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Industrial and Labour/Development in August 1957.N.B.-Each Section of this Report may be taken out separately.

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - AUGUST 1957.

11. Political Situation and Administrative Action.

New Government formed in Jammu and Kashmir.

Consequent upon the conclusion of the General Elections in the State of Jammu and Kashmir, Shri Bakshi Ghulam Mohammed, the leader of the Jammu and Kashmir National Conference Party has formed the Government. Shri Ghulam Mohammed Rajpuri is the Minister in charge of Labour in the New Cabinet.

(The Hindustan Times, 29 July 1957).

Nepal: K.I. Singh forms new Government.

A new Cabinet has been formed in Nepal with Dr. K.I. Singh as Prime Minister.

(The Hindustan Times, 29 July 1957).

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Labour Participation in Management: Tripartite Body
approves List of Industries.

A list of industries, both in the public and private sectors, where the scheme of labour participation in management can be introduced, has been approved by the tripartite committee appointed by the Indian Labour Conference to implement the scheme (vide section 11, pp.16-17 of the report of this Office for July 1957) at its meeting in New Delhi on 6 August 1957.

For details, please see section 69, pp. 34-35 of this report.

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12. Activities of External Services.

India - August 1957.

(a) Articles etc.

An article by the Director of this Office, entitled 'Present Day Trends in Industrial Relations', was published in the 15 August 1957, Special issue of "The Indian Worker".

(b) Visits.

Among visitors to the Office during the month Shri V.V. Dravid, Labour Minister, Madhya Pradesh and U. Maungh Maung (Government of Burma).

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34. Economic Planning, Control and Development.

India - August 1957.

Mines and Minerals (Regulation and Development)
Bill, 1957.

Shri K.D. Malaviya, Minister for Mines and Oil, introduced in the Lok Sabha on 29 July 1957 a Bill to provide for the regulation of mines and the development of minerals under the control of the Union. The Statement of Objects and Reasons of the Bill declares that: The differentiation made between petroleum and other minerals in items 53 and 54 of the Union List has rendered separate enactments for the two necessary. The present Bill deals only with minerals other than petroleum. At present both are dealt with under the Mines and Minerals (Regulation and Development) Act, 1948 (53 of 1948).

Opportunity has been taken of putting forward this legislation to make some necessary changes in the provisions of the existing Act dictated by experience. These changes refer inter alia to - (i) the prescription of a maximum limit of 50 square miles for a prospecting licence; (ii) the grant of a second renewal to the holder of a mining lease for iron ore and bauxite under certain circumstances; (iii) the authorisation of the Central Government to undertake prospecting and mining operations in any land after prior consultation with the State Government; (iv) the promulgation of rules for the beneficiation of low grade ores; (v) the recovery of royalty, dead rent and other sums due to Government in the same manner as arrears of land revenue (Clause 24); and (vi) the delegation of certain powers to State Governments and by State Governments to their subordinate authorities.

(Gazette of India, Extraordinary,
Part II, Sec.2, 29 July 1957,
pp. 375-393).

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36. Wages.

India - August 1957.

Payment of Dearness Allowance: Study of Industrial Awards and Practice in India.

The practice of paying dearness allowance in India with a view to the adjustment of wages to fluctuations in cost of living, seems to have originated during the First World War when the cotton textile workers in Ahmedabad and Bombay demanded compensation for the rise in the cost of living. At the time of economic recession, however, this allowance was either substantially reduced or merged into wages. With the rise in prices after the outbreak of the Second World War there was again a clamour from the workers in organised industries for the grant of a dearness allowance to compensate them for the increased cost of living. The first organised demand of this kind was made in 1939 by the cotton textile workers in Bombay city, which was referred by the Government of Bombay to a Board of Conciliation. The Board directed the Bombay Millowners' Association to pay dearness allowance on a scale linked to the Bombay Cost of Living Index Number. A similar direction was given by the Bombay Industrial Court in respect of cotton textile workers of Ahmedabad. These directions encouraged workers in other industries and centres to make similar demands and these were mainly settled through adjudication. In the absence of any settled and guiding principles the decisions of adjudicators generally rested on their individual approach. ~~In the absence of any settled~~ This led to the emergence of a variety of scales and rates of dearness allowance which differed widely not only between one centre and another but also between different industries in the same centre and at times even between different units of the same industry in a centre. The broad principles followed by the adjudicators in making their awards on this issue were discussed in the monograph on "Industrial Awards in India - An Analysis" which was published in 1951. The awards, etc., analysed for that study covered a period starting from the establishment of the Industrial Court in Bombay in May 1939 to the end of the year 1950. In this article an attempt has been made to trace their further developments in this regard.

by the Labour Bureau

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With the exception of the Minimum Wages Act, 1948, there is no law in India which provides for the payment of dearness allowance to workers. This Act also does not lay down any guiding principle for the fixation of dearness allowance but merely authorises the appropriate authorities to prescribe a consolidated minimum wage or to fix a basic minimum wage and a special allowance adjustable with the variation in the cost of living index number in respect of persons employed in industrial or employments covered by the Act. Since the Act applies only to a few sweated industries, in most of the other industries the rates of dearness allowance have been fixed either as a result of the awards of the industrial tribunals or individual action by the employers. In a few cases the rates have also been settled by mutual agreements between the employers and employees.

Decision and recommendations of the tribunals.- The earlier study made by the Bureau showed that there were two broad schools of thought among adjudicators: (1) those who preferred payment of dearness allowance at a fixed amount which remained constant and undisturbed by changes in the cost of living, and (2) those who considered that the dearness allowance must vary with the rise or fall in the cost of living index. These two groups evolved various types of systems depending upon their appraisal of the circumstances of the cases before them. Recent study shows that there has been no material change in the situation so far as the systems of payment of dearness allowance is concerned but as a result of the appointment of the Labour Appellate Tribunal certain broad principles such as the extent of neutralisation of the rise in the cost of living, circumstances under which the rates of dearness allowance may be revised have emerged.

Dearness allowance not linked to the cost of living index number.- The examination of awards show that at present the most prevalent system is payment of dearness allowance at a uniform rate to all employees irrespective of their wages without in any way being affected by rise or fall in the cost of living. The factors which seem to have influenced adjudicators in recommending this system are simplicity, greater relief to persons in lower income groups and the absence of reliable cost of living indices. It appears that this system was first recommended by the Raj Court of Enquiry which was constituted in 1929 to investigate the question of dearness allowance for Railway employees. This precedent seems to have influenced many adjudicators. In an appeal in the dispute between the Artisan Press Ltd., and their workmen, the Labour Appellate Tribunal, Madras, remarked, "As observed by the Raj Court of Enquiry, simplicity and uniformity dictate a single rate for all. Taking into consideration the past practice obtaining in this concern as well as some in many of the small scale industries in West Bengal as well as some other States, we think that the tribunal has taken a correct view in maintaining the flat rate of dearness allowance".

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The Tribunal whose decision was reviewed by the Labour Appellate Tribunal had held that a flat rate of 20 rupees per month for the workers of the Artisan Press Ltd., Madras, irrespective of their wages was adequate and proper. The industrial Tribunal, West Bengal, which had the occasion to examine the issue relating to dearness allowance in an industrial dispute between 101 Jute Mills in West Bengal and their employees also favoured the continuance of the system of payment of dearness allowance at a flat rate.

Some of the adjudicators have taken the view that persons getting a higher basic pay are entitled to a comparatively higher dearness allowance. Such a view has resulted in the evolution of a system of a graduated scale of dearness allowance according to income slabs. Under this system the amount of dearness allowance increases with each slab of salary increase but the rate of the allowance to the income goes on diminishing. This means that a lower rate of compensation is given to the higher categories of workers. This system became more popular after its adoption by the Central Pay Commission. It may, however, be stated that while adopting this system the adjudicators, etc., have generally ignored the fact that the Commission had also related the allowance to changes in the cost of living index number. For instance the Engineering Tribunal of 1948 as well as of 1950, set up in West Bengal, also ordered the adoption of this method of the payment of dearness allowance.

There is another variant of this form. Under this scheme, dearness allowance is given as a percentage of basic wages which changes with each income slab. A minimum is also set for each slab below which the amount of dearness allowance paid to workers in that particular slab is not allowed to fall. This system which was recommended by All India Industrial Tribunal (Colliery Disputes) was prevalent in all the coal mines in India, till recently. The Labour Appellate Tribunal while hearing an appeal recently filed by employers' as well as employees' against this award confirmed the existing scheme. In addition it directed that the dearness allowance should be raised by a prescribed flat amount if the All India Average Consumer Price Index Numbers (General - Base: 1949 = 100) rose by 10 points over 102. It also directed that similar adjustment should be made if there is a drop by 10 points but no reduction in the allowance should be made if the index falls below 102.

Dearness Allowance linked to the cost of living index. - An examination of the awards, etc., shows that the practice of linking dearness allowance to the cost of living index number in one way or another has been adopted in a large number of cases specially where such indices exist. The merit of this system is that the amount of dearness allowance is automatically adjusted with the rise or fall in the index and it commands the faith of both employers and employees. There are many variants of this form. The most commonly adopted method is the fixation of a flat rate of dearness allowance for all categories of workers and linked to the cost of living index number.

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This method was originally recommended by the Bombay Industrial Court early in 1949 in connection with the demand of the cotton textile workers in Ahmedabad. Under this system which is prevalent in almost all the centres of the cotton textile industry, a certain rate of allowance is fixed for every point for rise in the index number above a certain level. This means that the workers in the lower wage groups receive a higher proportion of their wages as dearness allowance than those in the higher wage groups. Usually no dearness allowance is paid below this ~~level~~ level, the implication being that basic wage should be treated as adequate if the cost of living index remains at that level. In effect the limit is set by the figure of cost of living index in the base year to which the minimum basic wage has been tied down. This figure naturally depends on the particular series to which the dearness allowance may be linked. In a number of disputes relating to other industries the rates fixed for the cotton textile mills have also been adopted as a standard and the rate of dearness allowance has been fixed at a certain percentage thereof. For instance, in a number of engineering, chemical and other concerns in Bombay State, dearness allowance at 45 to 100 per cent of the textile rate has been awarded depending on the capacity of the units concerned.

There are many other variants of the scheme of linking dearness allowance with the cost of living index. In some cases (e.g., in cotton and woollen textile mill in U.P.) a different rate per point has been prescribed for the different slabs of the cost of living index number. In some cases this differential rate increases as the slab rises; for instance in a jute mill in U.P. while in others it decreases e.g. in cotton and woollen mills in U.P. The rising rates have been recommended on the ground that as the living costs rise higher and higher, larger and larger amounts are needed to meet the higher costs. Those adjudicators who have recommended decreasing rates have argued that greater relief may be granted for moderate rises in the index but if the index goes higher up the employees should also tighten up their belts. There is yet another variant in this scheme of rate per point, which provides for a graduated percentage increase in the standard rate per point for the rise in the cost of living index. For instance the Labour Appellate Tribunal in its 1955 award dealing with the revision of dearness allowance of Bombay cotton textile workers recommended the following increase in the standard rate which was 1.9 pies per point of rise above 105 in the Bombay Cost of living index.

Bombay Cost of Living Index Number.	Percentage increase in the standard rate.
For Index between 325 to 335	5 per cent.
For Index between 335 to 350	7-1/2 per cent.
For Index above 350.	10 per cent.

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Considerations governing the grant of Dearness Allowance.

Preferences shown in the awards of adjudicators and industrial tribunals have generally depended upon various factors such as the extent of neutralisation aimed at, the capacity of the industry or a concern to bear the financial burden, the practice obtaining in similar concerns in the locality, the past practice in the concern itself, the feasibility of linking the allowance to a cost of living index number, etc. These factors are dealt with in the following paragraphs.

An important consideration, while fixing a rate of dearness allowance, especially on the basis of cost of living index numbers is the extent of neutralisation to be provided for. The adjudicators and tribunals have adopted various levels of neutralisation not only between one centre and another but also in the same centre from time to time. The degree of neutralisation has been based upon their estimate of the financial capacity of the industry or the unit concerned. The Ahmedabad Millowners' Association and the Textile Labour Association entered into an agreement to raise the dearness allowance awarded by the industrial court in April 1940 by 45 per cent, with effect from July 1941, thus providing for 96.66 per cent neutralisation. This was reduced to 76.5 per cent in August 1945 but as a result of an award of industrial court, Bombay, in April 1948, the rate was again revised with effect from July 1947 so as to provide for a cent per cent compensation on the minimum wage of 28 rupee per month. In Bombay and Sholapur cotton textile mills, the neutralisation, however, is only 90 per cent and 67 per cent respectively.

Although varying degrees of neutralisation have been provided for in the different awards, cent per cent neutralisation has been discouraged by all the adjudicators since 1948. This tendency gathered further strength after the pronouncement of the decision by the Labour Appellate Tribunal in the dispute between the Buckingham and Carnatic Mills and their workmen in 1951. In that case the Appellate Tribunal observed as follows: "The Central Pay Commission makes the recommendation of cent per cent neutralisation in respect of employees who before the last war were living on the marginal level. It, at the same time held that a sum of 55 rupees per mensem (30 rupees as basic wages plus 25 rupees as dearness allowance) should be the total emoluments of such classes of employees for their minimum requirement. At the time of the report the living cost index was 260. On this figure 25 rupees as dearness allowance would work out at the rate of 2 annas 6 pies per point rise of the index. In spite of the first mentioned observation nowhere dearness allowance has been given at such rates so as to neutralise completely the rise in the cost of living even in regard to the lowest grade employees. Two reasons have been given in support of that view, namely (1) the industrial workers should also be called upon to make sacrifice like all other citizens affected by the rise in prices due to abnormal conditions, and (2) complete neutralisation would tend to add fillip to the inflationary spiral. Great weight was placed on the last mentioned reason in the report of the United Provinces Labour Enquiry Committee, 1946-48, where it was pointed out that complete neutralisation would lead to a vicious circle, namely, a rise in the total emoluments of an industrial worker which would force a rise in prices which in turn would again force a rise in total emoluments of an industrial worker. We consider these principles to be sound and cannot countenance a claim to such dearness allowance as would neutralise either cent per cent or nearly cent

cent per cent of the rise in the cost of living due to abnormal rise in the price of the commodities".

As already stated the main consideration that has generally influenced adjudicators, tribunals, etc., in awarding a particular rate of dearness allowance or in determining the extent of neutralisation has been the ability of the industry or unit concerned to bear the financial burden of the dearness allowance awarded. In an award which the industrial tribunal, Bombay gave in 1953, it observed, "The dearness allowance is just meant to meet the basic needs of the worker for food, clothing and shelter and we have to see to what extent the rise in the cost of living can be neutralised by allowing such dearness allowance as is permissible according to the paying capacity of the company". Dealing with the appeal preferred against this decision, the Labour Appellate Tribunal, Bombay, upheld the views of the lower Tribunal. It observed, "The dearness allowance which is paid in other concerns is after all a reflection of (a) the capacity of these concerns to pay and (b) the necessity for such payment having regard to the rise in the cost of living. The same two principal considerations must apply to the case of the company before us." But the capacity of the unit to pay has not always been the overriding factor. For example hearing an appeal preferred by the management of the National Tile Works, Feroke, against the award of the industrial tribunal enhancing the rate of dearness allowance, the Madras Bench of the Labour Appellate Tribunal did not accept the argument of the appellant that the rate of dearness allowance, should be revised because the company did not have the capacity to bear the additional burden. In this connection it observed as follows: "In this case, the minimum basic wage is too low and it comes to 16 rupees 4 annas for 26 working days and hence it has necessarily to be supplemented by dearness allowance with a view to make a near approach to the subsistence level. It is true that the financial position of the concern has to be taken into consideration when fixing the dearness allowance but not so that the dearness allowance falls below a certain level". Thus it will be noticed that in this case while fixing dearness allowance the wage rates prevalent in the unit concerned were also taken into consideration.

Subject to the above principles a stable policy seems to have been adopted by the Labour Appellate Tribunal and quick revisions of dearness allowance have not been favoured. In the appeal filed by the Kanpur Omnibus Service Employees' Union against the Kanpur Omnibus Service Ltd., the Labour Appellate Tribunal (Allahabad Bench) held that the case regarding dearness allowance granted a year and a half ago could not be allowed to be reopened on the ground that there has been some rise in the cost of living. The Tribunal observed: "The cost of living is subject to occasional variations of a minor character and fluctuates at intervals and in our opinion the period of 18 months is not long enough to justify the question being reargued". The appeal was consequently dismissed. The Madras Bench of the same Tribunal also did not favour the idea of changing long term agreements relating to dearness allowance.

Different rates for men and women.- Men and women workers have generally been granted the same dearness allowance, but there had been a few cases in which, adjudicators had awarded different rates of dearness allowance for men and women. For instance, workers in 36 cotton mills in West Bengal were awarded dearness allowance at 3/4ths of that granted to men. The considerations which seemed to have weighed with the tribunal were (i) the additional burden borne by the employers on account of maternity benefits and other welfare activities exclusively for the female workers, (ii) comparatively smaller number of dependents which the female workers are supposed to support and (iii) comparatively lower power of endurance of a female worker as against that of a male worker.

During the course of the study it has been found that there are very few cases where different rates of dearness allowance have been fixed for men and women. The general tendency seems to be to make no distinction between men and women in the matter of dearness allowance. While hearing the appeal in the dispute between Sri Vishuddhanada Saraswathi Marwari Hospital and their workmen, the Labour Appellate Tribunal (Calcutta) ~~in~~ deprecated the tendency of awarding dearness allowance at a lower rate to women on the ground that they had only one consumption unit to feed.

(Indian Labour Gazette, Vol. XV, No. 1,
July 1957, pp. 1-10).

Rajya Sabha adopts Minimum Wages
(Amendment) Bill.

The Rajya Sabha passed on 13 August 1957, the Minimum Wages (Amendment) Bill (vide pp.13-14 of the report of this Office for November 1956), which extends the time limit for fixation of minimum wages in respect of certain employments and agricultural labour to 31 December 1959.

The House rejected the amendments moved by Communist members seeking reduction in the time limit sought to December 1958 instead of 1959 and to bring workers employed in shops and establishments under the purview of the Bill.

Debate.- Moving the Bill for consideration on 12 August 1957, Shri Abid Ali, Union Deputy Minister for Labour, stated that a majority of the State Governments had made only a beginning as far as fixation of minimum wages in agriculture was concerned. The number of agricultural workers in the country was 35 million and wage fixation in respect of them presented certain specific difficulties like paucity of data, and illiteracy of both employees and employers.

It had now been decided to extend the time-limit for fixation of minimum wages from December 1954, to December 1959. Meanwhile, arrangements had been made for the collection of necessary data to enable construction of the cost of living index numbers for agricultural labour.

These numbers could be utilized by the State Governments for fixation of minimum wages. While thus extending the life of the Minimum Wages Act, opportunity had been taken to make certain amendments in the Act which had been found necessary in the light of past experience. They were aimed at removing difficulties in respect of settlement, payment of disbursement of minimum wages.

Dr. R.B. Gour (Comm.-Andhra) said the measure was belated.

Shri Biswanath Das (Cong.-Orissa) asked why the Government had not circulated the views of State Governments in regard to fixation of minimum wages for agricultural labour. His information was that the State Governments had said, probably with sufficient reason, that under the existing circumstances fixation of minimum wages in agriculture was not possible.

For a vast country with a large population mainly dependent upon agriculture, this was not practicable. He recalled that even at the time of the consideration of the original Act he had opposed inclusion of agriculture in its purview.

Shri M. Basavapurnaiah (Comm.-Andhra) said if the legislation was not to remain a dead letter, steps should be taken by the Central Government to see that all States enforced minimum wages for agricultural labour whose condition was, to a large extent, like that of "bond slaves". Even in a few areas where the minimum wages had already been fixed for agricultural labour, he pointed out, these were lower than the prevailing rates of wages in those areas.

Shrimati Seeta Paramanand (Cong.-M.P.) said though the Government had taken longer in coming forward with the amendment, she welcomed it because it would give further relief to the worker especially the agricultural labour. Shrimati Paramanand urged the Government to see that minimum wages were fixed for workers in the manganese mines which, she said, were better placed than coalmines.

Shri Ram Sahai (Cong.-M.P.) said that by a speedy implementation of the Bill, not only farm labour would be benefited but the diversion of people from the rural to urban areas could be stopped.

Shri B.K. Mukerjee (Cong.-U.P.) said for the application of minimum wages to farm labour all over the country the implementation machinery would have to be enormously expanded and the State Governments could not bear this burden. Unless the holdings were consolidated and co-operative farming introduced ~~hesitated~~, the Bill would not achieve satisfactory results.

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Shri S.D. Patil (Cong.-Bombay) said he did not mean to put the clock back as far as the principle of minimum wages was concerned, but would only emphasize that its implementation should be delayed where small individual holdings presented difficulties. It should be borne in mind that where agriculture was largely dependent on monsoons, and labour was scattered application of minimum wages might greatly disturb the economy. Besides, it would be presumptuous to apply the principle of minimum wages "as long as we have not given agriculture the status of industry".

Minister's reply to debate.— Replying to the debate, the Deputy Labour Minister, Shri Abid Ali, said that so far as the Centre was concerned, "sincere and earnest" efforts had been made to implement the provisions of the Minimum Wages Act. The State Labour Ministers' conference in November 1955 had recommended that despite various difficulties, the process of wage fixation for agricultural labour should be continued.

In fixing December 1959 as the deadline, he said, it was not the Government's intention that the implementation of the provisions of the Minimum Wages Act should be delayed till then. The Central Government wanted that minimum wages should be made applicable, wherever this had to be done, "as soon as possible and certainly before December 1959". If some of the States were able to take action immediately, "we will be happy".

Shri Abid Ali said that already 1.7 million workers had been covered by the Minimum Wages Act, 1948, and that the Opposition criticism that the Act had not benefited workers to a large extent was not justified.

(The Statesman, 13 and 14 August 1957)

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37. Salaries.

India - August 1957.

Enquiry into Pay Structure of Government
Employees: Supreme Court Judge to head
Commission.

Shri T.T. Krishnamachari, Finance Minister, announced in the Lok Sabha on 3 August 1957, the decision of the Government to set up a Commission of Inquiry, under the chairmanship of Shri Justice Jagannatha Das of the Supreme Court, to report upon the emoluments and conditions of service of the Central Government employees.

Besides Shri Justice Das, the Commission consists of: Shri V.B. Gandhi, Shri N.K. Sidhanta, Shri M.L. Dantwala and Shrimati Maragatham Chandrasekhar as members. Shri L.P. Singh, I.C.S., is the member-secretary and Shri H.F.B. Pais, Associate Secretary.

Terms of reference.- The terms of reference of the Commission are to examine:-

- (I) the principles which should govern the structure of emoluments and conditions of service of Central Government employees;

(II) consider and recommend what changes in the structure of emoluments and conditions of service of different classes of Central Government employees are desirable and feasible, keeping in mind the considerations mentioned below; and

(III) recommend in particular the extent to which the benefits of the Central Government employees can be given in the shape of amenities and facilities.

In making its recommendations, the Commission will take into account the historical background, the economic conditions in the country, and the implications and requirements of developmental planning, and also disparities in the standards of remuneration and conditions of service of Central Government employees on the one hand, and employees of the State Governments, local bodies and aided institutions on the other, and other relevant factors.

The Commission may consider demands for relief of an interim character, and send reports thereon.

The Commission has been asked to make their recommendations to the Government as soon as possible.

The appointment of a Pay Commission was one of the main demands of the Federation of Post and Telegraph Workers' Union and other Central Government Employees' Unions (vide pages 30-32 of the report of this Office for July 1957).

(The Hindustan Times, 4 August, 1957;
The Gazette of India, Extraordinary,
Part I, Sec.1, dated 21 August, 1957,
page 313).

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58. Housing.

India 15 August 1957.

C.P.W.D. Contractors to provide Housing to Construction Workers.

Contractors of the Central Public Works Department entrusted with Government work will, in future have to build properly laidout colonies for their labour force.

Clauses to this effect have been incorporated in the contract forms.

The colonies according to a Government Press release, will provide hutted accommodation with kitchens and bathing and washing places, urinals and latrines on communal basis. Arrangements will have to be made by the contractors for the supply of drinking water, street lighting, conservancy and sanitation.

The Government has laid down minimum standards in regard to each of these.

The huts will be provided with doors, windows and proper ventilation. Each hut will have open space. Drainage for sullage water from the camp will have to be constructed and conservancy and sanitary arrangements will have to be in accordance with the rules of the local bodies. Sweepers to keep the colony clean will have to be employed by the contractor.

(The Hindustan Times, 15 August 1957).

New Housing Policy Announced: 10,000 Million Rupees to be made available for Urban Housing.

Shri K.C. Reddy, Union Minister for Works, Housing and Supply, announced in the Lok Sabha on 14 August 1957, a new housing policy designed to make 10,000 million rupees available for urban housing during the Second Five-Year Plan as against the original provision of about 1,000 million rupees.

He also announced a rural housing scheme which will benefit 10,000 villages during the second Plan period at a cost of 100 million rupees.

To give a boost to house building in urban areas, it is proposed to set up housing corporations in the various States to provide loan finance, with the Central Government and State Governments giving subsidy. It is intended that these institutions will channelise into housing funds drawn from the private sector as well as from banks, investment companies and financial institutions supplemented by funds from the Life Insurance Corporation, the Employees' Provident Fund Account and other sources. The corporations will give long-term loans on reasonable rates of interest.

A separate department of housing is being set up in the Ministry under a Housing Commissioner to see that the implementation of the housing schemes proceeds "expeditiously and in an efficient manner". (It is understood that Shri N.P. Dube, Officer on Special Duty in the Ministry, has been appointed Housing Commissioner).

Shri Reddy made the statement while replying to the debate on demands for grants to his Ministry totalling 266.2 million rupees.

Shri Reddy said that he would like to give all amenities to the rural people who had suffered for long. But rural housing was a stupendous problem. Even for improving the houses in the 500,000 villages in the country one recent estimate was that about 25,000 million rupees to 40,000 million rupees would be required. There was the question of resources for implementing the second Plan and priorities. Therefore, the Government was not in a position to do what all it would like to do in regard to rural housing. However, it had drawn up an integrated housing scheme for villages under which houses are to be constructed in 10,000 villages at a cost of 100 million rupees during the second Plan period.

The Minister said the provision of 1,200 million rupees for housing in the second Plan was not a big sum. "For housing purposes we should be able to spend at least a thousand millions. How are we to do it", he asked.

In the new scheme the highest priority would be given to provide money for the acquisition provide and development of land to be made available to builders on a no-profit no-loss basis. It was also intended that State Governments would be asked to ~~use~~ use Government land for the construction of houses meant for the low income groups as part of their contribution towards subsidy.

(The Hindustan Times, 15 August 1957).

Low-Income Group Housing Scheme: Relaxation of Conditions Announced.

The Government of India has relaxed some of the conditions for the sanction of grants under the low income group housing scheme being operated by the Ministry of Works, Housing and Supply.

The relaxations authorise the State Governments and local bodies to sell, outright and on the hire-purchase basis, and to let out houses built by them under the scheme to those entitled to such benefits. This is, however, subject to the conditions that the sale or renting out would be on a no-profit-no-loss basis and that not more than 25 per cent of such houses will be given to the State's employees.

The State Governments will have to earmark at least 10 per cent of the funds made available to them under the scheme for disbursement directly or through co-operative societies to eligible individuals who wish to build their own houses.

It has also been decided to allow public institutions, such as universities, schools and colleges, hospitals and charitable trusts, to sell run on a no-profit-no-loss basis, to sell houses built by them to their employees outright or on a hire-purchase system, and also to let them out to such members of the staff as are eligible for assistance under the scheme. The sale or hire-purchase or renting out will have to be on a no-profit-no-loss basis.

Co-operative societies will continue to receive preference. The existing restrictions on the grant of assistance to local bodies in regard to amount of allocation as well as the maximum assistance permissible per house, will be removed.

It is hoped that these modifications will enable the State Governments to ensure that the scheme makes much more rapid progress and that the targets set under the second Plan are achieved. According to these targets, it is estimated that 68,000 houses will be built under the scheme.

These amendments have been made since the working of the scheme has revealed that individuals wishing to build houses for themselves have to face many difficulties in the matter of securing developed land, getting plans approved by local bodies, obtaining building material and having loans sanctioned by the appropriate authorities.

(The Statesman, 5 August 1957).

Housing Boards for States: Planning Commission Panel's Proposal.

The setting up of Housing Boards in each State with powers to finance housing schemes was one of the main recommendations made by the Housing and Regional Planning Panel of the Planning Commission which held its third meeting in Delhi on 5 August 1957 under the chairmanship of Shri G.L. Nanda.

The Central Government will prepare model legislation regarding the composition and constitution of these Boards and this will be circulated to the States for guidance.

Shri Nanda said the Planning Commission attached great importance to the question of housing, which he regarded as "a major test of our advance in the matter of social wellbeing". In the first Plan, they had covered new ground with the help of State funds through the agency of employers, co-operative and State Governments. Some progress had been made in regard to housing, but he felt this was not adequate.

The Planning Minister referred to housing in the second Plan and the recommendations, particularly in regard to industrial housing, made by the recent Indian Labour Conference. The Conference, he said, took a commendable decision that every employer should build at least a reasonable number of houses for the workers (vide Section 11, pp. 1-22 of the report of this Office for July 1957).

(The Statesman, 5 August 1957).

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CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - AUGUST 1957.

50. General.

Working Conditions in Printing Presses in India:
Labour Bureau Study.

The Labour Bureau has been publishing periodically results of surveys undertaken by it of labour conditions in particular industries in India, mainly with a view to bringing up-to-date the data collected by the Labour Investigation Committee in 1954. The results of such a survey into labour conditions in the printing industry undertaken in August 1955 has been published in the July 1957 issue of the Indian Labour Gazette. The main findings of the survey are reviewed below.

According to the returns submitted under the Factories Act, 1948, there were in 1955, 1,809 units in the industry group 'printing, publishing and allied industries', employing a total number of 75,192 workers. The majority of these units were small-sized, only 6.8 per cent of the units employing more than 100 workers. The largest concentration of the units were in Bombay State (525). The States of Madras (334), Bihar (292), West Bengal (177) and Uttar Pradesh (160) came in next in order, while other States had less than 100 units.

For the purpose of the survey, a questionnaire was sent to 102 units in August 1955. The response, however, was not very satisfactory as only 76 units responded. Of the responding units, 16 were in Bombay, 15 in West Bengal, 8 in Madras, 6 each in Madhya Pradesh and Uttar Pradesh, 4 in Delhi, 3 each in Bihar, Orissa and Madhya Bharat, 2 each in Andhra, Punjab and Hyderabad and one each in Assam, Rajasthan, Saurashtra, Ajmer, Bhopal and Kutch.

Employment.- The total number of workers employed in 59 out of the 76 units, which furnished information regarding employment was 23,878, of whom 36 units employed over 100 workers. Generally the workers were employed directly and the employment of women and young persons was almost negligible. The bulk of the workers were employed temporarily. The wages of workers were also generally based on time-rates except in Rajasthan and Madhya Bharat where a considerable proportion of workers was employed on piece-rates.

There was a fair degree of stability in employment in the responding units. According to information furnished in this regard by 63 units, 7,191 workers (36 per cent) out of a total of 20,059 had put in more than 10 years' service, while 7,015 had a service of between 5 to 10 years.

Of the responding units, twenty utilised the services of the employment exchanges. The remaining units recruited directly. The system of training new workers existed only in 15 units - 5 in West Bengal, 4 in Bombay, 3 in Madras and 1 each in Orissa, Uttar Pradesh and Delhi. The period of training varied from 6 months to 7 years but in most of the units it was between one and five years. In some units, the trainees were put on regular grades; while in others, a certain fixed allowance was paid.

Absenteeism.- Information on absenteeism collected from some of the units is given below:-

State.	Number of Units.	Number of Workers.	Annual.
Andhra	1	87	5.6
Assam	1	115	8.3
Bihar	3	755	8.7
Bombay	14	7,929	10.3
Madhya Pradesh	5	826	11.3
Madras	8	3,443	10.5
Orissa	2	406	16.6
Punjab	1	345	11.4
Uttar Pradesh	2	3,961	13.5
West Bengal	9	2,747	13.0
Madhya Bharat	1	270	15.9
Saurashtra	1	46	16.3
Ajmer	1	111	10.9
Bhopal	1	62	11.1
Delhi	4	1534	14.7

As is the case with other industries, the absenteeism rate tended to rise usually in the summer months and in some States during October.

Leave and Holidays with pay.- There is no uniformity in the matter of granting leave in the different units. Thirty-one units - 12 in West Bengal, 3 each in Bombay and Madras, 2 each in Andhra, Madhya Bharat, Uttar Pradesh, Saurashtra, Madhya Pradesh, Bihar and Hyderabad and 1 each in Delhi, Bhopal, Kutch, Ajmer, Orissa, Assam and Punjab allowed privilege leave, casual leave, sick leave and festival holidays with pay to their employees. The period of sick leave granted by different units varied from 5 to 15 days in a year. The number of festival holidays granted by different units varied from 2 to 38.

Shifts and Hours of Work.- Information regarding shifts and hours of work is available in respect of 66 units. Of these, 34 worked one shift, 17 two shifts, 10 three shifts, 2 four shifts and 3 five shifts per day. The daily hours of work in all the units except one unit each in West Bengal and Hyderabad ranged from 7 to 8. In the two units mentioned above the working hours were 6-1/2 per day. The late shift was worked for 4-1/2 hours only in one unit of Bihar. With the exception of one unit in Bihar which worked 27 hours a week, in all other units the weekly hours were 48.

Wages and Earnings.- The following table shows the minimum basic wage, dearness allowance, etc., paid during 1955 to the least skilled worker in the industry in different States. If only those units which paid dearness allowance in addition to basic wage are taken into account, the lowest wage of 10 rupees was being paid by a unit in Madhya Pradesh and the highest minimum wage of 30 rupees was being paid by a unit in Delhi. However, if all emoluments are taken into consideration, the monthly earnings of the least skilled worker varied from 21 rupees in Andhra to 80 rupees in Delhi. An interesting feature reflected by the table is that among Part 'A' States with the exception of Bihar, Uttar Pradesh and West Bengal, the total earnings were well below 40 rupees per month. In Part 'B' States and Part 'C' States, the earnings were invariably higher than 40 rupees per month.

State.	Minimum Basic Wage.	Dearness Allowance.	Other Payments and Concessions.	Total.
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
Andhra ----	16 0 0	5 0 0	-	21 0 0
Bihar ----	17 8 0	17 8 0	5 0 0 (House Rent)	40 0 0
Bombay ----	16 0 0	8 0 0	-	24 0 0
Madhya Pradesh--	10 0 0	12 0 0	-	22 0 0
Madras ----	14 0 0	19 7 0	-	33 7 0
Orissa ----	15 0 0	7 8 0	-	22 8 0
Punjab ----	25 0 0	-	-	25 0 0
Uttar Pradesh--	20 0 0	20 0 0	-	40 0 0
West Bengal----	17 8 0	24 8 0	Tiffin allowance of As.8 per day for every day worked	55 0 0
Hyderabad----	18 0 0	18 0 0	4 4 0 (House Rent)	40 4 0
Madhya Bharat--	20 0 0	25 0 0	-	45 0 0
Rajasthan----	45 0 0	-	-	45 0 0
Saurashtra----	22 0 0	30 0 0	-	52 0 0
Bhopal ----	20 0 0	21 0 0	-	41 0 0
Delhi ----	30 0 0	40 0 0	7 0 0 (House Rent) 5 0 0 (Compensatory Allowance)	80 0 0

Of the total of 76 units, fifty-nine paid dearness allowance to their employees. In four of these units, dearness allowance was linked to the Cost of living index; in 12 it was paid at a flat rate; in 33 it was on a slab-system and in the remaining 10 units it was paid at a fixed percentage of the basic wage. Twelve units paid house-rent allowance but information relating to the amount paid is available in respect of only 3 units - one each in Uttar Pradesh, West Bengal and Delhi. The Uttar Pradesh unit paid 1 rupee to 7 rupees per month; whereas the West Bengal unit paid 10 rupees to 50 rupees per month. In the Delhi unit workers received 7 to 7-1/2 per cent of the basic pay as house-rent allowance. Some units also paid certain other allowances or provided certain amenities to their workers.

Fifteen units - 5 in West Bengal, 4 in Madras, 2 each in Bombay and Madhya Pradesh and one each in Bihar and Orissa paid profit bonus to their workers. The rate of bonus varied from 15 days to 3 months' basic pay. One unit each in Andhra and Madhya Pradesh and two units in West Bengal paid attendance bonus to the workers. In Madras, one unit paid Christmas bonus to all its permanent workers at the rate of 1-1/4 months' basic salary. One unit each in Bombay and Delhi and three units in West Bengal paid production bonus to certain categories of workers. Forty-eight units granted regular increments to their employees.

From a study of the figures relating to basic wages and allowances and earnings, it is seen that these were higher in the units in Bombay, West Bengal, Orissa and Saurashtra than those in other States. The average monthly earnings per worker in the industry group "Printing, Publishing and Allied Industries" as a whole compiled from the information received under the Payment of Wage Act were 49 rupees in Andhra, 99 rupees in Assam, 68 rupees in Bihar, 104 rupees in Bombay, 85 rupees in Madras, 99 rupees in West Bengal, 105 rupees in Madhya Pradesh and 79 rupees in Orissa.

Housing and Welfare.— Housing accommodation was provided to the workers by 10 units - one each in Assam, Bihar, Punjab, Hyderabad, Delhi and Ajmer and four in Bombay. The percentage of workers provided with housing accommodation was 50 in Assam, 19 in Bihar, 28 in Bombay, 29 in Delhi and 30 in Hyderabad. Precise information is not available in respect of Punjab and Ajmer. In Assam, Bihar and Hyderabad, accommodation was provided free. One unit in Bombay charged house-rent at the rate of 5 per cent of the annual cost of construction. The maximum house-rent paid by the workers constituted 10 per cent of their basic pay.

Forty-five units provided medical facilities to their employees. Of these, 17 had their own dispensaries and hospitals. Five units maintained first-aid boxes. The units covered by the Employees' State Insurance Scheme and the Central Health Service Scheme were 7 and 1 respectively. The remaining 15 units provided cash payments in the form of sickness relief.

Thirty-three units provided canteens for the staff. Grainshops existed in six units - 1 each in Madras and Bihar and 2 each in West Bengal and Bombay. In the Madras unit, the workers were supplied rice and other articles, such as pulses, on credit and the cost was recovered from their salary. In the Bihar unit, the workers got foodgrains at concessional prices. In one of the units in Bombay, the grainshop was run by the workers on co-operative basis.

Educational facilities existed in 8 units - 2 each in Bihar, Bombay and Uttar Pradesh and 1 each in Madhya Pradesh and Delhi.

Twenty-six units had co-operative societies. Of these, 8 were in West Bengal, 4 in Bombay, 5 in Madras, 2 each in Orissa and Uttar Pradesh and one each in Bihar, Punjab, Madhya Pradesh, Hyderabad, Madhya Bharat, Delhi and Ajmer.

Facilities for indoor and outdoor games were provided by 17 units - 4 each in Bombay and Uttar Pradesh, 5 in West Bengal, and 1 each in Assam, Madhya Pradesh, Madras and Delhi.

Contributory Provident Fund Scheme existed in 45 units. The membership of the fund was generally open to permanent employees or those having a certain length of service. In one unit in Bombay, workers contributed 6-1/4 per cent of their basic pay; whereas, the employers contributed only 5-1/2 per cent. In Madras, the workers of a unit getting 50 rupees or less contributed 12-1/2 per cent of their basic pay and the same amount was contributed by the employers. In the remaining 43 units, the rate of contribution of employees as well as employers varied from 6-1/4 per cent to 8-1/3 per cent of the basic pay. Twenty-four units also paid gratuity and or pension to their workers.

Three units in West Bengal, two each in Bombay, Madras and Uttar Pradesh, and one each in Bihar and Delhi had Labour Officers. In all, twenty-five units - 5 each in Bombay, Madras and West Bengal, 3 in Bihar, 2 each in Uttar Pradesh and Madhya Pradesh, and 1 each in Orissa, Punjab and Delhi had constituted Works Committees. Some of these Works Committees were functioning as production committees also. Standing orders had been framed by 46 units of which 42 were certified.

Trade Unionism.- Trade unions existed in 38 units - 8 in Bombay, 7 in West Bengal, 4 each in Uttar Pradesh and Madras, 3 in Madhya Pradesh, 2 each in Andhra, Punjab and Madhya Bharat, and 1 each in Bihar, Orissa, Hyderabad, Bhopal, Ajmer and Delhi. Of these, 35 were registered and 29 were recognised by the management.

A comparison of the membership of trade unions in the industry (102 unions with 26,835 members), compiled from the returns received under the Indian Trade Unions Act, 1926, with the average daily employment in the industry (75,192), shows that trade unionism was most developed in Assam, where about 97 per cent of the workers employed were members of unions. Nearly 50 per cent of the workers were members of trade unions in Orissa, Uttar Pradesh and Punjab Delhi. The percentage was 14 in Andhra and 6 in Madhya Pradesh and Punjab. The development of trade unions was poor in Madhya Pradesh, Saurashtra, Ajmer, Bhopal and Tripura.

(Indian Labour Gazette, Vol. XV, No. 1, July 1957, pp. 10-24)

C.P.W.D. Work-charged Staff to be treated as regular
Government Officials: Minister's Announcement in
Parliament.

Shri K.C. Reddy, Union Minister of Works, Housing and Supply stated in the Lok Sabha on 14 August 1957, that the work-charged employees of the Central Public Works Department, numbering about 14,000 will be treated as regular Government servants, except those among them who are industrial workers with not more than three years' service.

(The Hindustan Times, 15 August 1957).

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56. Labour Administration.

India - August 1957.

Madras: Government's Labour Policy explained.

The Madras State Legislative Assembly voted on 23 July 1957, the demand for grants under "Labour including Factories" for 2,810,500 rupees after a debate.

During the debate many members urged the need for regulating the wages and conditions of service of agricultural workers. Shri S. Pakkiriswami Pillai (Socialist) stated that labour laws in the country had not kept pace with the growth of unity in labour ranks. He believed that the salvation for the workers in this country lay in the establishment of a workers' raj based on the Gandhi-Marxian philosophy. The member discounted the suggestion of some persons that labour should have nothing to do with politics. So saying, political parties did not scruple to exploit labour to their advantage. He also criticised any attempt on the part of the industrial establishments appointing welfare officers who, in the guise of observing labour laws, strictly exploited labour to the utmost.

Replying to the debate, Shri R. Venkataraman, Minister for Labour, expressed the view that the principle of "one union for one industry" should be brought into effect without legislation by labour itself. He held that any legislation to enforce it would be detrimental to the workers, particularly at a time when they were organising themselves everywhere. He also pleaded for proper understanding and relationship between employers and workers, which alone, he said, would ensure increased production and peace in industry.

The Labour policy of the Madras Government, he stated, was aimed at securing increased production and peace in industry by maintaining proper relation between labour and managements, securing to labour proper wages and share in managements. Labour disputes were largely the result of a lack of proper understanding and relationship between the two parties, who must be imbued with a spirit of give-and-take. As this was not readily available, human nature being what it was, the Minister said legislation became necessary.

The Minister said that the Government had been endeavouring to improve the wages of labour both in organised and unorganised industries. The problem was with regard to unorganised industries and the Government were considering how minimum wages could be fixed for workers in such industries. The problems of beedi workers were peculiar and the Government had appointed a committee to suggest minimum wages. In the case of organised industries, wages fixed through adjudication were more than minimum wages.

Referring to the suggestion made by a member that the kangani system in plantations should be continued despite the ILO's recommendation, Shri Venkataraman said that there was no uniform system in this field. While kanganis recruited labour in some places they were considered part and parcel of labour in other areas. In the latter case, it was not easy to dispense with kanganis. The Minister disclosed that he proposed to convene a conference of representatives of UPASI and leaders of plantation labour in September to discuss this question and come to a conclusion.

Shri Venkataraman said that a Bill to regulate the service conditions of hotel employees was almost ready and it would be brought up before the House at the next session. Legislation regarding bidi workers was still under examination, because some special problems had to be got over, in view of the High Court judgment that branch managers were not entitled to labour benefits.

Turning to the question of trade unions, the Minister said that there were two aspects to be considered. One was recognition of trade unions and the other was whether there should be "one union for one industry". His own opinion was that if they legislate in favour of "one union for one industry", it would lead to difficulties. Legislation to that effect might result in employers themselves organising trade unions. A single union for one industry should be brought about by labour itself without legislation. At the present juncture when labour was organising itself into trade unions, any law laying down the principle of one union for one industry would prejudicially affect the interests of workers. These aspects of the question had to be borne in mind. It was the intention of the Government to take the advice of the State Labour Advisory Board before bringing forward the amending legislation.

(The Hindu, 24 July 1957)

66. STRIKE and Lockout Rights.

India - August 1957.

Essential Services Maintenance Bill,
1957.

Shri Govind Ballabh Pant, Union Minister for Home Affairs, introduced in the Lok Sabha on 3 August 1957, a Bill to provide for the maintenance of certain essential services.

The Statement of Objects and Reasons of the Bill declares that the Federation of posts and telegraphs employees and certain other organisations of Central Government servants have given notice that they will go on strike from the midnight of 8 of August 1957. Government has accepted their main demand for an enquiry into the structure and conditions of service of Central Government employees. In spite of this, however, these employees have persisted in and reiterated their intention to go on strike. It is necessary in this situation that Government should have power to meet the emergency created by such attempts and ensure the maintenance of essential services and the normal life of the community. The Bill is an enabling measure. It defines "essential services" and authorises the Central Government to prohibit strikes in such services. It declares prohibited strikes to be illegal and provides for penalties for persons participating in such strikes as well as for persons instigating or financing such strikes. The Bill is an emergency measure and it has been provided that it will remain in force for a limited period.

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The/defines 'essential services' to mean (i) any postal, telegraph or telephone service; (ii) any railway service or any other transport service for the carriage of passengers or goods by land, water or air; (iii) any service connected with the operation or maintenance of aerodromes, or with the operation, repair or maintenance of aircraft; (iv) any service connected with the loading, unloading, movement or storage of goods in any port; (v) any service in any mint or security press; (vi) any service in any defence establishment of the Government of India connected with the manufacture, storage or distribution of arms, ammunition or other military stores or equipment; (vii) any service which the Central Government, being of opinion that strikes therein would prejudicially affect the maintenance of any public utility service or would result in the infliction of grave hardship on the community may, by notification in the Official Gazette, declare to be an essential service for the purposes of this Act.

The Bill replaces the Essential Services Maintenance Ordinance, 1957 (No. 5 of 1957), promulgated by the President on 7 August 1957. The Ordinance was later revoked by the President by an Order dated 12 August 1957.

(Gazette of India, Extraordinary,
Part II, Sec. 2, 3 August 1957, pp.
403-406;
Gazette of India, Extraordinary,
Part II, Sec. 1, 7 August 1957,
pp. 295-297).

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

India - August 1957.

Labour Participation in Management: Tripartite Body approves List of Industries.

A list of industries, both in the public and private sectors, where the scheme of labour participation in management can be introduced, has been approved by the tripartite committee appointed by the Indian Labour Conference to implement the scheme (vide section 11, pp. 16-17 of the report of this Office for July 1957) at its meeting in New Delhi on 6 August 1957.

The meeting ^{was} attended among others, by Shri Gulzarilal Nanda, Union Minister for Labour, Shri Abid Ali, Union Deputy Minister for Labour, Shri Vishnu Sahai, Secretary of the Ministry of Labour, Officials of other Ministries of the Government of India, representatives of employers' and workers' organisations and Shri V.K.R. Menon, Director, I.L.O., India Branch.

There was unanimous agreement that, to begin with the experiment on workers' participation should be confined to the level of the undertaking. The following criteria for selection of undertakings were agreed to:

- (i) The undertaking should have a well-established, strong trade union functioning;
- (ii) There should be a readiness in the parties viz., employers, workers and the union to try out the experiment in a spirit of willing co-operation;
- (iii) The size of the undertaking (in terms of employment) should be at least 500 workers. (Shri Y.P.Kulkarni of the Ministry of ~~Public~~ Railways, suggested that a few units with less than 500 workers might be tried in the pilot stage to make it easier to watch the impediments and rectify them. It was agreed that three or four such units might be taken up in addition to those contained in the agreed list);
- (iv) The employer in the private sector should be a member of one or the other leading employers' organisations; so should the trade union be related to one of the central federation;
- (v) The undertaking should have had a fair record of industrial relations.

* After some discussion, the sub-committee recommended the following industries and undertakings for the experiment in workers' participation in management:-

<u>Public Sector:-</u>	Chemicals	Sindri	1
	Machine Tools	Hindusthan Machine Tools	1
	Transport-		
	Transport Workshops.	In two States and the DTS (we might include the State Transport Workshop at Dapodi, near Poona)	3
	Railway Workshops	^{might be included}	4
	&		
	Other suitable units		2
	Posts and Telegraphs (Workshops)		2
	Ports		1
	Shipyards		1
	Government Mines		4
	Undertakings in the States		2
	* Insurance Units of the Life Insurance Corporation		2
			<u>16</u>
		Total.	

* Provisional.

Private Sector:-

Cotton Textiles	Ahmedabad	2
	Bombay	2
	Kanpur	1
	Madras	1
	Coimbatore	1
	Indore	1
	Nagpur	1
Jute	Calcutta	2
	Engineering	2
	Bombay	2
Chemicals	Other States	1
	Calcutta	1
	Bombay(Gujarat)	1
Tobacco		1
Paper		1
Sugar	Bihar	1
	U.P.	1
Cement		2
Mines		2
Plantations	Southern	1
	Assam	2
	Bengal	1
*Banks		2
	Total.	<u>32</u>

*Provisional.

The employers' representatives agreed to give, in consultation with local labour unions and within a month, a list of undertakings where the scheme could be promoted.

The Panel of Experts for evaluation.- The sub-committee approved a suggestion for constituting a panel of experts, ~~who had~~ suggested by employers' and workers' organisations, who had day to day knowledge of handling labour problems at the unit level. These names would be constituted into a panel to be maintained by Government. It would be the responsibility of persons selected from the panel - one or two from each side - to pay visits to the undertakings where the scheme of worker participation is being worked, evaluate the success of the programme in various units and in the light of their assessment, provide suitable guidance to the employers and workers concerned.

It was also suggested that once the units for experimentation are selected, the next step would be to chalk out a programme for the implementation of a Scheme including the various steps that might constitute worker participation. For this purpose, it was recommended that employers' and workers' representatives from the selected units may be invited to a seminar, under the auspices of the Labour Ministry for settling a clear-cut and uniform programme and the phases in which it should be implemented.

It was agreed that there should be a promotion unit or squad for giving the various joint councils in undertakings on-the-spot guidance. It was emphasised that in the initial stages of a new and vital experiment like this, over-all guidance and co-ordination should come from the Centre; though, at a later stage, it might be appropriate to transfer the burden to the States. It was pointed out that the Government could spare its officers only to some extent by way of supplementing the efforts of experts whom the employers and unions should, themselves come forward to spare. Representatives of employers' and workers' organisations agreed to supply Government with a list of experts (about 10 on each side) who have day-to-day knowledge of handling labour problems at the unit level and to inform Government as to the particular help that these experts could give and the areas in which their advisory services could be availed of.

Draft Model Agreement.- The sub-committee then approved a draft model agreement regarding establishment of joint council of management. The draft agreement prescribes the matters on which the Council should be consulted and also those on which it will have the right to receive information from the management. The subjects with regard to which the Councils have the right to receive information from the management are: general economic condition of the concern; state of the market, production and sales programme; organisation and general running of the undertaking; circumstances affecting the economic position of the undertaking; annual balancesheet and profit and loss statement along with connected documents and explanations, and long-term plans for expansion and re-deployment. The subjects on which the Councils are to be consulted are: administration of standing orders and amendments of such orders, where required; rationalisation and retrenchment and closure or reduction in or cessation of operations. The items which are to be outside the purview of the councils are: all matters relating to wages, bonus, etc., which are subjects of collective bargaining and individual grievances. These are for trade unions.

The sub-committee also arrived at the following conclusion regarding the constitution, and functioning of these joint councils:-

1) The question of Joint Councils having separate sub-committees or technical committees to deal with different subjects was left to the option of the parties at undertaking level.

2) During the period of the experiment it was agreed that the employees' representatives ~~the~~ on the joint council should be nominated by the trade union concerned. At a later stage, the intermediate method of submission of a panel of names by the Trade Unions might be considered.

3) It was recommended that the bulk of employees' representatives should be workers themselves; though, if the wishes of the local trade unions were to the contrary, those wishes should not be overridden. In any case, not more than 25 per cent of the employees' representatives on the joint councils should be outsiders. The question of how many outsiders were to be entertained within this upper limit and in what capacity was left to local option.

4) If it is decided to constitute technical committees or sub-committees their constitution should be decided according to need and situation.

5) Where technical committees or sub-committees are constituted, outsiders may be permitted to sit on those.

6) The size of the joint councils should be restricted to 12 persons.

7) Any member of the joint council could bring forward items for discussion.

8) Joint councils should meet during working hours.

9) The worker members of joint councils should be compensated for loss of earnings; but nothing more need be given by way of remuneration.

10) There should be provision for re-call of members on the joint councils.

11) The worker members on joint councils should function as representatives.

12) The question of placing at the disposal of joint councils a minimum percentage of wages or of income or of profits for welfare work should be settled at the level of the undertaking - though it was agreed some provision should be made for this purpose.

13) Whether chairmanship of the Joint Council should be fixed or alternating should be left to local agreement.

14) All necessary facilities for the work of joint councils should be provided by employers.

15) Decisions in the joint councils should be arrived at by agreement.

(Documents of the Committee received in this Office).

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CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES OF WORKERS.

INDIA - AUGUST 1957.

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

Emergency Legislation to prevent Strikes Voted: Strong Criticism by Opposition.

Reference was made at pages 71-74 of the report of this Office for July 1957, to demands for increased pay and allowances by various Government employees' unions, particularly those connected with the postal and telegraph departments and to the issue of strike notices by such unions.

On 3 August 1957, the Government introduced in the Lok Sabha the Essential Services' Maintenance Bill, empowering the Government to prohibit strikes in "essential services" (vide pages 32-33 of this report). There was strong criticism by Opposition members against the Bill, and what they described as Government's "rash tactics". The Prime Minister firmly declared that the Government was determined that the Bill be passed by 5 August even though the Upper House was not sitting. Departing from convention the Opposition pressed even the motion introducing the measure to a division. The motion was adopted by 174 votes to 47.

The Bill was adopted on 6 August 1957 by 226 votes to 51 amidst cries of "shame, shame" by Communist, P.S.P. and Socialist members.

The debate.- During the first reading of the Bill, the Home Minister assured the Central Government employees, who have threatened to go on strike from the midnight of 8-9 August, on the issue of pay scales and interim relief, that the proposed Inquiry Commission would be free to send an interim report. The unions concerned, the Home Minister said, would be free to request the Commission to take up any particular question. He, however, made it clear that the Government was not prepared to grant interim relief straightaway without a proper examination of its implications.

Continuing Pandit Pant said that some attempts had been made already to give some relief to the low-paid Government servants. For example, the distinction between Class III and Class IV servants with regard to leave and other matters had been removed.

The starting pay for certain people, which had been reduced from 60 rupees to 55 rupees by the Pay Commission, had been restored to 60 rupees. It must also be remembered that the Government servants and the general public benefited by the developmental expenditure on more roads, schools, hospitals and other facilities.

"We must also remember", said Pandit Pant, "that every section of the community is being asked to make some sacrifice. Cannot we expect a similar sort of generous approach and attitude from the public servants themselves?"

There was no money which could be obtained even by way of loans. The maximum that could be done had been done. If any further expenditure was incurred, not directly on developmental projects, but on carrying on the administration in the country, it would create further difficulties. It would accentuate the imbalance that existed today. In the circumstances, Pandit Pant asked, how could the Government grant any relief to public servants until the whole question had been fully examined.

Stating that there were about 1,700,000 civil servants under the Central Government, the Home Minister said that of these, 914,000 drew a pay of less than 51 rupees per month, 462,000 between 51 rupees and 101 rupees and 251 rupees and 29,101 between 251 rupees and 501 rupees. About 10,000 persons drew salaries above 500 rupees and 2,341 persons above 1,000 rupees.

He said that questions like what the minimum salary of a public servant should be and what the amount needed for meeting the demands arising from the acceptance of minimum could not be easily answered. If the minimum salary of those drawing less than 51 rupees was raised to 100 rupees, the amount needed would be roughly 450 million rupees.

Reduction of the salary of the highly paid, he said, would not help the Government to meet the demands of the low-paid staff. If the salary of everyone getting more than 1,000 rupees was cut down, they might be able to add one rupee to the income of those who were drawing low salaries. The amount to be paid in a year would be 20 million rupees.

If the increase was given in a graded way so that everyone got 25 rupees, then the additional expenditure would be 500 million rupees. All these things would ~~be~~ had to be looked into in a dispassionate way. "We should try to examine them with a determination to find a solution". There was no desire on the part of the Government to shirk the problems.

Pandit Pant said that the Central Government had also to see how any step that it took would react on other sections of public servants in the States and in the employ of local bodies whose salaries were lower than those of Central employees.

Calling for a change in the attitude of public servants in a democratic set-up, the Home Minister said that civil servants did not feel that the public was the master and they were really servants. If this relationship was fully realised, he said, many of the country's troubles would be over.

Pandit Pant said that in the villages, people did not earn more than 200 rupees on an average. The paying capacity of the "master" (the villager) must be taken into account by the "servant" (public servant). "The public can well claim that in determining the emoluments, its own condition should also be taken into account". Another aspect of the problem, the Home Minister said, was increasing productivity, not only in a cumulative way but the per capita capacity of every individual. He did not know if really public servants in charge of the country's affairs today were in every case more efficient than they were before independence. If it was not so, it meant that they had to spend more on the administration than they need to if public servants devoted themselves to their task more fully. This question was also related to efficiency and to the devotion of public servants to the public cause.

Dealing with the provisions of the Bill, Pandit Pant said that it was not the Government's desire to do wrong to anyone. The Bill had been framed with "extreme caution". Nobody could possibly say that the services specified were not essential. Further, care had been taken not to declare strikes in these services 'per se' unlawful.

It might be argued, Pandit Pant said, that the Government was interfering with the right to strike. "Every right is ~~right to~~ subject to limitation. I know of a right to work, to raise the status and standards of every citizen in the country, but I do not know if there is a fundamental right to upset the normal life of the people. After all, those who are appointed to run all, ~~those who are as~~ the essential services are the trustees of the people. They are not there simply as mercenaries. They are not appointed simply because they have to be paid. They are there because they are citizens of this country and they have the privilege to serve their people by running these essential services."

He did not want the employees, who were not being treated as "hirelings or mercenaries" to lead the country to "rack and ruin", Pandit Pant added.

The Home Minister referred to the "tremendous unemployment" in the country and said that while Government servants needed sympathy and support, he expected them and those who claimed to have a special regard for the underdog to realize that millions in the country who were starving and could not get even a pittance, deserved greater sympathy than anybody else.

Pandit Pant said that if high salaries were given or if the salary of the large number of employees in the country was raised, then the chances of providing additional employment were, to that extent, reduced because the resources were limited.

Communists' view.- Speaking after Pandit Pant, Shri S.A. Dange, leader of the Communist group, said he was opposing the Bill in spite of the regret expressed by the Home Minister for introducing it, because it sought to give the Government unlimited power. He suggested that the Government should withdraw the Bill and resume negotiations with the workers for an amicable settlement.

Shri Dange deplored that the Home Minister should have been clinging to the 19th century theory of "master and servant" in dealing with Government servants, more so when this theory had become obsolete even in a country like England. He appealed to the Government once again to adopt a new approach to the workers' demands and make a new beginning by reopening negotiations. "It is my philosophy", he said, "to negotiate till the last minute. It may not be the philosophy of the P. and T. (workers) or other organisations - I am not their president, secretary or member. But it is my philosophy, and I will negotiate even till the mid-night of the eighth (8 August, the deadline for acceptance of the Central Government employees' demands) even as Mahatma Gandhi did till the midnight of the eighth (8 August, 1942)".

"But if all negotiations fail", Shri Dange warned, "I shall strike. And when I strike, I shall strike hard", he declared.

The Communist leader said that the Government had not put all the facts about the proposed measure before the people. It was taking sweeping powers to declare any strike illegal. Even a strike in a textile mill could be described as causing grave hardship to the public and dealt with accordingly under the Bill.

Shri Dange said: "Excuse me for challenging the bona fides of the Government. If the bona fides are correct, then why not tackle the hoarders of foodgrains firmly? Why not introduce a Bill for arresting them without warrant?"

The Government would not take this step. On the other hand, it went "weakly to the hoarders and begged them" to bring out their stocks on payment of the "market price". Did not hoarding of foodgrains cause hardship to the community? He asked and said the hoarders were being left scot free while a measure had been brought forward to ban strikes of employees.

"Why this differential approach? Both (hoarding and strike) inflict hardship. This means that that hardship (hoarding) is let off with a market price, while my hardship lands me in jail. This differential outlook, class outlook, and landlord and bourgeois outlook must be changed".

Shri Dange said that the main reason for bringing forward the present measure was the proposed P. and T. strike. The Home Minister had contended that this resort to strike was being done even though minor and major demands had been met. A case was made out that this was the work of political saboteurs or "fools falling into the trap". The Home Minister also tried to make out that the Government was reasonable and sympathetic.

Shri Dange said despite all that had been said on behalf of the Government he would not say that the Government was against a solution. "The solution has been found partly. I accept the fact that the appointment of the Pay Commission is certainly an achievement. But after hearing the commentary of the Home Minister on the terms and reference of the Pay Commission, I am now getting rather more and more sceptical about how things will develop in the future".

In a retort to Congress members who interrupted him saying workers had no right to strike in Communist countries, Shri Dange asked: "Why should the Government of India copy this wickedness?" (Denying workers the right to strike).

In the USA, Shri Dange said, the AFL-CIO (American Federation of Labour and Congress of Industrial Organisations), the biggest organisation of labour in that country, "which has no Communist in it", had backed a pay commission demand of the U.S. Government employees.

Shri Dange said that in the U.K. there had been strikes in services directly affecting public conveniences. In England the Communist Party was not in a position to start strikes. This was being done by the British Trade Union Council. There was recently a busmen's strike there when tyres were ripped apart and fuel pumps broken. There were no firing there and strikes had not been declared illegal. There were strikes in West Germany and Japan too, even in essential services. In Norway even policemen had gone on strike. In Italy postal and telegraph workers had gone on strike. "We have not heard of any similar legislation there. It does not exist in England and America. Why should it exist in this land of ours which we are told is following a new path", he asked.

Shri Masani.- Shri M.R. Masani (Ind.-Bihar) said on behalf of the independent group he would share the concern and feelings to which the Home Minister had given expression. "We are opposed to the strike and we believe that those who are leading or sponsoring the move have a very heavy responsibility for creating a situation where the whole life of the community is disrupted".

But Shri Masani said, the Bill was not the right answer to the challenge that the country faced. He feared that the proposed legislation might, as the Preventive Detention Act, last on the Statute Book as a permanent measure. Shri Masani said he did not understand why the powers under the Industrial Disputes Act were not being applied and instead the present Bill was brought forward. "The only reason I suspect is that the Act makes it obligatory for the Government to refer a dispute of this nature to a tribunal for adjudication or to a board of conciliation. If my understanding is right, then it draws attention to what is really the blemish in the Bill, that is it bypasses the valuable right of workers to see that if he is denied the right to strike he will have the benefit of a judicial or quasi-judicial judgment on a matter on which he feels strongly", Shri Masani said.

Shri Masani said it was a fallacious claim for the State to make that it was above the rule of law. It was a claim which no democratic Government should make in its capacity as an employer. "Otherwise, we will have the unfortunate phenomenon of a Government instead of being a model employer lagging behind, which will create a feeling among our workers that if private capitalism is an evil, State capitalism is a bigger evil still."

Employees' attitude.- Shri Nath Pai (PSP-Bombay) who is chairman of the Confederation of Central Government Employees, said that the question of interim relief was open to discussion and even at this late hour the situation had not come to such a stage as to use the big club.

"We will not be frightened by the explanation that the economy of the country is going to collapse if an interim relief of 15 rupees to 20 rupees is granted to the workers. On the other hand, how much more will be lost if the strike came about by way of manhours and other things?" he asked. He added that the unions of employees had taken care, when framing their demands to see that they did not conflict with the long-term national interests, but, only removed some of their immediate grievances.

He denied the charge that the Confederation was a Communist body. ~~Let it not have~~ The charge, he added was a "dangerous thing". "MaCarthyism was dying in the country of its birth. Let it not have a rebirth in this country", he said.

The Bill, Shri Nath Pai said, took away the Constitutional right to the citizen to have an adequate means of livelihood. He added: "Let us not be panicky about the strike. Everything is not lost. It can still be averted".

Shrimati Ila Pal Choudhury (C-West Bengal) said that while she supported the Bill she would urge the Government to correct the atmosphere that led to sense of frustration and strikes.

Shri T.C.N. Menon (Com.-Kerala) said the Bill did not maintain essential services but took away the rights of the workers. By introducing this Bill at a time when negotiations for an amicable settlement could have been continued, the Government had thrown a challenge to the employees under the pretext of national emergency".

Shri H.C. Dasappa (C-Mysore) charged the Opposition with making "political capital out of a serious situation. He also appealed to the members to see that the proposed strike was called off."

Shri Frank Anthony (Nominated) felt that before the Government arrogated to itself "extraordinary and draconian" powers it should be obliged to refer the dispute which led to a strike notice or a strike to some body if not to a tribunal at least to a departmental committee.

Shri Anthony said he was not prepared to accept the assurances of the Government that the proposed law would not be abused. "We were assured that the preventive detention was a temporary measure but we know to what extent it has become a permanent blot on the statute book. This Bill will also go the way the Preventive Detention Act went".

"I am certain", Shri Anthony said, "this Bill will be abused. I do not say it will be abused by the Home Minister, but it will be abused by some department of the Government. I know it will be abused by the Railway Department and the General Managers of Railways are going to celebrate this law".

During the third reading Prof. Hiren Mukerjee (Communist-West Bengal) said the House must throw out this "pernicious measure" which went against the very grain of every democratic instinct in the country.

The Home Minister, he said, had the blind vote of the majority behind him. But if members were to be true to their responsibility to the people, they could not pass this measure. The Government must remember that without the co-operation of the working class, the Plan would founder on the rocks of the Government's own creation.

Shri Mukerjee said when the Government found itself to be "completely bankrupt" to deal with the genuine and legitimate demands of the Posts and Telegraphs workers, it pitched upon the communists and accused them of being the instigators of the trouble. But almost all the unions which had given a strike notice were led by Congressmen.

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It was evident, said Shri Mukerjee, that the Government was determined to wield the big stick. "You can frighten some people for sometime. But you cannot fly in the face of the social conscience and you cannot intimidate our people for all time to come."

Home Minister's reply.- Winding up the discussions Pandit Pant said he would ask members of the House whether they could imagine with equanimity the consequences of the posts, telegraphs, telephones, aviation services and other essential services being completely suspended. If they could not, they would see the urgency and inevitability of a measure of this type. If those services were completely suspended all normal life would be paralysed. "Even Governmental business will go to pieces. We will not be able to receive messages from starving people from flood-affected areas, from those who may be suffering from epidemics and from other calamities. It is our duty to take such precautionary steps as are within our reach to avert such a catastrophe. It is only in order to reduce the inevitable hardship, inconvenience, dislocation and almost disaster that will ensue should the strike materialize, that this Bill has been introduced."

Pandit Pant said that he accepted Shri Mukerjee's assurances that the Communist Party was anxious to see that the Plan succeeded fully. He added, however, that "in view of this declaration on his part, I was expecting all those associated with him to exert every nerve to maintain the essential services so that the Plan may progress and our country may produce more and still more in order that those who are not receiving adequate salaries today and whose wages are not quite satisfactory may get more, that their life may be enriched, that they may have more amenities and more comforts."

This Bill, said Pandit Pant, did not apply to the working class as such. "It applies only to the essential services. It does not apply to any localised service as such but it applies to services which are spread all over the country in the remotest nooks and corners, in the biggest cities and towns. Can we be party to such services being paralysed"?

The Bill was then passed by 226 votes to 51 with six absentees, abstentions.

(The Hindustan Times, 7 August 1957;
The Statesman, 6 August 1957).

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - AUGUST 1957.

81. Employment Situation.

Employment Exchanges: Working during June 1957.

General employment situation.- According to the review of work done by the Directorate General of Resettlement and Employment during June 1957, inspite of a marked fall in registrations, vacancies notified and in the number of employers utilising the services of employment exchanges, there was a small increase in the number of employment seekers placed in employment during the month under review. In keeping with the fall in registrations, the Live Register showed a decrease of more than 3,400 in the number of registered unemployed persons.

Widespread shortage continued in respect of drafts-men, overseers, trained teachers, experienced stenographers, fast typists, compounders, mid-wives and nurses. Shortage in respect of qualified engineers, experienced doctors, mechanics, electricians and skilled fitters was also fairly pronounced. A number of exchanges reported shortage in respect of accounts clerks, boilormen and attendants, physical training instructors, surveyors, blacksmiths, skilled turners, welders and machinists.

Widespread surplus persisted in respect of untrained teachers, carpenters, motor drivers, clerks, unskilled office workers, unskilled labourers and freshers from educational institutions. Quite a good number of exchanges reported an excess of supply in regard to motor mechanics, semi-skilled fitters, chowkidars and sweepers.

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

		<u>May 1957.</u>	<u>June 1957.</u>
Registrations.	-----	148,035	141,499
Placings.	-----	17,271	17,369

As is obvious from the table given above, the fall in registrations during the month under review was mainly noticeable in Uttar Pradesh (6,629), Bihar (1,116), Kerala (1,058), Rajasthan (773) and West Bengal (753). On the other hand, an increase was observed in Bombay (1,347), Punjab (1,305) and Andhra (1,278).

During the month 91,533 applicants were submitted to employers for selection. The number of placements effected during the month recorded a nominal increase of 98. The increase was, however, appreciable in Uttar Pradesh (439) and Madras (247), whereas a decrease was noticed in Delhi (404), Madhya Pradesh (343) and Kerala (248). Of the total number of placements secured as many as 5,605 were under the Central Government, 7,661 under State Governments, 1,852 under quasi-government establishments and local bodies and the remaining 2,251 with other employers.

During the month under review, 5,638 employers utilised the services of the employment exchanges as against 6,668 during May 1957. In all, 25,122 vacancies were notified by them as compared to 30,538 in the preceding month. The number of vacancies notified marked a fall of 5,416 which was mainly accounted for by the exchanges in Bombay (2,614), Punjab (746), Uttar Pradesh (729) and West Bengal (639). A fairly significant increase was, however, observed in Himachal Pradesh (545). Of the total number of vacancies notified during the month 7,867 were under the Central Government, 10,923 under state Governments, 2,596 under quasi-government establishments and local bodies and the remaining 3,936 in other establishments. There was thus a decrease of 4,894 in the public and of 522 in the private sector.

Register of unemployed.- At the end of the month under review, 779,478 applicants were on the live register of employment exchanges, which is 3,455 less than the figure at the close of the previous month. The decrease was conspicuous in West Bengal (7,041), Uttar Pradesh (2,533), Bihar (1,681), Andhra (1,540) and Orissa (1,434), while a notable increase occurred in Bombay (5,061), Punjab (2,987), Rajasthan (1,284) and Mysore (1,255). In all 9,345 employed and self-employed persons of whom 345 were women remained on the live register. The composition of the live register occupationwise is shown below:-

<u>Occupation.</u>	<u>Number on Live Register on 30 June 1957.</u>
1. Industrial Supervisory.	4,707
2. Skilled and Semi-skilled.	57,846
3. Clerical.	222,817
4. Educational.	59,553
5. Domestic service.	25,818
6. Unskilled.	386,654
7. Others.	37,123
Total.	<u>779,478</u>

Employment position of special categories of applicants.- The employment position of special categories of applicants is shown in the following table:-

<u>Categories.</u>	<u>Reistra- tions.</u>	<u>Placings.</u>	<u>Number on Live Register.</u>
1. Displaced Persons.	5,375	696	41,194
2. Ex-Servicemen.	4,655	1,026	23,498
3. Scheduled Caste applicants.	14,378	2,561	76,619
4. Scheduled Tribe applicants.	2,564	385	10,330
5. Women.	8,502	678	43,205

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

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

The Government of India gazetted on 27 July 1957, the Madras Unregistered Dock Workers (Regulation of Employment) Scheme, 1957, made in exercise of the powers conferred under the Dock Workers (Regulation of Employment) Act, 1948. The scheme applies to chipping and painting workers, shore labour employed in handling chemical manure (including rock phosphate) in bulk, labour employed in handling coal (including bunker coal), shore labour employed in handling ores, scrap iron and sulphur in bulk. The scheme deals inter alia with functions of the Dock Labour Board, listing of employers and dock workers and their obligations, disciplinary procedure, appeals by employers and workers and penalties.

(Gazette of India, Extraordinary,
Part II, Sec.3, 27 July 1957,
pp. 2221-2227).

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83. Vocational Training.

India - August 1957.

Labour Ministry's Training Scheme: Progress during
June 1957.

Training of craftsmen.- According to the review of work done by the Directorate General of Resettlement and Employment during the month of June 1957, the number of trainees on the rolls of various training institutes and centres as on 30 June 1957 was 11,091. There were 9,484 trainees (including 8 women) in technical trades and 1,607 (including 552 women) in vocational trades.

Training of displaced persons.- The total number of displaced persons undergoing training at the end of June 1957, was 1,807. Of this total, 1,481 persons were receiving training in technical trades and 326 in vocational trades.

Apprenticeship training for Displaced Persons.- A total of 964 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, 158 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, 19 women instructor-trainees were receiving training at the end of the month.

Training of School-going children in the Hobby Centres, Allahabad.- A total of 59 trainees were under-going training at the end of the month under report at the Hobby-Centre attached to the Industrial Training Institute, Allahabad.

The following table indicates the total number of training institutes and centres and the number of craftsmen and displaced persons undergoing training as on 30 June 1957:-

<u>Number of Training Institutes and Centres.</u>	<u>Number of Sanctioned Seats.</u>	<u>Number of Persons under-going training.</u>
456	15,333	13,862

Supply of equipment.- Under the Indo-U.S. Operational Agreement No.35, equipment worth approximately 48,000 rupees was received during the month. This brings the total value of equipment received under this aid programme, up to the end of June, 1957, approximately to 1.738 million rupees.

Russian aid supplies.- Under the programme of aid to be obtained from the U.S.S.R., equipment costing one million roubles against the sanction for 1956 has been approved for supply. Instructions about the distribution of the items of equipment to the training centres for whom they are intended have been furnished to the I.L.O., Geneva.

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

Inaugural Meeting of National Council for
Training in Vocational Trades, New Delhi,
30 July, 1957.

The National Council for Training in Vocational Trades which has been set up by the Labour Ministry of the Government of India as a central agency to advise the Government on the co-ordination of training programmes and on evolving uniform standards of training throughout the country (vide section 83, pp.85 of the report of this Office for September 1956), was inaugurated by Shri Jawaharlal Nehru, Prime Minister, on 30 July 1957, at New Delhi. Shri Gulzarilal Nanda, Union Labour Minister presided over the meeting, which was attended by the members of the Council, including Shri V.K.R. Menon.

Agenda.- The following were, among others, the items of the agenda of the meeting:-

- a) Procedure and formation of committees.
- b) Conversion of craftsmen training centres to training-cum-production centres.
- c) Arrangements for conducting future trade tests for craftsmen at national level and issue of certificates of proficiency.
- d) Scheme for junior technical schools submitted by the Ministry of Education and Scientific Research.

Prime Minister's Address.- In the course of his address, the Prime Minister, stressed the need to adopt higher techniques of production and the education of workers in such techniques, Shri Nehru said that this was necessary in India even to preserve freedom and independence in a world which was adopting higher techniques of production but such higher techniques could not be brought from somewhere and planted here.

India, he added, had about 30,000 to 40,000 engineers, using that term in its broad sense. This was hardly enough. But at the same time it was remarkable that there were engineers in India who were unemployed. There was surely something wrong about the organisational aspect if a competent person should remain unemployed while there was a demand for trained and competent men.

He was glad to see that the National Council for Training in Vocational Trades was approaching the problem of training with a view to seeing that there was no dead end but that every trained person could be put to profitable and productive work.

India was passing through a very important but difficult period of national development - trying to break across the barriers of a static economy to reach a dynamic and progressive economy. This was a difficult thing and India had to suffer "the pangs of labour pains. We are suffering these pains today and shall continue to suffer them for some time before we have this new birth". At such a juncture it was trained personnel that counted. In every sphere of activity/technical skill would count far more than administrative ability, though the latter, too, was important.

It was no doubt true that they could advance only by the use of better techniques. But these had to grow within the social fabric. There was no use planting them in the midst of a jungle; they had to grow in the social environment. In a country where there was lack of manpower it was urgent to use labour-saving devices. In a country with abundant manpower, though ultimately the people should still go in for labour-saving devices, intensive labour efforts alone would pay.

Labour Minister's Address: Objects of the Council.- Shri Gulzarilal Nanda, the Union Minister for Labour and Employment, said that the setting up of the National Council for Training the Vocational Trades was "an important step in removing the deficiency which have so far hindered our progress towards full employment and optimum production."

He said that it had been their experience that efficiency of the operatives in India various technical occupations in India compared unfavourably with standards in technically advanced countries resulting in less earnings earnings for the workers here and lower production all round.

With the development programmes underway the need for more and better craftsmen was mounting. "We visualize our need for skilled personnel in hundreds of thousands. It is an essential feature of planning that these requirements from year to year should be estimated as precisely as possible, keeping in view the perspective of 10 to 15 years. This will be one of the important tasks which the Council is to perform".

Shri Nanda said that the Council, on which representatives of the Central and State Governments, employers, workers and educational institutions would be associated, could help in the co-ordination of all programmes relating to the training of craftsmen in the country and bringing about uniformity of standards.

The Minister referred to the necessity of providing facilities for a large variety of occupations which were all expanding, and said that if great care was not taken "serious occupational and regional imbalances may develop". A margin of error might be inevitable but they must endeavour to arrive at an estimate of the requirements of different types of skilled personnel with a reasonable degree of accuracy.

The Council, he said, would also advise the Government regarding occupational classifications, job analysis and other matters so that the utmost possible precision could be given to the estimates for skilled personnel in relation to the demand.

Shri Nanda appealed to the employers who were associated with the training programmes through the Council to help in ensuring that the courses were framed in conformity with the needs of industry and that facilities were provided fully for practical training. "An important test of the success of this programme is that there is no wastage and that the trainees find immediate employment on the completion of their courses".

Shri Abid Ali, Union Deputy Minister for Labour, giving an account of training facilities in the country, said that a total of 18,240 people had so far completed their training in technical trades and 6,781 in vocational trades. Besides this, 2,527 women had also qualified in various vocational trades. The Labour Ministry, he said, was collecting particulars of other training schemes run by Central Ministries, State and private bodies so that co-ordination might be possible and duplication avoided.

Shri Abid Ali said that 1,857 craft instructors belonging to training centres had so far been trained at the Central Training Institute at Koni. A team of ILO experts was working on the reorganization of this institute on modern lines. In order to cope with the need for a large number of instructors it was proposed to set up a second Central Training Institute, with a capacity of 250 seats, at Bombay.

The Deputy Minister said it was proposed to increase the present number of 12,650 seats under the craftsmen training scheme to about 30,000. In order to overcome difficulties such as lack of materials for construction of new buildings and shortage of equipment, he said, the existing training centres were being run in ~~double~~ double shifts, wherever practicable, and foreign exchange difficulties were being partly met by securing equipment through aid programmes.

Through the good offices of the TCM and the ILO, India would receive equipment worth about 5 million rupees for these training programmes he added.

Decisions.- The National Council set up a working committee of 21 members for the expeditious discharge of its functions. The following four sub-committees, viz.,

- 1. Sub-Committee for the Craftsmen Training Scheme;
- 2. Sub-Committee for the Craft Instructors Training Scheme;
- 3. Sub-Committee for the Apprenticeship Training Scheme; and
- 4. Sub-Committee for miscellaneous training schemes, like Evening Classes, Work and Orientation Centres, etc.,

were also set up to advise the working committee and the Council.

The question whether training centres for craftsmen should be converted into Training-cum-Production Centres was discussed at length by the Council. Ultimately it was decided that emphasis should be primarily on training, that, as far as possible, useful and salable articles should also be prepared during the training period and that neither the economics of such production nor the cost of training should in any way interfere with the training programmes.

The National Council also agreed that the States should set up separate councils or bodies for dealing with all matters relating to the training of craftsmen, including trade tests, within their States. Such councils or bodies should be affiliated to the National Council which should ensure the maintenance of all-India standards and also issue national certificates of craftsmanship. These certificates will, however, be countersigned by the State authorities concerned.

A scheme for setting up junior technical schools prepared by the Ministry of Education and Scientific Research which seeks to integrate technical training for industrial occupations with general education was also considered. After discussion, the Council appointed a small committee to examine the scheme in detail and report.

(Documents of the Council received in this Office; Employment News, Vol.II, No.12, August 1957, pp.1, 3-8, and 10-13).

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Addressing a press conference at Lucknow on 20 July 1957, Dr. Sampurnanand, Chief Minister of the State, ~~that~~ stated that he had been informed that the number of such persons in the State was about 150,000. It was to be determined how many of them needed Government help. The scheme was essentially humanitarian and the amount of 2.5 million rupees shown on this account in the budget, would be increased according to needs.

The Finance Secretary's memorandum on the budget proposals says, "Old age security is being initiated in the State as a step towards realisation of a socialistic pattern of society. Owing to the gradual and inevitable weakening of the joint family system, which in the past had served as a sort of insurance for the old, the invalid and the unemployed in the family, need has been urgently felt for providing some sort of relief to the aged, who have no means of subsistence."

(The Hindustan Times, 20 and 21 July 1957).

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92. Legislation.

India - August 1957.

Employees' Provident Funds Act, 1952, to be
Extended to Certain Classes of Mines.

In exercise of the powers conferred under the Employees' Provident Funds Act, 1952, the Central Government has directed that with effect from 30 November 1957, the said Act shall apply to the following classes of establishments in each of which 50 or more persons are employed, namely (1) iron ore mines, (2) limestone mines, (3) manganese mines, and (4) gold mines.

(Notification SRO 2705 dated
17 August 1957, the Gazette of India,
Part II, Sec. 3, 24 August 1957,
page 1791.)

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Kerala Maternity Benefit Bill, 1957.

The Government of Kerala published on 16 August 1957, the text of the Kerala Maternity Benefit Bill, 1957, proposed to be introduced in the Legislative Assembly of the State.

According to the Statement of Objects and Reasons of the Bill, there are at present two enactments in force relating to maternity benefits for women workers in this State. The Travancore-Cochin Maternity Benefit Act is in force in the Travancore-Cochin area, and the Madras Maternity Benefit Act is in force in the area transferred to this State from Madras. It is considered very necessary to make the law uniform throughout the State so that the benefit conferred on workers may be the same throughout. The benefit conferred under the Travancore-Cochin Act to workers are more than those available to them under the Madras Maternity Benefit Act. Therefore, in making the law uniform, it is proposed to extend the more beneficial provisions in the Travancore-Cochin Act to Malabar area also. This opportunity is also availed of to confer on the workers certain new benefits in the form of leave with wages during miscarriage and for payment of a medical bonus, if prenatal confinement and postnatal care are not provided for by the employer free of charge.

(Kerala Gazette, Extraordinary,
Vol.II, No.89, 16 August 1957;
pp. 1-6).

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

INDIA - AUGUST 1957.

CHAPTER 6. GENERAL RIGHTS OF WORKERS;

Essential Services Maintenance Ordinance, 1957 (No. 5 of 1957). (The Gazette of India, Extraordinary, Part II, Section 1, 7 August, 1957, pp. 295-297).

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RECORD OF PRINCIPAL DECISIONS OF LABOUR AND
ALLIED SUBJECTS.

INDIA - AUGUST 1957.

CHAPTER 3. ECONOMIC QUESTIONS.

Central Pay Commission set up.

The Government of India have decided to set up a Commission of Enquiry composed of the following:-

Chairman

1. Shri Justice Jagannadha Das, Judge of the Supreme Court.

Members

2. Shri V.B. Gandhi.
3. Shri N.K. Sidhanta.
4. Shri M.L. Dantwala.
5. Shrimati Maragatham Chandrasekhar.

Member-Secretary

6. Shri L.P. Singh, I.C.S.

Associate Secretary

Shri H.F.B. Pals.

The terms of reference of the Commission will be as follows:-

- (i) examine the principles which should govern the structure of emoluments and conditions of service of the Central Government employees;
- (ii) consider and recommend what changes in the structure of emoluments and conditions of service of different classes of Central Government employees are desirable and feasible keeping in mind the considerations mentioned below;

(iii) recommend, in particular, the extent to which benefits to Central Government employees can be given in the shape of amenities and facilities; and

(iv) in making their recommendations, the Commission will take into account the historical background, the economic conditions in the country and the implications and requirements of developmental planning, and also the disparities in the standard of remuneration and conditions of service of the Central Government employees on the one hand and of the employees of the State Governments, Local Bodies and aided institutions on the other, and all other relevant factors.

The Commission may consider demands for relief of an interim character and send reports thereon. In the event of the Commission recommending any interim relief, the date from which this relief should take effect will be indicated by the Commission.

The Commission will devise their own procedure and may appoint such advisers as they choose for any particular purpose. They may call for such information and take such evidence as they may consider necessary. Ministries and Departments of the Government of India will furnish such information and documents and other assistance as may be required by the Commission. The Government of India trust that the State Governments, service associations and others concerned will also extend to the Commission their fullest co-operation and assistance.

The Commission are requested to make their recommendations to the Government as soon as practicable.

(Resolution No.2474-Secy(E)/57,
dated New Delhi the 21 August 1957;
The Gazette of India, Part I,
Section 1, 21 August 1957, pp:313-314).

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CHAPTER 3. ECONOMIC QUESTIONS;

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