituted to pay surprise visits to the work-sites with a view to assessing the adequacy of safety measures and recommending suitable measures for eliminating or reducing accidents. (c) The results of the Industrial Hygiene Surveys, conducted by the Organisation of the Chief Adviser, Factories, should be given due consideration by State Governments and appropriate steps taken, wherever necessary.

(2) Position of ratified Conventions having special provisions for under-developed countries.- The item related to the Convention Nos. 1, 4, 5, 6 and 14, which have been ratified by India on the basis of special provisions embodying lower standards than those contained in the main provisions of the Conventions. The Committee decided that the feasibility of amending the existing laws or enacting new ones so as to enable the Government to draw up a phased programme with a view to implementing as many of the general provisions of the Conventions in question as possible should be examined and a report placed before the Committee at its next session.

(3) Convention No.29 concerning Forced Labour,1930.- The Committee was informed by the Chairman that the Committee set up by the International Labour Conference at its 40th Session held in June,1957, merely took note of the clarification furnished by Government of India. It was not, therefore, considered necessary to take any further action at this stage.

(4) Convention No.100 concerning Equal Remuneration,1951.- The Committee decided that the question of ratification of this Convention should be re-examined in consultation with the Ministry of Law in the light of the observations made by the I.L.O. Committee of Experts on the Application of Conventions and Recommendations as endorsed by the 39th session of the International Labour Conference.

(5) Reports on Unratified Conventions and on Recommendations.- The Committee took note of the reports sent to the I.L.O. on the following:- Minimum Wage Fixing Machinery Recommendation,1928 (No.30); Minimum Wage Fixing Machinery (Agriculture) Convention, 1951 (No.99); Minimum Wage Fixing Machinery (Agriculture) Recommendation,1951 (No.89).

(6) Recommendations adopted at the 39th Session of I.L. Conference.- The Committee approved the draft statements for Parliament on Recommendations Nos. 101 and 102.

The draft statement on Recommendation No. 101 states that the main lines of action indicated in the Recommendation towards the integration and development of training facilities for personnel connected with agriculture and allied occupations are already being followed by the Central and State Governments and the other authorities responsible for the development of rural areas. It may, however, be noted that the suggestions contained in sub-paragraphs (a) and (b) of paragraph 14 of the Recommendation are not capable of implementation in a country like India. Similarly, while efforts are being made to provide vocational training in agriculture and to give a priority treatment to future programmes of rural education, the achievement of equality between the urban and rural sectors of the population as regards the facilities for training and education, as envisaged in sub-paragraph (2) of paragraph 2 of the Recommendation, will take time.

Some other provisions, for instance paragraphs 20 to 24 relating to Apprenticeship, may not be easy of application under Indian conditions. Even so, the Recommendation will continue to provide guidance for the expansion of agricultural education. But, for the present no particular action specifically with a view to giving effect to the individual provisions of the Recommendation is considered necessary.

The draft statement on Recommendation No.102 observes that the existing facilities provided in India by law or through ~~facilities~~ ~~action~~ are voluntary action are broadly on the lines indicated in the Recommendation though not equally extensive in scope or content. While the principles for guidance laid down in the Recommendation will be kept in view in pursuing a general policy of continuous expansion of welfare facilities for workers through statutory and other measures, it is not proposed to take any specific action on its individual provisions at this stage.

The report of the Committee on Conventions was endorsed by the fifteenth session of the Indian Labour Conference held on 12 July 1957 (vide section 11, page 21 of this report).

(The proceedings of the third session of the Committee on Conventions was reviewed at Section 14, pp. 12-17 of the report of this Office for April 1956).

(Documents of the Committee, received in this Office )

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CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

INDIA - JULY 1957.

25. Wage-Earners' Organisations.

Special Conference of the National Federation of the Post and Telegraph Employees, New Delhi: Appointment of Second Pay Commission and Revision of Wage Structure urged.

A special conference of all the nine Unions of Post and Telegraphs and R.M.S. Workers' Unions was held at New Delhi on 6 - 9 July 1957, to consider the recommendation of the National Federation of Post and Telegraph employees for a general strike. Among the main demands of the Federation are: setting up of a second Pay Commission, interim increase in dearness allowance and pay scales and merger of the dearness allowance in basic salary. Nearly 1200 delegates attended the session.

Addressing the Conference, Shri Lal Bahadur Shastri, Union Minister for Transport and Communication, announced the Government's decision to set up at an early date a National Welfare Board for Post and Telegraphs employees. The Board, he said, would consist of representatives of P. and T. employees and the Government. It would recommend to the Government steps to be taken to increase the amenities to the staff so as to provide better working conditions.

Shri Shastri also expressed the desirability of setting up a standing committee to carry on negotiations in respect of the Federation's demands and watch the progress made as a result of discussions between the representatives of the Government and the Federation. Such a standing machinery, the Minister said, was sure to yield results.

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The Government, he added, was also examining the question of appointing an officer of high standing, who besides being in charge of staff relations, welfare activities and relations with organised unions, would personally examine petitions submitted to the Government.

In the earlier part of his 60-minute speech, Shri Shastri suggested that the way of negotiation rather than the threat of a general strike should be adopted if the Federation's demand for a second Pay Commission and the increase in dearness allowance was not met.

Inaugurating the special conference, Shri V.G. Dalvi, President of the P. & T. Workers' Federation, said the Federation's attempt to reach a negotiated settlement had not yielded any results. Economic conditions were ~~finding~~ such that the employees were finding it very difficult to meet both ends. The cost of living index had gone up from 180 in 1946 (when the first Pay Commission was appointed) to about 430, and it was likely to continue to rise as a result of the new taxation proposals announced by the Finance Minister.

The Secretary-General, Shri Ghosh, speaking after Shri Shastri, said the Minister had not given any categorical reply to the employees' main demands. Past experience, he added, had shown that the Government machinery would be very slow. Many of the assurances given by the previous Communications Minister had not yet been implemented, he said.

Shri Ghosh said the Government pleaded inability to appoint a second Pay Commission in view of their previous commitments on the Five-Year Plan. "But this Plan has been framed by a Government based on the capitalist system and it will do little good to the people."

Amidst applause Shri Ghosh suggested there was no alternative for the P. and T. employees but to go on a general strike.

The meeting was also addressed by Shri Amarnath Agarwal, M.P., Shri Nawabsingh Chauhan, M.P., President, All-India R.M.S. Employees' Union, Class Three and Shrimati Sucheta Kripalani, M.P., President of the All-India P. and T. Administrative Employees' Union. They advised the employees to give full thought to the Minister's speech before coming to any decision on the strike.

The nine unions of different branches of Post and Telegraphs employees considered the recommendation of the Federation for a general strike. The Federal Council by a resolution passed on 10 July 1957, ratified the recommendations of constituent units favouring a general strike for the achievement of the following urgent demands:

- (1) Appointment of a second Pay Commission;
- (2) grant of Dearness Allowance according to recommendations of the Central Pay Commission;
- (3) abolition of distinction between Class III and Class IV employees in respect of rules regarding leave, medical attendance, promotion and pension;
- (4) removal of discrimination as between Central Government employees in respect of holidays, working hours;
- (5) merger of full amount of Dearness Allowance with pay for all purposes without any adverse effect on emoluments;
- (6) increase in emoluments of engineering department staff and removal of their grievances; and
- (7) appointment of an adjudicator for demands.

The National Federation served notice on the Central Government on 15 July 1957 to launch a country-wide strike beginning midnight of 8-9 August 1957, if their demands were not conceded by 1 August 1957. The notice listed seven demands, including the appointment of a second Pay Commission, grant of dearness allowance according to the recommendations of the first Pay Commission, abolition of distinction between class III and class IV employees in respect of holidays and working hours, the merger of the dearness allowance with the basic pay, increase in the emoluments of the engineering department staff and grant of compensatory allowance of 25 per cent subject to a minimum of 30 rupees per month, to those serving in Assam.

The Federation claims more than 80 per cent of 277,000 Post and Telegraph employees as its members.

(The Strike Notices were withdrawn on 8 August 1957 by the National Federation and a detailed report will be included in the next month's report).

(The Statesman, 7 July 1957;  
The Hindu, 8 July 1957;  
The Hindustan Times, 11 and 16 July 1957).

28. Employers' Organisations.

India - July 1957.

Conference of Textile Industry and Trade, New Delhi:  
Increase in the target for Millmade Cloth urged.

A Conference of the representatives of the textile industry and trade organised by the Federation of Indian Chambers of Commerce and Industry was held at New Delhi on 14 July 1957. Shri Morarji Desai, Union Minister for Commerce and Industry, who inaugurated the Conference, said, that the question of "immediate expansion" of cloth production by the mill sector was "irrelevant and very unrealistic" in the face of complaints of accumulation of stocks of cloth by the mill sector itself.

Addressing the conference, Shri Babubhai M. Chinai, President of the Federation of Indian Chambers of Commerce and Industry, appealed to the Government of India to consider in an objective manner the allotment of the 1,700 million yards of additional production of cloth during the second Plan period among the mill, hand-loom and powerloom sectors so as to subserve the ends - of employment, price and export.

He said the textile industry should be rationalised and modernised to increase its competitive ability in the world markets.

He asked the Government to help the Mills to set up additional spindles and earmark the yarn produced for exports.

Shri Chinai said that there was scope for increased production of cloth and the country could be assisted to earn more foreign exchange through greater exports of textiles. The cost of production in Indian mills was, however, getting on "to the high side". It was essential therefore that the industry was rationalised and modernised.

Curb on Imports.- The recent curb on imports on account of foreign exchange difficulties might make installation of automatic looms more difficult. Therefore, the Government should see whether the conditions it had imposed for the installation of such looms constituted an impediment.

He said that though cloth exports in the first quarter of 1957 were running at a rate slightly in excess of 1,000 million yards per year - the target set in the second Plan - "we cannot as yet say whether at the end of the year India would have attained this target".

Turning to excise duty on mill cloth, he said that within less than two years, the duty had been increased more than two and a half times. "There are reports that the excise duty will be further increased".

Financial incentives.- The Federation President said that if mills were given "financial and other incentives" there would be a spurt in exports. The Government might also help the mills to set up additional spindles and earmark the yarn produced for exports.

Calling for diversification of exports, Shri Chinai said that exports of fine and superfine varieties and of bleached, coloured and printed cloth should be increased. The highest priority should be given to the movement of textiles meant for export.

They should aim at a per capita consumption of at least 22 yards and not 18.5 yards.

The question of the mill sector versus the handloom sector had been the subject of considerable discussion "and I would appeal that the whole issue be looked at in an objective manner to subserve the various ends - employment, price and export.

Referring to sales tax<sup>on</sup> cloth, Shri Chinai said that any constitutional difficulties in the way of replacing sales tax by an equivalent surcharge on excise duty should be removed as early as possible. He said that a uniform rate all over India would greatly facilitate trade. If the tax were assessed at the production point the entire trading channel would be rid of difficulties. For the Government too, the administration of excise duty was more convenient than that of sales tax and there would be reduction in the cost of collection.

Speaking immediately after this the Union Commerce and Industry Ministry expressed agreement with much of what Shri Chinai had said but politely turned down most of his concrete demands.

About the upward revision of cloth target, he plainly told the assembled industrialists: "In the existing conditions, when you are complaining of accumulation of stocks, the question of immediate expansion of your sector becomes irrelevant and very unrealistic".

The Government was "not wedded" to any fixed targets of cloth production and in fact raising per capita consumption of cloth from 18.5 to 20 yards annually had often been considered.

Shri Desai also pointed out that the process of replacing ordinary looms by automatic looms would have to be gradual and prolonged so that the workers rendered surplus by replacement could be absorbed in the expanding units under a co-ordinated programme.

He also drew the industrialists' pointed attention to the fact that although licences had been issued for the installation of three three million spindles in textile mills, not more than 1.2 million spindles had so far been installed. He warned the industrialists that unless the remaining 1.8 million spindles were installed in the coming three months, the outstanding licences would lapse.

After Shri Desai's speech, the conference split into committees to discuss various problems and at the end of the day another plenary session adopted a seven-page statement incorporating all the demands that Shri Chinai had made in his speech with a few additions.

An important additional demand was that a Textile Advisory Board should be formed to enable the Government and the industry to work in unison. The joint statement also suggested that the second Plan target of growing 6,500,000 bales of cotton should be achieved for in 1958-59.

Both in Shri Chinai's speech and the joint statement, a detailed reference was made to the hardship caused to the trade by varying rates of sales tax in different States, accentuated by the recently imposed Central sales tax on inter-State transactions.

The joint statement demanded that until the Government could implement its assurance of amalgamating sales tax on cloth with excise duty to enforce a uniform rate all over the country, the inter-State sales tax on textiles should be held in abeyance.

On this issue Shri Desai expressed sympathy with the view-point of the trade. Although he had nothing to say about postponing the inter-State sales tax on cloth, he promised early action for the amalgamation of sales tax on cloth with excise duties.

Among other points on which the Commerce and Industry Minister shared the industry's views were the desirability of installing additional spinning units specifically for the export of yarn and the need to improve the quality of exportable textiles.

While he thought that the textile industry has by and large a good record, he drew attention to cases of closure of textile mills because of neglect or inefficiency.

(The Statesman, 15 July 1957 )

29. International Co-operation.

India - July 1957.

U.S. Technical Co-operation Mission Programme extended  
for Indefinite Period.

The agreement between India and the U.S.A. on the Technical Co-operation Mission programme was extended on 29 June 1957, through an exchange of letters between Shri T.T. Krishnamachari, Union Finance Minister, and Mr. Ellsworth Bunker, U.S. Ambassador in India. The agreement, which was signed on 5 January 1952, was to have expired on 30 June 1957.

Under the new arrangement, the T.C.M. programme will be in force for an indefinite period unless it is replaced by another agreement or terminated by either party by three months' written notice.

In Washington on 29 June 1957, two loan agreements were signed by Shri G.L. Mehta, Indian Ambassador, with the U.S. Export-Import Bank. One was for a loan of 47.5 million dollars under the T.C. programme for the year ending 1 July 1957 and the other for 234.1 million dollars relating to the rupee loan to be advanced by the USA to India under the Agricultural Commodities Agreement signed on 29 August 1956. In addition, the U.S. Government has allotted 15 million dollars as a grant for economic development.

So far the USA has spent or allotted about 400 million dollars for technical and developmental assistance.

There are more than 65 project agreements now between the Government of India and T.C.M. More than 600 Indian participants have either been abroad or are in the process of going under the exchange programme for technical training.

(The Hindustan Times, 30 June 1957).

Chapter 3. Economic Questions

34. Economic Planning, Control and Development.

India - July 1957.

Committee to examine Food Problem constituted.

By a Resolution dated 24 June 1957, the Government of India has set up a Committee to enquire into certain aspects of the present food situation. The Committee will not only examine the causes of the rising food prices since the middle of 1955 and assess the likely trends in demand and availability of food grains over the next few years but will also make recommendations to ensure a level of prices which would provide the necessary incentive to producers.

Headed by Shri Asoka Mehta (P.S.P.), the Committee includes two M.Ps., Shri Thirumala Rao and Shri S.F.B. Tyabji, Raja Surendra Singh, M.L.A. (Punjab), Shri V.N. Tivary (U.P.), Dr. B.K. Madan, Economic Adviser, Reserve Bank, and Dr. S.R. Sen, Economic and Statistical Adviser, Union Food Ministry.

The Committee's terms of reference will be: (1) to review the present food situation and examine the causes of the rising trend of food prices since about the middle of 1955;

(2) To assess the likely trends in demand and availability of food grains over the next few years, taking into account (A) the steps taken and proposed to be taken under the Second Plan by the Central and State Governments to increase food production, (B) the impact of growing development expenditure, increase in population and urbanisation, on the demand for marketable surpluses, and (C) availability of food grains from abroad in relation to requirements and in the light of the foreign exchange position; and

(3) To make recommendations to ensure a level of prices which would provide the necessary incentive to the producer with due regard to the interests of the consumer and the maintenance of a reasonable cost structure in the economy.

(The Gazette of India, Extraordinary,  
Part I, Section 1, 24 June 1957,  
pp. 229-250 )

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Eighth Meeting of the Central Advisory Council of Industries: Measures to Boost Production considered and National Productivity Council to be set up.

The eighth meeting of the Central Advisory Council of Industries was held at New Delhi on 13 July 1957. In his presidential address Shri Morarji Desai, Union Minister for Commerce and Industry called for greater production as the "real and only answer" to the problem of inflation and foreign exchange difficulties. Shri Desai rejected suggestions made from time to time, among others, by "some economists of repute", that the current economic troubles could be solved by going slow with industrial development and emphasised that the real trouble arose because production was not able to match consumption. Calling for a dynamic equilibrium between consumption and production, Shri Desai underlined the inadequacy of any cut in consumption by the masses as a cure for the economic maladies.

Leading industrialists, including Shri B.M. Chinnai, President of the Indian Federation of Chambers of Commerce and Industry, Shri Sri Ram and Shri G.D. Birla, endorsed the Minister's contention that the tempo of industrial development should not be slowed down.

and Shri Dange (AIFUC),  
Labour leaders including Shri S.R. Vasavada (INTUC) agreed to suggestions from industrialists for working three shifts in factories as one of the steps for stepping up production, but insisted that suitable amenities should be provided to workers. Shri Dango opposed a proposal for a nine-hour shift.

There was general support for a proposal for setting up a National Productivity Council in terms of the recommendations of the team which visited Japan recently.

Presidential address.- In his address Shri Desai called on the Indian industry to "meet the challenge of the hour" - keeping the prices at a stable level and ensuring a fair deal to the consumer. "I will prefer to see anti-social elements being dealt with by the industry, trade and society rather than by the State. If some one raises his prices without justification, let his suppliers replace his agency, his customers boycott his goods and transfer their patronage to those who play fair."

Referring to the twin problems of inflation and adverse balance of payments, Shri Desai said the tendency for internal prices to rise and a deficit to appear in the external trade merely indicated that "our total production is not able to match our total consumption".

"If our domestic production was high enough, if we were able to produce more of food grains and oil seeds, of cotton and jute, of textiles and drugs, of cement and steel, and of machinery and capital goods, we would not need to worry about either our domestic prices or our external payments because these aspects would get well adjusted within the framework of the overall national economy."

Foreign exchange.- Shri Desai said the tight foreign exchange position causing a reduction in the import programme gave the Indian industry a great opportunity to expand its output. This opportunity, he warned, should not be misused by the industrialists for profiteering and for exploiting the consumer.

"It is our duty - your and mine - to see that this does not happen. For, the task of ensuring a fair deal to the consumer is as much yours as Government's. Indeed I would go farther and say that it is primarily the responsibility of the industry. Only when it fails in its task, the Government will have to take effective action."

The Commerce and Industry Minister emphasised the need for accelerating the pace of agricultural and industrial production since in his view, curtailment of consumption could not be a possible solution for bridging the gap between production and consumption.

Those fortunate few who were relatively better off could and certainly should curtail their consumption Shri Desai said. But it was only a small minority and of people in this country who had good incomes or who could be described as wealthy and whose expenditure could be said to be large. These, he hoped, would respond to the call of the country.

"We will also have to adapt ourselves to other measures of austerity like severe restrictions on imports, avoidance of wastage, better utilization of productive capacity, more profitable and discriminating use of scarce materials and an increasing spirit of reliance on use of indigenous raw materials and goods.

Foreign Payments.- Referring to the difficulties of industries in regard to availability of guarantees for foreign payments, Shri Desai said, the Finance Minister was taking steps to amend the Industrial Finance Corporation Act to guarantee foreign payments in suitable cases. Help was also being given to obtain specific foreign credits for particular projects, apart from credits being obtained from several international financial agencies. Other suitable measures were also being actively pursued. All these steps should ease the position to some extent as far as the import of capital goods and essential producer goods was concerned, he added.

Shri Desai urged associations and chambers of commerce actively to take upon themselves the task of promotion, development and guidance of their interests instead of advising and requesting the Government regarding their complaints and suggestions.

The Government, he said, could come to their help only as a catalytic agent in the entire process of development and promotion which should be generated by the industrial and trade interests themselves.

The Minister suggested to the Federation of Chambers of Commerce and Industry and individual ~~expert~~ chambers to have technical and expert guidance bureaux attached to their secretariats so that they could study problems of individual and commercial interests, promote and implement the suggestions which they had to make, formulate programmes which different chambers or federations had to take up and several other such items at the levels of the associations themselves as was being done in other countries of the world.

Increased production.- Several members stressed the need for increased production in the country, particularly food-grains, to keep inflationary tendencies under check.

Both Shri Chinai and Shri Sri Ram of Delhi said that with the co-operation of labour, all industries in the country must work three shifts in order to increase production.

Shri Sri Ram suggested that all the industries in the country must work three shifts all through the week. He contended that this would not only provide more employment and increase production in the country but also reduce foreign exchange expenditure in the next two or three years by reducing imports of consumer and capital goods.

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He asked the Government to give a number of concessions to exporters in order to enable them to compete successfully in foreign markets and earn foreign exchange for India. Among these were that no income-tax should be charged on export earnings, no excise duty or sales tax should be levied on exported goods and railway freight should be reduced on exportable goods.

Miss Maniben Kara stressed the need for increasing agricultural production in the country and said that if the vast majority of the people were to benefit by the second Plan, certain changes in priorities would have to be made.

Shipping development.- Shri S.N. Haji, President of the All-India Manufacturers' Organisation, asked the Government to provide additional resources for developing shipping, as all the money allotted under the second Plan had been exhausted.

He said that the country could save more foreign exchange if she bought more ships, because 20 per cent of the country's total trade amounting to 12,000 or 13,000 million rupees constituted mostly shipping, banking and insurance charges. The cost of a ship could be recovered in ~~two~~ ~~of~~ ~~the~~ three years' time in view of the prevailing freight rates, he added.

Shri G.D. Birla, said that India could hope to increase her foreign exchange earnings by promoting exports only in the long run and not in the immediate future. Therefore, to overcome the foreign exchange shortage in the immediate future, he suggested import of foreign capital by collaboration between foreign and Indian investors. The Government, he said, should create the necessary climate to enable foreign investors to invest in India.

Internal finance.- Shri Birla said that so far as the private sector was concerned, he was not worried about foreign exchange as much as he was worried about internal finance. The private sector would require in the next few years 2,000 to 3,000 million rupees for investment, and this amount had to be found.

About the recent rise in prices, he said that in any country where development took place prices were bound to rise.

The Government must devote more attention to bring down the price of agricultural products. But he warned that they should not expect stabilized prices for the next four or five years.

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Industrial unrest.— Dr. V.K.R.V. Rao said that he could not understand the "optimism" expressed by some members about the outcome of the tripartite Labour Conference while in fact a sudden tempo of industrial unrest seemed to be developing. He cited the strike move by Government employees in this context. He agreed with the Union Finance Minister that if money incomes were raised it would lead to a further rise in prices. "It is important to get all the working class people, including Government officials, to look to the need for some kind of a wage freeze, whatever may be the hardships that it involves. If there is a wage freeze it becomes imperative that something is done to control prices."

Shri S.R. Vasavada, the INFUC leader, said that labour would not lag behind in co-operating in tiding over the present crisis.

While supporting the measures to conserve and improve the foreign exchange position, Shri Vasavada said that he had a feeling that foreign exchange was being wasted in importing certain ~~types~~ types of machinery which were not required for development. An immediate survey should be made of all existing machinery and a competent authority of the Central Government should be asked to decide whether particular types of machinery needed only renovation or had to be replaced completely.

Shri S.A. Dange declared that there would be peaceful development of industries if the Government and employers also accepted their obligations to labour. He said that he was not against normal profits provided workers were assured of a normal standard of life.

Shri Dange opposed suggestions for a nine-hour shift but had no objection to multiple shifts provided amenities were given to workers. He wanted automation to be confined to new industries.

The Labour Minister, Shri G.L. Nanda, intervening in the discussions said that there was no need for either optimism or pessimism over the outcome of the tripartite Labour Conference. He wanted them to take a realistic attitude towards the results of the Conference. He said that the country was encountering economic difficulties and it would need tremendous effort on the part of all to make the path clear for progress.

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Resolutions.- At the afternoon session, the Council unanimously adopted a resolution recommending to the Government the establishment of a National Productivity Council representing employees, labour, Government and others interested in the productivity movement.

The Council also recommended that the proposed seminar for determining the principles on which the productivity movement should be based, and for determining the constitution and organisation of the national productivity council as well as its programme and finances, should be convened by the Government as early as possible.

The Council felt that keeping in view the limited resources of technical manpower and finances which might be available to the National Productivity Council, it would be desirable initially that productivity work should be taken up in certain selected industrial undertakings.

The resolution, formally moved by Shri Vilram Sarabhai, who recently led a team of officials and industrialists to Japan to study the productivity movement in that country, found overwhelming support among the members of the Council.

The resolution was welcomed, among others by Shri S.R. Vasavada, Dr. Rao, Dr. Ramaswami Mudaliar, Shri P.A. Harielwala, Shri Birla and Shri Dange.

Shri Babubhai Chinai, on the other hand, said he was not yet convinced about the need of a National Productivity Council as there were already institutions like the Central Labour Institute, Management Associations and the Indian Standards Institution.

Shri Sri Ram also doubted the practicability of the suggestion for a productivity council.

Supporting the resolution, Shri Morarji Desai emphasised the importance of an autonomous body like the proposed National Productivity Council.

The Council before adjourning agreed to a suggestion of the Minister for setting up a standing committee which would meet oftener oftener than the council. Shri Desai informed the members that he would take steps soon for appointing the committee.

(The Statesman, 14 July 1957).

36. Wages.

India - July 1957.

Assam: Minimum Wages Act, 1948, extended to  
Employment in Commercial Handling.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Assam has added the following employment to Part I of the Schedule to the above Act.

"13. Employment in Commercial Handling".

(Notification No. CLR 429/56 dated  
3 June 1957; Assam Gazette, Part IIA,  
12 June 1957, page 1827 ).

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Kerala: Minimum Wages Act, 1948, extended to  
Employment in Printing Presses.

In exercise of the powers conferred under the Minimum Wages Act, 1948, and by a notification dated 27 June 1957, the Government of Kerala has added the following employment to Part I of the Schedule to the said Act:

"17. Employment in Printing Presses".

(Notification No.L1-28116/56/L&LAD  
dated 27 June 1957; Kerala Gazette,  
Part I, 2 July 1957, page 1395).

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Kerala: Minimum Wages Act, 1948, to be extended to  
Certain Employments.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Kerala has given notice of its intention to add the following employments to Part I of the Schedule to the said Act:

- "20. Employment in <sup>in</sup> Hotel Industry".
- "23. Employment in Brick Manufactories".
- "24. Employment in Handloom Industry".
- "25. Employment in Shops and Establishments (including Hostels and Restaurants)".

The proposals will be taken into consideration by the Government after 4 October 1957.

(Kerala Gazette, Part I, 9 July 1957,  
page 1426 ).

39. International Economic Relations.

India - July 1957.

Central Government's New Import Policy: Drastic Reduction in Imports and Abolition of Open General Licence announced.

The Government of India's new import policy announced on 29 June 1957, aims at drastic reduction in imports to stem the heavy drain of foreign exchange; its most conspicuous feature is the abolition of Open General Licence for the next three months. Concretely, this policy means that during the next quarter, no licence will be issued to import "finished goods", while licences for essential raw materials will be issued on an ad Hoc basis after "strict scrutiny". The import of capital goods will continue to be only on deferred payment.

A Press note issued by the Ministry of Commerce and Industry says that the Government does not propose to issue licences to established importers during the next three months (July to September), because during this period imports are likely to be maintained at a "reasonably high level" in view of the large number and "substantial value" of licences outstanding for the import of plant and machinery, metals, raw materials and many other items.

(The value of unutilised licences for capital goods alone at present is estimated at 3,000 million rupees and other goods including finished and consumer goods at 1,200 million rupees).

Importers of machinery.- However, the Press note added, in order to give certain facilities to holders of unutilised or partially utilised licences to plan their purchase and to choose their imports to the best advantage of the country and the consumer, provision had been made to enable established importers to apply for extension of the period of validity of their six-monthly licences and to seek wherever necessary for the conversion of the outstanding licence from a less essential to a relatively more essential item. Importers of machinery would also be able to apply for their quota licences to be validated, for the import of spare parts.

Import Licences for Capital Goods.- "Import licences for capital goods will continue to be issued on suitable deferred payment terms. Import licences will be given for projects which save or earn foreign exchange either by reducing imports or by increasing exports. Licences for machine tools will be given to established importers on ad hoc basis".

The Press note added, "Special emphasis is proposed to be given to the import requirements of export industries. Government rely on industry and trade to help in the effort to maintain production and conserve foreign exchange. Government expect the trade to endeavour to ensure equitable distribution of available stocks at a reasonable prices. To this end, two orders have been issued under the Essential Commodities Act of 1955. The first order declares non-ferrous metals, organic heavy chemicals, inorganic heavy chemicals and cinematograph films to be essential commodities while the second order requires all firms and individuals engaged in the supply and distribution of aluminium, copper, lead, mercury, nickel, zinc, sulphur and unexposed cinematograph films to declare their stocks as on 30 June 1957 and to submit monthly stock-cum-sales returns thereafter.

A spokesman of the Ministry of Commerce and Industry stated there was enough stock of consumer goods in the country particularly goods like razor blades, ~~cutlery goods~~ and if the trade and the consumers behaved properly there was no fear of shortage being felt. If the people did not wastefully consume imported drugs and medicine, the normal demands could be met.

Long-term credit.- Government, he said, were negotiating with different countries for long-term credit. Machinery valued at 200 million rupees had been secured for the private sector on deferred payment basis, and the credit obtained for the public sector would of "larger order".

The countries from where long-term credit had been obtained were the United Kingdom, West Germany, Switzerland and Sweden. The State Trading Corporation were also negotiating with the Governments of USSR, East Germany and Czechoslovakia for long-term credit. The credit term was spread over five years after shipment, that is, payment was to be made seven or eight years after the orders were placed. The rate of interest varied depending on the internal rate of interest from two and half per cent offered by the USSR, to 8.5 per cent by an exporter in West Germany.

(The Hindustan Times, 30 June 1957;  
The Statesman, 30 June 1957 )

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

INDIA - JULY 1957.

41. Agriculture.

Plantation Inquiry Commission's Report on Tea Industry:  
Government Rejects Most Recommendations.

The Government of India by a Resolution dated 1 July 1957 published its decisions on the report of the Plantation Inquiry Commission on Tea Industry (vide pages 42-47 of the report of this Office for September 1956). Most of the Commission's major recommendations have been found unacceptable.

Among the recommendations that have been rejected by the Government are those for abolishing the managing agency system in Indian-owned tea gardens and for prohibiting withdrawals from reserve funds for declaring dividends.

According to a Commerce and Industry Ministry Press Note, the Government does not consider it justified to "single out" the tea industry or any section of it for treatment "different from that applied to other industries".

On the same ground, the Government has declined to impose any specific restriction on the tea industry alone to reduce high managerial remuneration. Reduction in the disparity in wages in the industry and the Indianisation of the staff, the Government hopes, would be achieved through voluntary action or taxation.

Other crucial recommendations turned down by the Government are those for a ceiling on the annual turn-over of the packing firms, for the abolition of the export quota system and for a blanket ban on the extension of existing tea estates.

The change in the basis for fixing export duty on tea proposed by the Commission is considered by the Government to be unsuitable.

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Decisions deferred.- Another important recommendation of the Commission that every tea estate with an area of more than 100 acres should set apart 80 rupees per acre as the "Tea Replanting Fund" to be drawn upon the Tea Board's approval still remains under consideration.

The decision on the Commission's suggestion for structural changes in the Tea Board will also be taken later after the Government has assessed the nature and degree of expansion of the Board's activities.

As regards the Commission's proposals that the Tea Board should arrange for the packing and distribution of 50 per cent of the package tea consumed in India and regulate auctions in the Calcutta and Cochin markets, the Government feels that there is no justification yet for the Board to operate in either field.

Among the recommendations which have been accepted are that the Tea Board should inquire periodically into the price structure of retail packet of tea to prevent unduly high prices, and that special investigations should be held into the difficulties of small packaging firms.

An inquiry will also be held, in accordance with the Commission's findings, into the conditions of "heavily indebted" estates and "economically weak" gardens in order to help stabilise the Indian-owned estates. The Government agrees with the Commission that co-operative effort among small growers should be promoted and voluntary amalgamation of small gardens encouraged.

Financial aid.- As regards the Commission's suggestion for providing adequate finance to the tea industry, the Government has agreed that the Industrial Finance Corporation and the Financial Corporation in the State concerned should provide long-term finance to the industry while the State Bank should look after the needs of working capital.

It has been decided that the State Finance Corporation of either Assam or West Bengal should extend facilities to the gardens in Tripura and the Tripura Administration should take steps to set up a Joint Finance Corporation with either of the two States.

As recommended by the Commission, the Government hopes to tighten the existing provisions for "strict scrutiny" before sanctioning new capital issues for the tea companies especially those relating to the conversion of sterling companies into rupee companies.

Detailed recommendations made by the Commission about improving industrial relations and labour welfare in the tea gardens and about research and development in the industry have been found generally acceptable. Attention of the State Governments and the industry is being drawn to them.

(The Gazette of India, Extraordinary,  
Part I, Sec.1, 1 July 1957, pp. 236-245;  
The Statesman, 2 July 1957).

Punjab Resumption of Jagirs Bill, 1957.

The Government of Punjab published on 10 June 1957, the Punjab Resumption of Jagirs Bill, 1957, proposed to be introduced in the Legislative Assembly of the State. The Bill provides for the extinguishment and resumption of all Jagirs excepting military Jagirs and those in favour of religious and charitable institutions. Compensation for resumption of Jagirs is provided at seven times the amount of land revenue or money payable annually to a Jagirdar in respect of his assignment or grant and the amount may be paid in cash either in one lump sum or in annual instalments not exceeding twenty as the State Government may prescribe.

(Punjab Government Gazette, Extraordinary,  
10 June 1957, pp. 983-988 ).

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42. Co-operation.

India - July 1957.

Organisation of Co-operative Societies: Thirty Five  
Million Rupees Development Scheme Approved.

The executive committee of the National Co-operative Development and Warehousing Board, which met in Bombay, on 28 June 1957, approved a programme for organisation of more than 1,500 large-sized co-operative societies ~~in ten~~ and 280 marketing societies in ten States and two Union territories.

Schemes for construction of 1,018 godowns, including 760 godowns by credit societies and 258 godowns by marketing societies, were also approved. The total cost of these and other schemes relating to co-operative development amount to 35 million rupees.

The National Co-operative Development and Warehousing Board will grant subsidies to the extent of 5 million rupees for executing the programme and loans will be provided by the Central Government of 11.5 million rupees. The State Governments have also decided to revitalise the existing small-size societies and to organise nearly 4,000 new small societies for giving agricultural credit not only to large cultivators, but also to medium and small farmers.

The executive committee also decided to purchase 40,000 shares of the Central Warehousing Corporation of the face value of 40 million rupees.

(The Times of India, 30 June 1957).

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Central Government's decision to Strengthen  
Co-operatives.

According to an official Press release it has been decided by the Union Government to strengthen the existing small sized co-operatives, besides establishing large-sized societies. This decision has been taken in implementation of the recommendations of the Indian delegation on agricultural planning and techniques which visited China recently (vide pp. 46-50 of the report of this Office for February 1957).

It is proposed to organise 10,400 large-sized credit societies in the second Plan whose functions are analogous to those of multi-purpose co-operatives.

National Extension Service Blocks and community project areas are given preference in the location of large-sized credit and other type of societies.

The Plan provides for 2,000 million rupees as short and medium credit through co-operative societies.

It is estimated that between October 1952 and March 1956, 33,000 new co-operative societies were formed and 1.68 millions new members enrolled.

(The Hindustan Times, 15 July 1957).

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43. Handicrafts.

India - July 1957.

Development of Small Industries: Proto-type and Training Workshop to be set up.

The Government of India has decided to set up a Prototype and Training Workshop for small-scale industries which will impart practical and theoretical training to workmen and technicians required to man small-scale industries as well as specialists to be attached to the Small Industries Service Institutes. These institutes have been set up by the Government to provide technical guidance to small industries.

The Delhi Prototype and Training Centre is expected to have a capacity to provide training to 240 people. The different courses to be introduced will help to turn out 964 trainees every year.

The selection of trainees will be made in close co-operation with the Small Industries Service Institutes so that, on the one hand, requirements of small industries will be met and, on the other, the trainees will find opportunities for the use of their new knowledge and skill.

The Federal Republic of Germany which is giving financial and technical assistance for this project, has offered to spend 5 million rupees on the project in the form of the plant and equipment required for the Workshop and the services of a number of German experts for a period of three years. The rupee expenditure, to be met entirely by the Government of India, will be about 4.7 million rupees.

(The Hindustan Times, 29 June 1957).

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CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - JULY 1957.

50. General.

Draft Kerala Factories Rules, 1957.

The Government of Kerala published on 25 June 1957, the draft Kerala Factories Rules, 1957, proposed to be made in exercise of the powers conferred under the Factories Act, 1948. The rules deal inter alia with registration and grant of licence for factories, powers of inspectors and duties of certifying surgeons, provisions relating to health and safety, further safety precautions applicable to cotton textile factories, wood working machinery, rubber mills, jute mills, tea factories, brick and tile works, deopectating factories, printing presses, provisions relating to welfare, working hours of adults, employment of young persons, leave with wages, special provisions relating to dangerous operations, notification of accidents and returns and registers. The draft rules will be taken into consideration by the Government after 25 September 1957.

(Kerala Gazette, No.26, dated 25 June 1957,  
Part I, Section IV, pp. 1-152 ).

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52. Workers' Welfare, Recreation and Workers' Education.

India - July 1957.

Education of Workers: Cadre of Teacher Administrators to be trained.

At its first meeting in New Delhi on 13 July 1957, the Workers' Education Committee decided that steps were to be taken immediately to train up a cadre of teacher-administrators who would train teachers to carry out a programme of education for workers. Candidates for training as teacher-administrators would be selected from trade unions, universities and other organisations. The Union Minister for Labour and Employment, Shri G.L. Nanda, presided. The Union Deputy Labour Minister, Shri Abid Ali, and the former Union Labour Minister, Shri Khandubhai Desai, were also present.

The Committee, which consists of representatives of the Government, employers and workers organisations and educational institutions, has been set up to complete certain preliminaries necessary to give effect to the recommendations of the team of experts on workers' education, which recently submitted its report to the Government (vide pages 75-79 of the report of this Office for April 1957).

Regarding the training programme for teacher-administrators, the Committee agreed that this should be undertaken in a place like Bombay or Calcutta, which has a large concentration of industries and educational institutions. It was, however, left to the Government to decide the exact location of the training centre. A sub-committee was appointed to work out details of the training programme.

A provision of nearly 6 million rupees has been made in the second Plan for workers' education.

(The Statesman, 15 July, 1957).

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Welfare of Mica Mines Workers: Review of Activities  
Financed From the Mica Mines Labour Welfare Fund for  
the Year 1955-1956.

The Government of India published on 8 June 1957, the report of the activities financed from the Mica Mines Labour Welfare Fund for the year ending 31 March 1956 together with an estimate of receipts and expenditure of the Fund and a statement of accounts for that year. The salient features of the report are summarised below.

Activities in Ajmer

1) Medical facilities.- The mobile medical unit was started in June 1955 to provide medical aid to the miners and their families both at their homes and work-places. It visited all the three mica mining areas of Ajmer State, viz., Para, Ramsar-Sanod and Jawaja. Each area used to be visited thrice a month on an average. During the year under review, 8,039 patients were treated by the medical unit. Besides the above, the sub-assistant surgeon of the unit gave advice to the workers regarding prevention of diseases, improvement of sanitation and cleanliness.

2) Maternity and Child Welfare.- The maternity centre at village Para continued to provide medical and maternity facilities. Another maternity centre was started in September 1955 at village Sanod. It was similar to the one already started at village Para.

During the year the total number of patients treated at the Centres at Para and Sanod were respectively 9,202 and 4,251.

3) Welfare Centres.- The Welfare Centres, Para, continued to provide the following facilities: (i) educational facilities - knitting and sewing classes were held daily to impart training to the females of the miners in handicrafts like sewing clothes by hand and on machine, knitting of cotton and woollen garments, embroidery, etc., etc.; (ii) recreational facilities - one radio, indoor games like carrom, ~~skopar~~, snake, ladder and musical instruments were provided, recreation. Outdoor games like Volley ball and foot-ball were also provided. Besides, two Hindi daily newspapers were also provided.

Another Welfare Centre with the same facilities as were provided at the Centre at Para was established at village Sanod in August 1955.

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4) New Schemes.- The Advisory Committee approved the following new schemes: (i) to impart training in the following handicrafts at each welfare centre: (a) tailoring (to males also); (b) spinning (to males also); and (c) niwar-making (to males also); (ii) to grant scholarships to the tune of 1,500 rupees to the children of the miners; and (iii) to establish two more welfare centres at villages Sarana and Surajpura.

Activities in Andhra

1) Medical facilities.- The Fund continued to maintain 3 static dispensaries. One mobile dispensary was started with its headquarters at Kalichedu in October 1955 with a sub-assistant surgeon and a compounder to tour the mining area. The static dispensaries are situated in the heart of the Andhra Mica mining area, i.e., at Kalichedu, Talupur and Sydapuram. All these dispensaries worked satisfactorily and rendered medical aid to mica mine labourers and their families. A temporary inpatient ward of eight beds, was attached to the dispensary at Kalichedu and it served the patients very well.

The total number of out-patients treated during the year under report was 165,462 as against 138,951 in 1954-55. The total number of inpatients treated was 575 as against 534 during the previous year.

A microscope was provided in the dispensary at Kalichedu and the following laboratory tests were conducted during the year:-

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Blood	-----	17
Sputum	-----	86
Urine	-----	650
Motion	-----	15

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The medical officers in addition to their dispensary work, trained workers of the mica mines in first aid for being appointed as first certificate holders as required by Section 21 of the Indian Mines Act, 1952. In 1955 the medical officer, Kalichedu trained 38 persons and the Medical Officer, Sydapuram 11 persons.

2) Maternity centres.- The four maternity centres at Sydapuram, Kalichedu, Talupur and Utukur continued to render useful service to women labourers in the mining area and the general public. Each maternity centre was under the charge of a midwife and their work was supervised by a lady health visitor. Three centres were situated at the dispensaries and the medical officers assisted the midwives in difficult labour cases. Only one centre at Utukur was away from any dispensary. The question of shifting the headquarters of the mobile medical officer and the lady health visitor to Utukur from Kalichedu soon after the construction of the maternity centre building was under consideration. The work done in these centres during the year by the midwives and the lady health visitor is detailed below:-

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1955-56

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1. Total number of Ante-natal cases. -----	1,085
2. Total number of Post-natal cases treated.-----	549
3. Total number of labour cases conducted by Midwives.	509
4. Total number of labour cases conducted by Lady Health Visitor.-----	18

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Reservation of beds in State Government Hospitals.- Two beds in Nellore district headquarters hospital and one in Gudur government hospital were reserved for the exclusive use of mica mine labour patients at the cost of the Fund. A sum of 1,000 rupees was paid for the purpose to the State Government. During 1955-56, five patients in Nellore district headquarters hospital and 2 patients in Gudur hospital were treated against the reserved beds. The cases that require special and extraordinary treatment, are transferred by the medical officers of the Fund to the district headquarters hospital, Nellore which is having more facilities and equipment for special treatment. The reservation has thus been quite useful for the mica mines labourers.

The Advisory Committee approved a scheme of installing an 'X' Ray plant in the base hospital to be constructed at Kalichedu. The question of installing the plant will be taken up soon after the base hospital is constructed. The Committee also approved the suggestion of constructing a tuberculosis ward of eight beds to be attached to the base hospital, Kalichedu.

3) Educational facilities.- There were six elementary schools working in the mining area under the Fund. The education department of the State Government was addressed to open more elementary schools wherever necessary in the mining area. As a result two additional schools have been opened. The school at Kalichedu under this organisation was upgraded to a higher elementary school during the year and VI standard was opened. It was resolved to convert it into a middle school from June 1956 and the Government of Andhra has accorded necessary approval.

The total number of children studying in all these elementary schools was 547 as against 551 during the last year. The children were supplied with free books and slates at a cost of 828 rupees 6 annas and 6 pies. They were also supplied with midday meals and this has induced almost all children of mica mine labourers in the mining area to enter the schools. Three hundred seventy-nine plates and 379 tumblers were supplied to these schools for being used by the children to take midday meals. An amount 7,214 rupees 10 annas and 2 pies was spent towards the cost of service of midday meals.

Milk made of milk powder supplied free of cost by Indian Red-Cross Society was distributed daily to all the children studying in the Welfare Fund schools. Jaggery was mixed in the milk to give better taste. Jaggery was supplied at the cost of the Fund. On an average 450 school children per day were served with milk. An amount of 1,000 rupees was sanctioned for supplying swing, sea-saw, slides and merry ground, etc., and also sports articles to the two big schools at Kalichedu and Talupur.

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An amount of 4,000 rupees was sanctioned for one year to run a boarding home at Sydapuram for giving boarding and lodging facilities to the children of mica mine labourers studying in the district board high school, Sydapuram. The home was opened on 28 January 1956 and 12 students received advantage of the scheme. During the year an amount of 439 rupees 13 annas and 8 pies was spent under the scheme.

4) Training.- Handicrafts.- In the two big schools at Kalichedu and Talupur, the children were taught handicrafts like tape-weaving, stitching, knitting and embroidery, etc. Tape-weaving was introduced in all other schools also and necessary implements were supplied to them during the year. The articles prepared by the students were also sold in public auction to the local people.

5) Recreational facilities.- There were two recreation clubs in the mining area for mica mine labourers and their families. Two more started during the year, one at Pallinitta Mine and the other at Sha Mine Labour colonies. Sports articles were supplied by this organisation for playing badminton, volley ball, and football. A good number of labourers took advantage of these clubs. In addition 'Kabadi' was practised by labourers in almost all the mines.

There were six radio centres in the Mining area. Steps were being taken to instal another one in the Shaw mine labour colonies. These sets installed at the cost of the Fund were being maintained by the State Broadcasting Department. An amount of 1,420 rupees was paid from the Fund to the State Government for maintenance.

6) Buildings.- The following buildings were constructed at the cost of the Fund and all of them were opened during the year:-

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	<u>Rs.</u>
1. Isolation ward building at Kalichedu (opened on 14 June 1955).	18,300
2. School building at Talupur (opened on 15 October 1955).	46,700
3. Dispensary building at Talupur (opened on 15 October 1955).	34,200
4. School building at Kalichedu (opened on 17 October 1955).	49,300
5. Dispensary building at Sydapuram (opened on 28 January 1956).	34,700

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Sanction was accorded to estimates amounting to 201,700 rupees for constructing a Base Hospital at Kalichedu and 13,600 rupees for a maternity centre at Sydapuram.

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Activities in Bihar

1) Medical facilities.- The Fund maintained a 30 bedded central hospital, including a 4 bedded T.B. Ward at Karma and rendered necessary medical facilities to the labourers employed in the Mica Mining Industries in Bihar. In the out-door section of the hospital the non-mining cases were also treated.

The number of patients treated in the outdoor and indoor section of the hospital during the year under review is given below:-

Section	Number of cases treated
1. Out-door.	30,545
2. Indoor.	(a) 20,091 General Patients. (b) 1,851 T.B. patients on an average per day.
3. X-Ray.	122

The Government has sanctioned reservation of 8 beds at the Tisri hospital of Messrs. Christian Mica Industries Ltd., on payment of a grant of 10,400 rupees per annum for treatment of mica miners pending construction of the Fund's own Regional Hospital at Tisri. The Fund maintained five Static Dispensaries of its own at Dhab, Dhorakola, Debour, Bendro and Charlapatha.

The mobile medical unit stationed at Karma, continued to provide medical relief to those mica miners and their families who were unable to take advantage of the static dispensaries owing to distance and lack of communication. The number of patients treated by the Unit during the period under review was 16,365, as against 10,642 patients treated in 1954-55.

2) Maternity and child welfare.- The details of work done at the Dhab Centre are as below:-

	1955-56
1. Total No. of Anti-natal cases treated.	118
2. Total No. of Post-natal cases treated.	225
3. Total No. of Children treated.	1,100
4. Total No. of Miners' home visited.	186
5. No. of Labour cases supervised and conducted.	21

3) Educational and vocational facilities.- The multi-purpose centre comprising an adult education centre and a women welfare centre continued to function at Debour in its own building. The women welfare centre afforded educational and recreational facilities to the miners' children and trained the women in handicrafts like sewing, knitting etc. The average daily number of children attending the centre was 43 was 34 and of women 10. The children's park attached to the centre and equipped with an ocean wave, a slide, a swing and sea-saw attracted a large number of children. The adult literary class had an average daily attendance of 34 adults. More than 100 workers participated in the recreational activities every evening at the centre. They participated in outdoor and indoor games, dramas etc. A radio set with loudspeaker provided at the centre was also a great attraction and provided recreation and education to workers.

A new multi-purpose centre also started functioning at Dhab in the Funds own building from 15 September 1955. The average daily attendance of adults at the literary classes at this centre was 14. Nearly 150 workers participated in the recreational activities every day. The women welfare centre at Dhab had an average daily attendance of 25 women in the Crafts class and of 54 in the children classes.

A new multi-purpose centre was also started at Kodarma from the 1 December 1955, in rented building. The average daily attendance of adults at the literary class was 14 and more than 90 workers participated in the recreational activities daily. The Women Welfare Centre at Kodarma had an average daily attendance of 6 women in the crafts class and of 32 in the children's class.

Six primary schools continued to give primary education to the children of mica mine workers at Khujuri, Sankh, Khorkotta, Chariki, Gajandih and Bhandari.

4) Buildings.- The Fund completed the construction of the following buildings during the year:- (a) central hospital building and staff quarters at Karma; (b) construction of dustbin platform including installation of bins in the central hospital, Karma; (c) construction of incinerator for the central hospital, Karma; (d) construction of washing platform and tank with stone for dhobi for the central hospital, Karma; (e) construction of dispensary building with staff quarters at Dhorakola; (f) construction of multi-purpose centre with staff quarters at Dhab; and (g) construction of quarters for staff of the mobile medical unit at Karma.

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Activities in Rajasthan

1) Welfare schemes.- During the year under review, two 'A' type welfare centres at Anli and Bagore, three 'B' type welfare centres at Bemali, Jamoli and Lawa-Sardargarh and four mobile medical units at Bhilwara, Mandal, Gangapur and Kishangarh worked in full swing. 'A' Class Welfare Centres provide dispensary, maternity and child welfare facilities and also recreational, adult educational elementary school and drinking water facilities. 'B' Class Welfare Centres have all other activities except primary schools and drinking water facilities.

2) Medical facilities.- Five static dispensaries functioned under the Fund at Anli, Bagore, Bemali, Jamli and Lawa-Sardargarh.

Besides the above work, the medical officers visited nearly 80 villages and mines and advised the workers regarding prevention of diseases, improvement of sanitation and cleanliness and treatment of patients. Inoculation against Cholera was also given. Special efforts were made to distribute paludrine and other medicines for treatment of malaria.

3) Maternity and Child Welfare.- A lady health visitor was posted at Bagore. One more lady health visitor was posted at Anli from December 1955. One midwife was posted at all the centres, except Jamoli. They looked to the pre-natal and anti-natal cases and attended labour cases. Free milk was also distributed to the children upto 12 years of age and the expectant and nursing mothers. The children were also examined periodically and given proper treatment. Merry-go-round, sea-saw and junior combination were erected at every centre for the use of children. Special games articles were also provided for the children.

4) Educational facilities.- Adult education activities were expanded by organising adult education classes at the welfare centres and other important mining centres. Adult education classes were held at the following places: (1) Bemali, (2) Jamoli, (3) Lawa-Sardargarh, (4) Bagore, (5) Anli, (6) Ganesh-pura, (7) Toonka, (8) Gundli, (9) Mahendragarh and (10) Dhosar.

The statement of accounts for the year 1955-56 shows that receipts amounted to 14.47 million rupees including an opening balance of 12.54 million rupees. The expenditure amounted to .6 million rupees in Bihar, .19 million rupees in Andhra, .248 million rupees in Rajasthan and .044 million rupees in Ajmer, leaving a closing balance of 13.38 million rupees.

(Gazette of India, Part II, Section 3,  
8 June 1957, pp. 1195-1209).

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Draft Kerala Factories (Welfare Officers) Rules, 1957.

The Government of Kerala published on 4 June 1957 the draft of the Kerala Factories (Welfare Officers) Rules, 1957, proposed to be made in exercise of the powers conferred under the Factories Act, 1948. The rules provide that the occupier of every factory where five hundred or more workers are ordinarily employed shall appoint at least one welfare officer and prescribe inter alia the qualifications of welfare officers, the method of recruitment and conditions of service of welfare officers and their duties. The rules repeal the Welfare Officers (Recruitment and Conditions of Service) Rules, 1952, issued by the former Travancore-Cochin Government. The draft rules will be taken into consideration by the Government after 4 September 1957.

(Kerala Gazette No. 23 dated 4-June 1957,  
Part I, Section IV, pp. 1-3 )

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

INDIA - JULY 1957.

66. Strike and Lockout Rights.

Industrial Disputes Act, 1947: Certain Services  
Declared as Public Utility Services.

The following categories of services have been declared to be public utility services by the State Governments concerned under the Industrial Disputes Act, 1947:-

<u>State.</u>	<u>Category of Service.</u>	<u>Period.</u>	<u>Notification No. and Gazette Reference.</u>
Andhra Pradesh.	Air Transport Industry.	Six months from 2 June, 1957.	G.O.Ms.No.490 Social Welfare and Labour, 13 May 1957, Andhra Pradesh Gazette, Part I, 23 May 1957, page 909.
Bombay.	Workshops, garages and depots of the Bombay State Road Transport Corporation.	Six months ending 3 January 1958.	No.5751/46 dated 1 July 1957; Bombay Government Gazette, Part IVA, 11 July 1957, p.810.
Madras.	Air Transport Industry.	Six months from 23 June, 1957.	GO Ms.No.2011, Industries, Labour and Co-operation, 13 June 1957; Fort St. George Gazette, Part I, 19 June 1957, page 1064.

67. Conciliation and Arbitration.

India - July 1957.

Punjab: Annual Report on the Working of the Industrial Disputes Act, 1947, during 1956.

According to the annual report on the working of the Industrial Disputes Act, 1947, in the State of Punjab during the year 1956, "the growing consciousness amongst the working class, the rapid spread of trade unionism and inflexibility on the part of the certain employers to adapt themselves to the changed conditions under the new set-up were amongst the various factors which were responsible for the labour troubles in the State during the year 1956".

The report, however, claims that none of these was allowed to develop into a large scale dispute through the timely intervention and tactful handling of the situation by the officers of the Labour Department with the active co-operation and help of the responsible elements concerned. The Industrial relations in the State, remained on the whole peaceful and healthy, especially at Amritsar, which hitherto used to be a major trouble spot and a hot-bed of industrial strifes.

Thirty-six major disputes occurred during the year as against 151 during the preceding year, resulting in strikes and lock-outs. Of these 12 occurred in cotton, silk and woollen mills, 14 in engineering workshops and the remaining ten in other industries. Six strikes were successful, eight partially successful and 22 unsuccessful. A total of 3,478 workers were involved in these disputes and 34,756 man-days were lost as against 12,360 workers involved in the disputes in the preceding year and the loss of 224,050 man-days.

The main reason for strikes in 22 cases was non-acceptance of the demands relating to wages, two related to leave and hours of work, and the remaining 12 due to other causes.

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Out of the total number of 36 disputes, 11 were settled through the field staff of the labour department and seven were referred to the industrial tribunals for adjudication. In two cases workers were replaced and discharged and in the remaining 16 cases workers resumed their work unconditionally.

In addition, 423 other disputes were handled by the officers of the labour department, of which 189 were settled and 115 were referred to the industrial tribunals for adjudication. In 11 cases the demands of the workers were found to be baseless. Twenty cases were withdrawn or not pressed by the parties and the remaining 88 cases could not be settled at the close of the year.

One hundred twelve works committees were functioning during the year whereas only 137 establishments were required to constitute such committees under the Act. These works committees, apart from solving day-to-day problems facing the industry, proved very useful in maintaining harmonious relations between the employers and the employees and in preventing minor disputes from developing into major ones.

All the labour inspectors in the State were declared conciliation officers in their respective jurisdictions under the Industrial Disputes Act, 1947, which resulted in speedy settlement of industrial disputes.

In order to maintain cordial relations between the managements and workers in the State, seven Tripartite Boards were constituted at Amritsar, Yamunanagar, Bhiwani, Pathankot, Ludhiana, Jullundur and Faridabad.

The report <sup>states</sup> also reveals that a Labour Legislation Committee was also constituted to consider the existing labour legislation and to suggest suitable changes in them with a view to maintaining good industrial relations in the State.

(The Tribune, 14 July 1957 )

Industrial Disputes (Mysore) Rules, 1957.

The Government of Mysore gazetted on 27 June 1957, the Industrial Disputes (Mysore) Rules, 1957, made in exercise of the powers conferred under the Industrial Disputes Act, 1947. The rules deal inter alia with procedure for reference of industrial disputes to boards of conciliation, courts of enquiry, labour courts or industrial tribunals, powers, procedure and duties of conciliation officer, boards, courts, tribunals and arbitrators, procedure for notice of change in conditions of service of workmen, constitution of works committees, etc. The rules repeal the Industrial Disputes (Mysore) Rules, 1951.

(Mysore Gazette, Part IV, Sec.10,  
27 June 1957, pp. 1301-1333 )

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U.P. Industrial Disputes Rules, 1957.

The draft U.P. Industrial/Disputes Rules, 1957 (vide page 88 of the report of this Office for February 1957) have been approved and gazetted on 20 May 1957.

(Notification No. 1465(ST)/XXXVI-A-102(ST)/57 dated 20 May 1957; Government Gazette of the Uttar Pradesh, Extraordinary, 20 May 1957, pp. 1-24 ).

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CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES  
OF WORKERS.

INDIA - JULY 1957.

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

Post and Telegraph Workers' Demands: Minister's Statement  
in Lok Sabha.

Shri Lal Bahadur Shastri, Minister for Transport and Communications, announced in the Lok Sabha on 18 July 1957, that the question of appointing a second Pay Commission, increasing the rate of dearness allowance of Government employees and merging their entire dearness allowance with pay was "in its larger context, under the consideration of Government".

Shri Shastri also announced the removal of discrimination between Class III and IV employees of P. and T. Department in regard to leave rules and medical attendance benefits. Orders had also been issued, he said, generally liberalising the pension rules and removing the existing distinction between Class III and IV employees in that respect.

As regards the upgrading of certain towns for purposes of admissibility of increased house rent and compensatory allowances, the matter "will be considered carefully and in detail in general for all Government employees", he said.

The Minister stated that in August last the P. and T. employees submitted to Government a large number of demands in the shape of a charter covering numerous aspects of the terms and conditions of P. and T. employees. The demands submitted by the Federation in the charter fell broadly into the following two categories:

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(a) Those of a general nature affecting all Central Government employees; and

(b) Those which concerned the employees of P. and T. Department only.

In the first category were such demands as the appointment of a second Pay Commission, an immediate increase in the rate of dearness allowance and the merger of the entire dearness allowance with pay.

"There were two other major demands relating to (a) removal of discrimination amongst the various cadres as between members of Class III and Class IV; and (b) liberalisation of pension rules. As regards the former, the distinction between Class III and Class IV related to matters concerning leave rules, leave reserve and medical attendance. Necessary orders have been issued to remove any such distinction on the points regarding leave rules and medical attendance benefits. Orders have also been issued generally liberalising the pension rules and removing the existing distinction between Class III and Class IV employees in that respect.

"The Unions further demanded that (a) the departmental rules relating to the recruitment, promotion and transfer, etc., should be given a legal and contractual basis; (b) Rule 5 of the Central Civil Service (Temporary) Rules which provides for the discharge of a temporary employee, not in possession of quasi-permanency status, on one month's notice be cancelled, and (c) that the Safeguarding of National Security Rules be repealed.

"As regards these, it is hardly necessary for me to point out that the employees of the P. and T. department are Government servants governed by the various service rules framed by the appropriate authorities in accordance with the powers vested in them by or under the Constitution and there can be no question of the P. and T. rules lacking any constitutional sanction or the P. and T. employees being placed above or outside the various service and conduct rules which govern the service conditions and conduct of all civil servants. An important demand pertains to the grant of compensatory allowance to P. and T. employees posted in Assam. This matter has been considered by us and certain tentative conclusions have been reached. We have addressed the State Government in this behalf.

"Regarding the upgrading of certain towns for purposes of admissibility of increased house rent and compensatory allowances the matter will be considered carefully and in detail in general for all Government employees."

Concessions to P. and T. Men.- "In the second category there were a number of demands relating to the employees of the P. and T. Department only. These related to matters such as enlargement of the avenues of promotion, provision of better rest rooms and dormitories, construction of staff quarters and P. and T. colonies, etc.

"These demands were gone into carefully and a number of them have already been conceded. I would like to mention in particular the following concessions which have been announced to them:

(1) The avenues of promotion have been enlarged. All posts of time scale supervisors in the post offices, R.M.S., and D.L.Os, carrying the scale of 60/170 rupees plus allowances have been upgraded to those of lower selection grade in the scale of 160/250 rupees. Further, all lower selection grade head post offices in the grade of 160/250 rupees have been upgraded to higher selection grade in the scale of 250/325 rupees.

(2) Special relaxation will be granted to enable the recruitment of sons or dependents of such employees as die or become permanently incapacitated as a result of accident while on duty.

(3) Efforts will be made for constructing an appreciably larger number of staff quarters, dormitories, rest houses, dispensaries, etc.

(4) A Telegraph Enquiry Committee has already been appointed.

(5) The proposal for the creation of the cadre of Assistant Inspectors of Post Offices and R.M.S. which might have adversely affected avenues of promotion has been abandoned.

(6) Split duty at night has been abolished and night duty co-efficient has been liberalised.

(7) Water allowance will be sanctioned at the same rate as is allowed to the State Government employees.

(8) A Standing Committee will be set up to provide a machinery for the negotiation and speedy settlement of disputes.

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(9) A National Welfare Board for P. and T. employees will be set up to draw up a comprehensive plan for their welfare.

"It is true that it has not been possible for us to accept some of the demands made by the Federation but the reasons of our inability to accept them were fully explained to the representatives of the Federation. There were some other demands also in respect of which final decisions have not yet been taken. These were fully discussed with the representatives of the Federation and after ascertaining their point of view and exploring the possibility of reasonable compromises, references have been made to other authorities concerned. These matters are being pursued on the basis of priority."

Strike Notice by Federation.- "Despite the Government having given close attention to its charter of demands, the Federation and the nine federated unions have, on 15 July 1957, served a notice on Government declaring their intention to call a strike with effect from the mid-night of the 8th of August 1957. In the annexure to this notice they have listed their demands which are more or less the same as had been made earlier except, of course, that most of the demands which have already been conceded, have been deleted. I have already dealt with these matters and I have nothing more to add."

"A strike at the present moment would be fraught with grave consequences. The Government will, however, do their utmost to fulfil their obligations, however onerous they might be. I would once again appeal in all earnestness to the P. and T. workers' leaders to choose the path of reason and moderation."

(The strike notices were withdrawn by the unions on 8 August 1957).

(The Hindu, 19 July 1957).

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CHAPTER 8. MANPOWER PROBLEMS.

INDIA - JULY 1957.

81. Employment Situation.

Employment in Factories in India during  
1955.

An article in the June 1957 issue of the Indian Labour Gazette makes a detailed study of trends in employment as indicated in the statistics of employment collected under the Factories Act, 1948, for the year 1955. The data considered here relate to the erstwhile Part 'A' States, Delhi, Ajmer, Coorg and Andaman and Nicobar Islands. Although returns for the year 1955 were received from some of the Part 'B' and other Part 'C' States as well, the relevant statistics do not show a satisfactory coverage and hence have not been included.

The following table shows for each State the number of working factories, the number of factories submitting returns and the average daily number of workers employed therein separately for each of these sections. The table also shows the number of workers employed in factories not submitting returns, except in Punjab and Ajmer.

10/10/54  
plus former

20/10/54  
plus former

State	Section 2a(i)				Section 2a(ii)			
	Working Factories submitting returns.			Estimated average daily employment in factories not submitting returns.	Working Factories submitting returns.			Estimated daily employment in factories not submitting returns.
	No.	No.	Average daily employment.		No.	No.	Average daily employment.	
Andhra.	1,594	1,410	70,682	4,036	608	440	42,816	14,234
Assam.	962	870	68,810	4,649	2	1	40	24
Bihar.	812	771	137,587	1,054	612	597	26,516	546
Bombay.	6,773	6,043	818,777	24,433	973	748	39,508	11,831
Madhya Pradesh.	1,198	1,077	98,922	1,502	406	346	31,654	2,076
Madras.	3,604	3,413	278,499	7,293	1,323	1,203	49,427	3,719
Orissa.	243	229	17,671	576	61	54	2,648	172
Punjab.	1,606	1,371	59,727	N.A.	136	87	3,662	N.A.
Uttar Pradesh.	1,517	1,365	230,501	5,801	185	156	14,778	1,624
West Bengal.	2,890	2,565	612,043	32,971	104	72	4,696	2,004
Ajmer.	63	59	14,172	N.A.	12	12	437	-
Coorg.	12	12	419	-	1	1	20	-
Delhi.	642	588	45,314	1,177	62	57	1,938	151
Andaman & Nicobar Islands.	4	4	1,928	-	-	-	-	-
<b>Total (1955).</b>	<b>21,920</b>	<b>19,777</b>	<b>2,454,752</b>	<b>83,302</b>	<b>4,485</b>	<b>3,774</b>	<b>218,140</b>	<b>36,381</b>
<b>Total (1954).</b>	<b>21,194</b>	<b>18,967</b>	<b>2,360,265</b>	<b>75,346</b>	<b>4,461</b>	<b>3,695</b>	<b>204,269</b>	<b>30,034</b>

N.A. - Not Available.

( Continued next page. )

## Section 85

## Total

Section 85			Total				
Working factories.		Factories submitting returns.	Estimated average daily employment in factories not submitting returns.	Working factories.		Factories Submitting returns.	Estimated average daily employment in factories not submitting returns.
No.	No.	Average daily employment.		No.	No.	Average daily employment.	
435	358	4,016	860	2,637	2,208	117,514	19,130
19	15	97	29	983	886	68,647	4,702
2,662	2,619	7,959	134	4,086	3,987	172,062	1,744
486	339	4,744	1,724	8,232	7,130	863,029	37,988
-	-	-	-	1,604	1,423	130,576	3,578
-	-	-	-	4,927	4,616	327,926	11,012
2	2	9	-	306	285	20,328	548
78	38	323	-	1,820	1,496	63,712	N.A.
54	51	534	N.A.	1,756	1,572	245,613	7,425
1	-	-	11	2,995	2,637	616,739	34,986
-	-	-	-	75	71	14,609	N.A.
6	5	29	-	19	18	458	-
-	-	-	-	704	645	47,252	1,328
-	-	-	-	4	4	1,928	-
3,743	3,427	17,511	2,758	30,148	26,978	2690,403	122,441
4,398	3,876	25,223	6,877	30,053	26,538	2589,757	112,257

N.A. - Not Available.

It will be seen from this table that in 1955 the Factories Act covered 30,148 working factories, of which 26,978 having an average daily employment of 2,690,403 furnished the statistical returns. The estimated employment in the defaulting factories (excluding those in Punjab and Ajmer) was 122,441. Thus, total employment in 1955 covered by the Factories Act was a little over 2.8 millions. The table also shows that the default in submission of returns was not negligible though not high enough to seriously affect the conclusions drawn from the data relating to factories submitting returns. Factories not submitting returns formed 10.0 per cent of the total, while employment therein was only 4.7 per cent of the total reported employment. These figures clearly show that default was mainly in the small-sized units. The position in this regard considered by Sections is summarised below. The corresponding figures for 1954 are also given for the sake of comparison.

	Year	Section 2m(i)	Section (2m(ii))	Section 85	All factories.
Percentage of factories not submitting returns to the total working factories.	1955	9.3	14.9	7.4	10.0
	1954	10.5	17.2	11.9	11.7
Percentage of employment in factories not submitting returns to total reported employment.	1955	3.5	17.0	16.0	4.7
	1954	3.1	12.8	21.4	4.2

It would be seen from the above figures that in 1955 the percentage of factories not submitting returns to the total working factories declined but this percentage considered by employment in factories not submitting returns to the reported employment was actually higher. This would seem to show that the increase in reported employment from 2,589,757 in 1954 to 2,690,403 in 1955 was due to a real increased employment opportunities and not due to a better coverage in reporting. In Section 85, the default in reporting was smaller in 1955, whether considered on the basis of units involved or the employment therein. It was different in Section 2m(ii), the percentage default on the basis of units was smaller but that on the basis of employment was higher. A similar position was obtained in section 2m(i). In both the years, the percentage default was much greater in section 2m(ii) and 85 (except in percentage of factories not submitting returns in 1955 in Section 85) than in section 2m(i). The percentage of employment in non-responding factories was high in Andhra (16.3 per cent), Assam (6.8 per cent), West Bengal (5.7 per cent) and Bombay (4.4 per cent).

Industry-wise classification.- The following table gives employment figures industry-wise:-

Code No.	Industry	2m(i)				2m(ii)			
		No. of units submitting returns.	Average daily employment.	Factories not submitting returns.	Estimated employment.	No. of units submitting returns.	Average daily employment.	Factories not submitting returns.	Estimated employment.
1	2	3	4	5	6	7	8	9	10
01	Processes Allied to Agriculture (Gins and Presses).	1,572	102,330	119	5,559	23	569	10	190
20	Food except Beverages.	5,838	326,225	670	16,413	103	3,513	59	2,019
21	Beverages.	108	4,848	4	50	16	344	-	-
22	Tobacco.	81	20,937	2	56	1,592	112,828	272	19,880
23	Textiles.	2,116	1021,804	176	16,043	538	19,345	84	2,787
24	Footwear, Other Wearing Apparel and Made-up Textile Goods.	74	10,311	11	423	68	2,036	16	967
25	Wood and Cork except Furniture.	691	26,618	61	1,772	15	403	2	73
26	Furniture and Fixtures.	114	7,271	13	391	42	1,230	9	217
27	Paper and Paper Products.	119	25,078	12	279	8	190	2	48
28	Printing, Publishing and Allied Industries.	1,481	71,625	123	3,473	66	2,021	4	110
29	Leather and Leather Products (except Footwear).	224	14,241	13	282	152	4,791	18	369
30	Rubber and Rubber Products.	121	24,314	11	400	11	272	4	153
31	Chemicals & Chemical Products.	619	69,386	46	3,965	289	16,459	22	695
32	Products of Petroleum and Coal.	65	11,277	1	12	14	475	-	-
33	Non-metallic Mineral Products (except Products of Petroleum and Coal).	553	74,978	62	3,117	324	24,684	72	4,064
34	Basic Metal Industries.	548	95,096	36	1,294	3	49	3	70
35	Metal Products (except Machinery and Transport and Transport Equipment).	1,134	57,149	120	3,524	88	2,082	15	378
36	Machinery (except Electrical Machinery).	1,432	95,003	109	4,080	20	896	6	211
37	Electrical Machinery, Apparatus, Appliances and Supplies.	255	30,253	21	622	4	262	-	-
38	Transport Equipment.	950	211,338	94	15,884	44	2,928	6	262
39	Miscellaneous Industries.	748	108,071	91	3,645	231	20,067	31	3,336
51	Electricity, Gas & Steam.	373	26,599	18	461	-	-	-	-
52	Water and Sanitary Services.	129	5,396	9	188	1	54	-	-
83	Recreation Services (Cinema Studios).	45	3,966	6	311	1	48	1	15
84	Personal Services (Laundries, Dyeing & Cleaning).	427	10,838	58	1,158	111	2,584	26	537
Total. (1955).		19,777	2454,752	1,889**	83,302**	3,774	218,149	662**	36,381**
Total. (1954).		18,967	2360,265	2,154*	75,346*	3,695	204,269	754*	30,034*

\*\* Exclusive of Punjab and Ajmer.

\* Exclusive of Delhi and Ajmer.

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In certain industries some of the bigger sized units seem to have defaulted, as is shown by the estimated employment figure being much above the level of the percentage default shown by all industries taken together. Such instances under section 2m(i) are Processes Allied to Agriculture (Gins and Presses), Food (except Beverages), Wood and Cork except Furniture, Printing, Publishing and Allied Industries, Chemicals and Chemical Products, Metal Products (except Machinery and Transport Equipment), Non-metallic Mineral Products (except Products of Petroleum and Coal), Machinery (except Electrical Machinery), Transport Equipment and Personal Services. As regards 2m(ii) factories it will be seen that the number defaulting was relatively high in Food except Beverages and Non-metallic Mineral Products (except Products of Petroleum and Coal). Estimated employment in the Section 2m(ii) factories not submitting returns was relatively high in Processes Allied to Agriculture, Food (except Beverages), Tobacco and Footwear, other Wearing Apparel and Made-up Textile Goods.

It is seen that as usual, the bulk of the units and employment covered by the Factories Act was in Section 2m(i) factories. A small proportion of the number of units covered was in Sections 2m(ii) and 85. The numbers of units in the two Sections were more or less equal. Employment in Section 2m(ii) was small but not inconsiderable altogether, being 8.1 per cent of the total for all Sections. However, employment in Section 85 was almost negligible, being 1.1 per cent of the total. Thus, it will be seen that Section 85 factories are not really of any great significance in so far as the employment covered by the Factories Act is concerned.

Section 85 factories accounted for a sizeable number of working factories and employment only in the States of Andhra, Bihar, and Bombay. The total number of such working factories has been showing a gradual decline. Their number in the successive years during 1951 to 1955 was 5,686, 4,844, 4,632, 4,398 and 3,743. Only in Bihar the number of such factories has been increasing significantly in the recent years. The number of working factories in 1955 was 2,662 as compared to 2,256 in 1954. Not only the number of units registered under Section 85 declined in 1955 but the employment, including estimated figures, also decreased sharply from 32,100 to 20,269. The average employment per unit also declined from 7 in 1954 to 5 in 1955. These declining trends need not be due to any declining employment opportunities in the ~~netif~~ Section, as the coverage in the Section is dependent on the special notification by the State Governments. If the policy of specially notifying units under the Factories Act is discouraged, number of units and employment in the Section would show a decline. For instance, 1,337 factories under Section 85 in Madras were all removed from the register during the year.

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From the size distribution of the factories submitting returns it is seen that 2,890 factories i.e., 84.3 per cent of the total were employing less than 10 workers and accounted for an employment of 9,824 i.e. 56.1 per cent of the total employment in the Section. Of these, as many as 2,103 factories were in the industry group "Food except Beverages". There were 490 factories i.e. 14.3 per cent of the total with an employment of 6,011 workers i.e. 34.3 per cent of the total employment in the next size group employing 10 to 20 workers. The highest concentration of factories in second size group was in the industry group 'Textiles', where they formed 19.6 per cent of the total in the size group. In the third size group of factories employing 20 to 50 workers, there were 43 factories (i.e. 1.3 per cent of the total) with an employment of 1,154 (i.e. 6.6 per cent of the total employment). In the other size groups, there were only one factory registered under Section 85 employing 75 workers and 3 factories employing 447 workers. As would be readily seen, factories employing 10 workers or more if using power or employing 20 workers or more if not using power are automatically covered by the Factories Act. The occurrence of higher sized units in Section 85 seems to require an explanation. A reference on the point made to Bombay State elicited the information that in a judgement of the High Court Bidi workplaces were not held to be factories as defined in the Factories Act and hence all units in the Bidi industry irrespective of their size were covered in Section 85.

The highest concentration of industries in the States accounting for sizeable number of working factories was in the groups "Manufacture of Metal Products (except Machinery and Transport Equipment)" and "Personal Services" in Andhra, "Food (except Beverages)" in Bihar and "Food (except Beverages)" and "Textiles" in Bombay. Employment of women and children was rather small in Section 85 Factories. During 1955 there were only 1,108 adult women, 132 adolescent and 49 children as against 16,222 adult men.

As already stated, factories coming under Section 2m(ii) of the Factories Act account for only a small percentage of total factory employment. Generally speaking, there has been a gradual decline in the number of working of factories falling in the Section. The numbers of working factories in the successive years during 1951 to 1955 were 5,448, 4,860, 4,580, 4,461 and 4,485. The small increase in 1955 appears to be mainly due to an increase in the number of factories in the Textile industry in the State of Punjab. The States of Madras, Bombay, Bihar, Andhra, Madhya Pradesh and Uttar Pradesh accounted for most of the working factories and employment in this category. Madras claimed the largest number of factories namely 1,323 out of the total of 4,485, i.e. 29.5 per cent. The States of Bombay, Bihar, Andhra, Madhya Pradesh and Uttar Pradesh accounted for 21.7 per cent, 13.6 per cent, 13.6 per cent, 9.1 per cent and 4.1 per cent respectively of the total.

Information received from factories submitting returns shows that there were 131 factories employing less than 10 workers. These factories claimed an employment of 979 or 0.5 per cent of the total. The industry groups of Tobacco and Textiles accounted for bulk of the number of factories and employment in this category. There were 806 factories employing 10 to 20 workers. Employment in this factory was 12,476 i.e. 6.7 per cent of the total and main concentration was in the industry groups of Tobacco, Textiles and Miscellaneous industry. The category of factories employing 20 to 50 workers claimed 1,765 factories with an employment of 54,600 i.e. 25.0 per cent of the total. The concentration in this category was mainly in the industry groups of Tobacco and Textiles. There were 661 factories employing 50 to 100 workers. In such factories 45,541 workers or 20.9 per cent of the total were employed. In this category the bulk of the employment was in the Tobacco group. The category of factories employing 100 to 500 workers accounted for 72,942 i.e. 33.4 per cent of the total employment in 380 factories. In this category, the bulk of the employment was in the industry groups of Tobacco and Non-metallic Mineral Products (except Products of Petroleum and Coal). The categories of factories employing 500 to 1,000 workers and 1,000 to 5,000 workers accounted for 22 and 9 factories with an employment of 17,101 and 14,501 i.e. 7.8 and 6.7 per cent of total respectively. The bulk of the employment in the former group was in the industry groups of Tobacco and Miscellaneous industry. In the latter category, however, Tobacco alone claimed 78.5 per cent of the employment. There was no factory in the category employing 5,000 workers or more. From the above account it will be seen that Textiles and Non-metallic Mineral Products (excluding Products of Petroleum and Coal) groups were the important industries in the Section 2m(ii) group. Most of the factories and employment in the Section belonged to size group 20 - 500. There were just only a few larger-sized units.

For the purpose of assessing employment trends, the data for factories under section 2m(i) and 2m(ii) can usefully be combined, as, already observed, employment in Section 85 factories is relatively unimportant. The number of working factories submitting returns and employment therein for the two Sections combined is shown in the table below for each State. For comparative purposes, the figures are given for the year 1954 also. Excepting Andaman and Nicobar Islands, the reported figures of average daily employment was higher in 1955 in each State. The overall average size per unit reporting remained 115 but there were variations when considered by States. In Bihar and Madras the average size increased markedly in 1955 but in West Bengal, Madras, Orissa and Ajmer it declined considerably. In other States there were only minor variations.

State	1954				1955			
	Working factories.		Factories submitting returns.		Working factories.		Factories submitting returns.	
	No.	No.	Average daily Employment.	Average size.	No.	No.	Average daily Employment.	Average size.
Andhra.	2,090	1,718	105,254	61	2,202	1,850	113,498	61
Assam.	955	839	65,201	78	964	871	68,550	78
Bihar.	1,477	1,460	163,753	112	1,424	1,368	164,103	119
Bombay.	7,524	6,452	805,785	125	7,746	6,791	858,285	126
Madhya Pradesh.	1,596	1,292	122,204	95	1,604	1,423	130,576	91
Madras.	5,233	4,834	318,272	66	4,927	4,616	327,926	71
Orissa.	278	253	20,161	80	304	283	20,319	71
Punjab.	1,322	1,256	54,369	43	1,742	1,458	63,389	43
Uttar Pradesh.	1,638	1,473	239,874	163	1,702	1,521	245,279	161
West Bengal.	2,841	2,428	609,925	251	2,994	2,637	616,739	233
Ajmer.	72	66	14,452	219	75	71	14,609	205
Coorg.	12	12	425	35	13	13	439	33
Delhi.	614	575	42,826	74	704	645	47,252	73
Andaman and Nicobar Island.	4	4	2,035	509	4	4	1,928	482
<b>Total.</b>	<b>25,656</b>	<b>22,662</b>	<b>2564,534</b>	<b>113</b>	<b>26,405</b>	<b>23,551</b>	<b>2672,892</b>	<b>113</b>

The data concerning factories in the public sector shows that during 1955, that the number of working factories increased by about 10 per cent in public sector but only by 2.5 per cent in the private sector. It is worth observing that about 15.5 per cent of the factories in the public sector defaulted in furnishing returns, while this percentage was only 10.5 per cent in the case of the private sector. Employment in both sectors increased during 1955. In the case of Government and Local Fund factories it increased from 342,094 in 1954 to 348,441 in 1955 i.e. by 1.9 per cent, while in the case of private factories it increased from 2,222,440 in 1954 to 2,324,451 in 1955 i.e. by 4.6 per cent. From the point of view of persons employed, employment in the private sector is nearly seven times of that in the public sector. However, the average size per factory as shown by the returns furnished is 104 in the case of private sector and 306 in the case of the public sector. This shows that in the public sector there are more large-sized units.

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Distribution by age and sex.— During 1955 women accounted for 10.83 percent of total factory employment and adolescents and children 0.49 per cent and 0.19 per cent respectively. The data shows that the relative percentage of employment by men, women, adolescents and children remained more or less unchanged during the two years 1954 and 1955. It will be seen that the employment of children was almost of negligible proportion. The largest number was employed in Madras but the percentage employed to total employment in the State was the highest in Assam being 1.04 per cent. In Madras boys and girls were mainly employed in Chemicals and Chemical Products and Tobacco industries. A good number was employed in Textiles industry too. In Assam, boys and girls were mainly employed in Textiles factories. The employment of adolescents was relatively higher but still not in considerable proportion. Here again, they were employed in larger numbers in Madras and Assam, though Bombay and West Bengal also showed a relatively higher percentage of employment. Here also Chemicals and Chemical Products, Tobacco and Textiles in Madras and tea gardens in Assam mainly offered opportunities of employment to adolescents. In Bombay adolescents were employed in various industries but the largest numbers were in Tobacco and textiles. Similarly, adolescents in West Bengal was interspersed in the various industries but notably in tea gardens and Textiles. Employment of women was more widely spread among the States. The largest number was employed in Bombay, Madras, Andhra, Madhya Pradesh and West Bengal. Andhra showed the highest percentage of women workers to total employed, the figure being 42.5 per cent. The bulk of the number was employed in Tobacco industry. There was a good number in Rice Mills and Edible Oil factories and Gins and Presses. Their highest concentrations in Bombay were in Gins and Presses, Textiles and Tobacco. In Madras, women were concentrated more in Food (except beverages), Textiles and Chemicals and Chemical Products industries. Gins and Presses and Tobacco industries attracted a large proportion of women in Madhya Pradesh. Women were mainly concentrated in Textiles, Food (except beverages) industries in West Bengal.

~~Emp~~ In Section 2m(i) factories, after Textiles, which accounted for nearly half of the total employment, Food (except Beverages) and Transport Equipment industries came next at a distance in so far as volume of employment is concerned. In Section 2m(ii) factories, Tobacco claimed nearly half of the total employment in the Section. Non-metallic Mineral Products (except Products of Petroleum and Coal) Textiles and Chemicals and Chemical Products industries followed at a distance. These marked concentrations of employment in certain industry groups appear to be a feature of factory employment in India.

Average size per unit did not show any material change in the year. In Section 2m(i) the average size increased from 55 in 1954 to 58 in 1955. However, the average size in Section 2m(i) continued to be twice and even more in each industry when compared to the average size in Section 2m(ii). In Section 2m(i) the highest average size per unit was in Textiles (483), Tobacco (258), Transport equipment (227), Paper and Paper Products(211), and Rubber and Rubber Products(201). In Section 2m(ii) the highest average size per unit was in Miscellaneous Industries (87), Non-metallic Mineral Products (except Products of Petroleum and Coal) (76), Tobacco (71), Transport Equipment (67), Electrical Machinery, Apparatus, Appliances and Supplies (66) and Chemicals and Chemical Products (57).

For important industries i.e.those having an employment of 100,000 or more workers, variations between 1954 and 1955 figures as regards the number of factories submitting returns, average daily employment and average size per unit taking both Section 2m(i) and 2m(ii) factories together are summarised below:-

Industry	Percentage variation in the number of factories submitting returns.	Percentage variation in average daily employment in factories submitting returns.	Variation in average daily factory sub- mitting returns.
Processes allied to Agriculture.	+ 5.1	+ 10.2	+ 3
Food(except Beverages).	+ 3.6	+ 6.3	+ 1
Tobacco.	- 1.1	+ 3.6	+ 4
Textiles.	+ 8.9	+ 1.6	- 28
Chemicals and Chemical Products.	+ 10.7	+ 11.1	-
Non-metallic Mineral Products.	+ 3.5	+ 6.5	+ 3
Basic Metal Industries.	+ 3.2	+ 9.6	+ 10
Manufacture of Machinery(except Electrical Machinery).	+ 5.1	+ 13.0	+ 5
Transport Equipment.	+ 6.7	+ 1.2	- 12
Miscellaneous Industries.	+ 6.9	+ 1.9	- 6

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Total number of mandays worked.- Under Section 2m(i), 45.8 per cent of the total number of mandays worked during the year was accounted for by the Textiles industry. The other industry groups which recorded comparatively higher number of mandays worked were Food (except Beverages), Transport Equipment, Miscellaneous Industries and Basic Metal Industries. The number of mandays worked in these industries were 10.9, 8.6, 4.4 and 4.3 per cent respectively of the total. Thus, it would be seen that the above five industries together accounted for about three fourths of the total mandays worked under Section 2m(i).

As compared to 1954, there was an increase of 57,854,887 i.e. 8.8 per cent in the number of mandays worked in 1955. Of this increase a substantial portion was accounted for by the Textile industry which recorded an increase of 39,192,327 man-days. The only other industry recording comparatively large increase of 9,077,912 was Food (except Beverages), though the number of mandays worked increased in all the industry groups except Footwear, other Wearing Apparel and Made-up Textile Goods, Furnitures and Fixtures and Personal Services. The decrease in the latter industry, was of the order of 1,500,000 whereas in each of the former two it was only about 200,000.

As regards Section 2m(ii), factories 47.3 per cent of the total man-days worked during the year was accounted for by the Tobacco industry. Other industries which accounted for considerable number of man-days worked were Miscellaneous Industries, Textiles, Non-metallic Mineral Products (except Products of Petroleum and Coal) and Chemicals and Chemical Products. These Industries respectively accounted for 11.1, 10.2, 8.8 and 8.1 per cent of the total.

As compared to 1954, there was an increase of 4,095,426 i.e. 8.4 per cent in the number of mandays worked in 1955. Of this increase, 2,639,168 i.e. 64.4 per cent, was accounted for by the Tobacco industry alone. Other industries, which recorded a sizeable increase in the number of mandays worked in 1955 were Chemicals and Chemical Products (by 964,438), Personal Services (by 678,015) and Textiles (by 497,727). Notable decrease in the number of mandays worked was recorded in the industry of Non-metallic Mineral Products (except Products of Petroleum and Coal) (by 840,318).

By dividing the figures of total man-days worked by the corresponding average daily employment an idea of the average number of days worked by the industries can be had. Taking all industries together the average number of days worked by Section 2m(i) factories during 1955 was 292 and by Section 2m(ii) factories 242.

Based on the returns submitted, the size distribution of factories, along with average daily employment therein, in the major industry groups for Section 2m(i) and Section 2m(ii) factories combined is given in the article. It will be seen that the distribution of number of factories and employment therein by various sizes remained, more or less, unchanged in 1955. The only perceptible change is in the size group of "100 to 500 workers" where the percentages of number of factories and employment therein changed from 10.1 and 17.7 respectively in 1954 to 10.6 and 18.7 respectively in 1955. Similarly, the proportionate employment in the size group of 1,000 to 5,000 workers changes from 40 per cent to 58.9 per cent. The figures given below show the percentages of number of units and employment therein to total of factories of various sizes:-

Units having employment size.	1955		1954	
	Percentage of		Percentage of	
	No. of units.	Employment.	No. of units.	Employment.
Workers 5,000 and over . . . . .	0.2	11.4	0.2	11.3
" 1,000 " . . . . .	2.3	50.3	2.3	51.3
" 500 " . . . . .	3.7	59.1	3.7	60.1
" 100 " . . . . .	14.3	77.8	13.8	77.8
" 50 " . . . . .	28.6	86.6	28.1	86.7
" 20 " . . . . .	61.9	95.9	60.8	95.8
" 10 " . . . . .	93.3	99.6	92.2	99.5

The size distribution by industry shows that the highest proportion of units in each industry group generally was in the size group 20 to 50 workers. Only in a few cases the number in the next lower group employing 10 to 20 workers is a little more but the difference was not really material. Another exception is shown by Gins and Presses, where the number of units in the size group of 50 to 100 workers is slightly more than that in the size group of 20 to 50 workers. Considered from the point of view of proportionate employment, the proportion in each industry group was generally the highest in the size group of 100 to 500 workers. The most notable exception was Textiles where 308 units in the size group of 1,000 to 5,000 workers accounted for nearly two third of the total employment in the industry. In this industry there were 25 units each employing 5,000 workers or more and the size group accounted for nearly one-sixth of the total employment in the industry.

The other exceptions where highest proportionate employment was in other size groups are Foot-wear, where two units accounted for a little more than one-third of employment in the industry, Paper and Paper Products, where six units employed nearly one-half the persons engaged in the industry, Basic Metal Industries, where four units claimed more than one-half the employment in the industry, Electrical Machinery, Apparatus, Appliances and Supplies industry, where 8 units accounted for a little over one-third of the total employment in the industry. Similarly 50 units in the Transport Equipment industry each employing more than 1,000 workers together accounted for nearly two-third of the total employment in the industry. There were certain big size units in the group of Miscellaneous Industries, which together accounted for one-half of the total employment in the group. These remarks would show that in the industries specifically mentioned here, employment was concentrated to a larger extent in big-sized units. To complete the list, mention may be made of one large size unit employing over 4,000 workers in Tobacco industry, one unit in Rubber and Rubber Products industry employing over 7,000 workers and one unit in the Machinery Industry (excluding Electrical Machinery) employing 6,500 workers nearly. The Industry group of Gins and Presses is another important one from the point of view of employment but in this group there was only one unit employing 854 workers. All others were smaller sized. The industry was fairly well spread in the various size groups. The peculiar features noted seem to be characteristic of the present set up of the Manufacturing Industries in India, and seem to be worth taking note of.

(Indian Labour Gazette, Vol. XIV, No. 12,  
June 1957, pp. 935-953 ).

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Employment Exchanges: Working during May 1957.

General employment situation.- According to the review of work done by the Directorate General of Resettlement and Employment during May 1957, there was an appreciable improvement in the overall employment situation in the country. The number of placements effected recorded a rise of 1,457. There was an increase in the number of vacancies notified to the exchanges in Bombay, Kerala and Uttar Pradesh.

Widespread shortage continued in respect of draughtsmen, overseers, surveyors, masons, skilled fitters, turners, welders, and mechanics. Shortage was also fairly widespread in respect of fast typists, experienced stenographers, trained teachers, compounders, midwives, nurses, engineers, qualified doctors, electricians and boilermen attendants.

Widespread surplus persisted in respect of clerks, untrained teachers, motor drivers, carpenters, unskilled office workers, unskilled labourers and freshers from schools and colleges. Supply was far in excess of the demand in respect of motor mechanics, chowkidars, semi-skilled fitters, peons and sweepers.

Registrations and placings.- The following table shows registrations for employment and placings during May 1957.

	<u>April 1957.</u>	<u>May 1957.</u>
Registrations. -----	145,438	148,035
Placings. -----	15,814	17,271

As is obvious from the above-mentioned table, there was an increase of 2,597 in registrations as compared to the previous month. The increase in registrations during the month under report was observed in the States of Bombay (1,961), Rajasthan (1,073), Kerala (1,017), Assam (917) and Punjab (772). On the other hand a decrease was noticeable in the States of Andhra (1,354), Bihar (1,056), Madras (941) and Orissa (858).

Similarly, there was an increase of 1,457 placements as compared to the previous month. This increase was mainly accounted for by the exchanges in the States of Bombay (574), Kerala (482), Punjab (380) and West Bengal (276), while the decrease was notable in the States of Bihar (245) and Uttar Pradesh (215). Of the total number of placements effected as many as 6,218 were under the Central Government, 7,189 under State Governments, 1,851 under quasi-Government establishments and local bodies and the remaining 2,015 with other employers.

Vacancies notified.- The number of employers who utilised the services of the employment exchanges during the month was 6,668 as against 5,827 during April 1957. In all 30,538 vacancies were notified by them as compared to 27,469 in the preceding month, which thus marked a notable increase of 3,069. The increase in the number of vacancies notified was conspicuous in the States of Bombay (2,251), Kerala (410) and Uttar Pradesh (296). A fairly significant decrease was, however, recorded in State of Bihar (583). Of the total vacancies notified during the month 8,935 were under the Central Government, 14,749 under State Governments, 2,593 under quasi-Government establishments and local bodies and the remaining 4,261 in other establishments. There was thus an increase of 3,350 in the public and a decrease of 261 in the private sector.

Register of unemployed.- At the end of the month under report 782,933 applicants were on the live registers of employment exchange this number being 29,396 more than the figure at the close of the previous month. The composition of the live register occupation-wise is shown below.

<u>Occupations.</u>	<u>Number on Live Register on 31 May 1957.</u>
1. Industrial Supervisory. -----	4,122
2. Skilled and Semi-skilled. -----	59,136
3. Clerical. -----	221,171
4. Educational. -----	31,057
5. Domestic Services. -----	28,518
6. Unskilled. -----	401,264
7. Others. -----	57,665
<b>Total.</b>	<b>782,933</b>

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Employment position of special categories of applicants.— The employment situation regarding special types of applicants is shown in the table below:—

<u>Category.</u>	<u>Registrations.</u>	<u>Placings.</u>	<u>Number on Live Register.</u>
1. Displaced Persons.	4,520	775	43,204
2. Ex-Servicemen.	5,388	1,132	24,651
3. Scheduled Caste Applicants.	15,791	2,538	78,887
4. Scheduled Tribe Applicants.	2,756	362	11,942
5. Surplus and discharged Central and State Government Employees.	2,660	1,196	5,855
6. Women.	7,879	1,045	41,991

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

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Bombay Unregistered Dock Workers (Regulation of Employment)  
Scheme, 1957.

The draft Bombay Unregistered Dock Workers (Regulation of Employment) Scheme (vide page 100 of the report of this Office for December 1956) has been approved and gazetted on 19 July 1957. The scheme applies to workers employed on vessels for clearing, chipping and painting work and workers employed on vessels for coal stevedoring and coal bunkering work.

(Gazette of India, Extraordinary,  
Part II, Sec. 3, 19 July 1957,  
pp. 2199-2205).

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Calcutta Unregistered Dock Workers (Regulation of Employment)  
Scheme, 1957.

The draft Calcutta Unregistered Dock Workers (Regulation of Employment) Scheme (vide page 100 of the report of this Office for December 1956) has been approved and gazetted on 29 June 1957. The scheme provides inter alia for the listing of employers of dock workers and dock workers, their obligations, disciplinary procedure, appeals by employers and workers against orders under the rules and penalties. The scheme applies to chipping and painting workers, sticher and baggar except those employed by contractors appointed by the Ministry of Food and Agriculture for clearnace of imported foodgrains, salt workers and workers employed on vessels for coal stavedoring and coal bunkering work.

(Gazette of India, Part II, Sec. 3,  
29 June 1957, pp. 1406-1410).

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83. Vocational Training.

India - July 1957.

Labour Ministry's Training Schemes: Progress during  
May 1957.

Training of craftsmen.- According to the review of the work done by the Directorate General of Resettlement and Employment during the month of May 1957, the number of trainees on the rolls of various training institutes and centres on 31 May 1957 was 11,088. There were 9,477 trainees (including 8 women) in technical trades and 1,611 (including 554 women) in vocational trades.

Training of Displaced persons.- The total number of displaced persons undergoing training at the end of May 1957, was 1,812. There were 1,483 persons undergoing training in technical trades and 329 in vocational trades.

A total of 1,057 displaced persons were undergoing training as apprentices in industrial undertakings and establishments in Uttar Pradesh and West Bengal, against 1,300 seats sanctioned for the purpose.

Training of Supervisors and Instructors.- In the XIX regular session, which commenced from 15 May 1957, 156 supervisors and instructors were receiving training at the Central Training Institute for instructors, Koni, Bilaspur, at the end of the month.

Training of Women Craft Instructors.- Under the scheme for the training of women craft-instructors at the industrial training institute for women, New Delhi, 20 women instructor-trainees were receiving training at the end of the month under review.

The following table indicates the total number of training institutes and centres and the number of craftsmen and displaced persons undergoing training as on 31 May 1957:-

<u>Number of Training Institutes and Centres.</u>	<u>Number of Seats Sanctioned.</u>	<u>Number of Persons undergoing Training.</u>
472	16,113	13,957

Purchase of equipment.- Under the Indo-U.S. operational Agreement No.35, equipment worth approximately 51,000 rupees was received at training centres during the month. The total value of equipments received under this aid scheme up to the end of May 1957, came to 1.69 million rupees.

Central Training Institutes.- As part of the reorganisation of the central training institute for craft instructors, at Koni-Bilaspur, sanction was accorded to the appointment of two senior masters and two junior masters in addition to the existing staff. A proposal to construct a new workshop for the Institute was under consideration in consultation with the Government of Madhya Pradesh.

Efforts were being made to acquire a piece of land in Bombay for the proposed second central training institute for craft instructors.

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

Higher Technical Education: Two more Institutes to be established.

According to a Press Release issued by the Union Education Ministry on 11 July 1957, the Government of India has decided to establish the southern and northern higher technological institutes immediately instead of in the latter half of the Second Plan period, as was originally envisaged.

Madras has been selected for the location of the southern institute and Kanpur for the northern institute. Necessary preliminary work for the acquisition of suitable sites in Madras and Kanpur, urbanisation of the areas and planning of the courses of study for the institutes will be undertaken shortly.

A provision of 40 million rupees has been made in the Second Five Year Plan for the purpose.

According to the Press release, the decision to establish the two institutes immediately is being undertaken by the Government in view of the large demand for technical manpower for the execution of the various schemes of national development and the consequent pressing need for the expansion of technical education facilities.

The setting up of southern and northern institutes will complete the chain of four regional higher technological institutes recommended for establishment by the All-India Council for Technical Education in 1946, on the lines of the Massachusetts Institute of Technology in the U.S.A. and the Federal Technological Institute in Zurich.

The first of these institutes was established in 1951 at Kharagpur in the eastern region as the Indian Institute of Technology and was incorporated by the an Act of Parliament early this year as an institution of national importance.

The western institute is in the course of establishment in Bombay on an extensive site of about 500 acres near Powai lake with the technical assistance of the USSR, under the UNESCO expanded programme of technical assistance. Scientific and technical assistance equipment worth about 10 million rupees, 20 experts and facilities for training 30 members of the Indian staff in the Soviet Union are expected to be provided by the Soviet Government under its programme of aid for the institute.

Each institute when fully developed will provide facilities for about 1,500 students for the under-graduate courses and for about 500 students for post-graduate studies and research. The courses at the under-graduate level will deal with the basic branches of engineering, including civil, mechanical, electrical and telecommunication. The post-graduate studies, which will include masters' and doctorate degrees, will cover the widest possible range of fields, particular attention being paid to the needs for specialist technical personnel for design, development and research work in engineering and technology.

Though located on a regional basis, the institutes will function as all-India institutions drawing students from all over the country.

(The Statesman, 12 July 1957).

84. Vocational Rehabilitation of Disabled Persons.

India - July 1957.

Education of the Handicapped: Standing Body's  
Recommendations.

The Standing Committee of the National Advisory Council of the Education of the Handicapped has recommended to the Union Government that special employment offices for handicapped persons should be established immediately in Delhi and Calcutta.

A Press release said the Committee, which met on 8 July 1957, has also recommended for the establishment of a model special school for orthopaedically handicapped children with a teachers' training department attached to it.

The committee has received a preliminary report of a random sample survey of the handicapped in Bombay.

The committee recommended that a survey of the handicapped should be carried out in Kanpur.

It was informed that a short-term regional course for the training of teachers for the blind will be held in Bombay next month. The course, organised by the Union Ministry of Education and Scientific Research, will consist of ten student-teachers.

(The Hindustan Times, 10 July 1957).

CHAPTER 9. SOCIAL SECURITY.

INDIA - JULY 1957.

92. Legislation.

Employees' Provident Funds Act, 1952, extended to  
Oxygen, Acetylene and Carbon Dioxide Gases Industry.

In exercise of the powers conferred under the Employees' Provident Funds Act, 1952, the Central Government has decided that with effect from 31 July 1957, the 'oxygen, acetylene and carbon-dioxide gases industry' shall be added to schedule I of the said Act as item No. (X) under the head 'Heavy and Fine Chemicals'.

(Notification SRO 1976, dated 8 June 1957;  
Gazette of India, Part II, Section 3,  
15 June 1957, page 1242 ).

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CHAPTER 11. OCCUPATIONAL SAFETY AND HEALTH.

INDIA - JULY 1957.

112. Legislation, Regulations, Official Safety and Health Codes.

Draft Kerala Boiler Operation Engineers' Rules, 1957.

The Government of Kerala published on 11 June 1957, the draft of Kerala Boiler Operation Engineers' Rules, 1957, proposed to be made in exercise of the powers conferred under the Indian Boilers Act, 1923. The rules require that the owner of a single boiler or two or more ~~boilers~~ boilers connected in a battery shall not use ~~the same~~ unless the boiler or boilers are placed in charge of a person holding a boiler operation engineers' certificate and deal inter alia the constitution of the board of examiners, the mode of examination for the grant of certificate of proficiency as a boiler operation engineer, the syllabus for examination. The draft rules will be taken into consideration by the Government after 11 September 1957.

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(Kerala Gazette, No. 24, dated 11 June 1957, Part I, pp. 1-12).

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115. Research, Investigation, Study.

India - July 1957.

Silicosis in the Pottery and Ceramic Industry\* :  
Report published.

The Chief Adviser Factories, Government of India, Ministry of Labour, has published a report of an inquiry into the incidence of silicosis in the Pottery and Ceramic Industry. The report deals with the results of an industrial hygiene investigation, carried out by the Department concerning 12 factories in the country and contains photographs and tables illustrating dust concentration in various processes and sections of the industry. A separate chapter is devoted to medical studies. In conclusion, the investigation lays down its recommendations and suggests ways and means to decrease the incidence of silicosis and ameliorate working conditions of labour in the industry.

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\* Report No. 11: Silicosis in the Pottery and Ceramic Industry, 1956; Issued by the Office of the Chief Adviser Factories, Ministry of Labour, Government of India, 1956. pp. 53.

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- \* "Rehabilitation Retrospect". Issued by the Ministry of Rehabilitation, Government of India. pp.98. (One copy sent to Geneva vide this Office Minute No.D.1/ 2241/57 dated 16 July 1957).

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- \* "Annual Administration Report for 1955-56 of the Asansol Mines Board of Health". pp.51.

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\* Publications received in this Office.