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INTERNATIONAL LABOUR OFFICE  
INDIA BRANCH

Industrial and Labour Development in April 1954.

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

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CHAPTER I. INTERNATIONAL LABOUR ORGANISATION

INDIA - APRIL 1954

11. Political Situation and Administrative Action

Madras: New Ministry takes over

Consequent upon the resignation of Mr. C. Rajagopalachari as Chief Minister in Madras State, a new Ministry, with Mr. K. Kamaraj as Chief Minister, was sworn in on 14 April 1954.

The members of the Ministry and their respective portfolios are given below:-

Mr. Kamaraj Nadar: Chief Minister: Public and Police in the Home Department.

Mr. A.B. Shetty, Minister for Health: Medical and Public Health, Co-operation, Housing and Ex-Servicemen.

Mr. M. Bhaktavatsalam, Minister for Agriculture: Agriculture, Forests, Fisheries, Cinchona, Rural Welfare, Community Projects, National Extension Scheme, Women's Welfare, Industries and Labour.

Mr. C. Subramaniam, Finance Minister: Finance, Food, Education, Elections, Information, Publicity and Law (Courts and Prisons).

Mr. M.A. Manojavelu Naicker, Minister for Revenue: Land Revenue, Commercial Taxes and Rural Development.

Mr. Shammuga Rajeswara Setupati, Minister for Public Works: Public Works, Accommodation Control, Engineering Colleges, Stationery and Printing, including Establishments, Question of Stationery Department and Government Press.

Mr. B. Parameswaran, Minister for Harijan Uplift: Transport, Harijan Uplift, Hindu Religious endowments, Registration and Promotion.

Mr. S.S. Ramaswami Padayachi, Minister for Local Administration: Local Administration.

(The Hindu, 15 April 1954)

## Chapter 2. International and National Organisations. 7

### 25. Wage-Earners' Organisations.

India - April 1954.

#### The Sixth Session of the Indian National Textile Workers' Federation, Coimbatore, 25-26 April 1954: Ban on new Labour-Saving Machinery urged.

The sixth session of the Indian National Textile Workers' Federation (INTWF) was held at Coimbatore in Madras State on 25 and 26 April 1954, Mr. S.K. Vasavada, President of the Indian National Trade Union Congress (INTUC) presiding. Mr. Abid Ali, Deputy Minister for Labour inaugurated the meeting. Among the resolutions adopted by the session was one objecting to rationalisation.

Textile industry trade unionism in Madras: Welcome address.- Mr. G. Ramanujam, Secretary of the Tamil Nad branch of INTUC and Chairman of the Reception Committee welcoming the delegates said that it had been the constant endeavour of their unions in Tamil Nad to follow the example of the great Ahmedabad Textile Labour Association.

Their work of organising textile labour under INTUC commenced in 1947 and during the short period of seven years they had a lot of achievements to their credit, difficult as had been their task with rival unions having had a lead already over them. Their unions were running ten labour co-operative stores in different centres in the State. Handloom weavers' unions were affiliated to their Federation. There had been no failure in all cases of disputes which their affiliated unions had taken up. They had several collective agreements to their credit ~~and several other contested victories.~~ and several other contested victories. During the last year alone, the Tamil Nad Branch of the Federation handled directly 74 disputes out of which 72 ended in success. Of the 72, a majority of them that is, 38 were settled through negotiations, 24 through industrial tribunals and 10 through the Labour Appellate Tribunal or High Court. These cases covered increased dearness allowance compensation for involuntary unemployment and other types of loss of employment, bonus, reinstatement, etc.

Mr. Ramanujam stated that there were about 90 textile mills in this State with about two million spindles and 8,500 power looms employing roughly about 89,000 workers. Their State branch of the Federation had over 34,000 members distributed over 22 unions.

Referring to rationalisation, Mr. Ramanujam said that it would only add edge to the almost fatal competition now suffered by cottage industries besides adding to the unemployment problem.

Inaugural address by Mr. Abid Ali.- Mr. Abid Ali, inaugurating the Conference, referred to the issue of rationalisation and said that it meant, to a large extent, automatisisation to the maximum possible extent. How far this was possible in the present economy of the country, what should be done about it and what kind of beginning was possible-these were all issues under examination by the planning Commission. The problem had to be viewed from the most important angle of the well being of man. What was the use of technical development if it was at the sacrifice of the well being of the workers? Beside there were fields in which a greater degree of modernisation may be easier to achieve, for instance, cases in which employment was expanding or new units were coming up. On the other hand attention must be paid and research carried out to determine the ways of such utilisation of capital, resources that the additional manpower was gainfully occupied.

"In this connection I must refer to the absolute need for developing cottage and small-scale industries so that not only those who are at present employed therein are protected, but that earnings are also raised in this group. Employment in village must be made attractive so that the incessant flow from the village to the city which is causing serious difficulties, could be reversed. In this ultimate analysis, the total volume of employment in the country has to be increased and a fair wage has to be assured to all in employment. The per capita income has to be raised and the standard of living improved. I would only add that in this scheme of things, we must consider the large sector of unorganised industry and the working population who do not usually derive direct or immediate benefit from legislative or collective bargaining action. We have to watch their interest and plan for their benefit".

Mr. Abid Ali, stated that the best method to settle differences between employees and employers was that of bipartite agreements.

Mr. Vasavada's presidential address: Problems of textile workers.- In the course of his presidential address, Mr. Vasavada said that the textile industry occupied a key position in the economy of the country. The industry comprised about 375 mills operating about 200,000 looms and more than twelve million spindles. The total production stood now at about 5,000 million yards. The industry employed about 750,000 workers.

Mr. Vasavada said that the Government through the fulfilment of the First-Year Plan was aiming at self-sufficiency in the production of cotton and was gradually succeeding both in regard to output and quality of cotton produced in the country. In the interests of the industry foreign imports of cotton should stop, he said.

Mr. Vasavada stressed the importance of uninterrupted supply of power for the industry so that it might not cause dislocation in production and difficulties to the workers engaged in the industry. He also emphasised the need for adopting a well-considered plan in regard to the production and supply of textile auxiliaries and mill stores. He felt that the indigenous manufacture of stores was in no way

~~at risk~~

inferior to the foreign material. Villages played an important role in supplying the sinews to the textile industry. If therefore the production of mill stores was transferred to the village and organised there on the lines of a cottage industry, it would reduce the vast rural unemployment to some extent and would do good to the city industries also.

Discussing the plight of the handloom industry, Mr. Vasavada said that instead of starting new factories leading to more and more concentration of capital it was to their interest to provide work to the unemployed by decentralising the industries. He was gratified that the Government had set up the Handloom and Khadi Industries Board for encouraging and promoting decentralisation of the textile industry.

Mr. Vasavada called for an investigation into the repeated closure of mills and for solving the mystery lying behind the apparent glut in production and the prevailing high cost of textile goods, which was puzzling to the consumer.

The Government was anxious to find a solution for the problem of closure of mills due to mismanagement. The decision of the Supreme Court that the law passed by the Government concerning the Sholapur mill was against the Constitution had again rendered the question very complicated and Government must take steps to effect suitable amendments to the Constitution.

About the need for improving the quality of cloth, he said that there were various factors like keeping the machines well oiled and in good conditions, the working conditions of workers, frequent change in the counts of yarn and simultaneous production of several counts and varieties of cloth, producing higher counts of yarn than those which a particular variety of cotton admitted, which contributed to the quality of production. Actuated by profit motive, the managements paid very little attention to the improvement of quality with the result that their goods did not sell recently in the foreign markets. The Government ought to take effective measures for improving the quality of the goods. The setting up of a development committee would enable them to proceed with this work in a planned manner.

On the question of payment of bonus to workers, Mr. Vasavada said that it should be viewed as a problem of social justice.

About rationalisation, the President said that while they had no intention to oppose it as such it should not be allowed to displace even a single worker from his job and that labour should get 30 per cent of the profits brought to the industry by rationalisation. The INTUC held the view that before the Government allowed any new machines to be introduced in the industry, they must undertake a thorough inquiry into all such questions as how they would affect the handloom industry, whether they would really promote export trade and not compete with the internal handloom industry, whether they would really reduce the

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cost of production, how much unemployment it would cause, etc.

Resolutions.- The more important of the resolutions adopted by the session are given below:-

1) Village industries.- The conference noted "that the attention of all concerned has been drawn to the problem of providing employment to the millions of the unemployed and the under-employed men and women of this country. It is the considered view of this conference that employment of such magnitude can be procured in the rural areas only through providing more work by intensive methods of agriculture and by setting up different village and small scale industries including handloom and khadi. Textile workers employed in the industry should recognise their duties towards the village worker and as a symbolic and purchase at least ten rupees worth of khadi and handloom cloth every year".

2) Increase in wages.- "The conference notes that the wages given to the textile labour not only fall far short of living wages but also fall short of the minimum requirements of labour to maintain healthy, normal and human life. In order to meet this deficit even partially, every year workers ask for bonus. This conference however has taken note of the fact that the norms and standards prescribed by the Labour Appellate Tribunal and the allocation of priorities decided by that Tribunal are highly improper and all attempts to get them changed have met with failure. This conference therefore advises the unions to make a demand for direct increase in wages in view of the fact that the level of wages is far below the standard of living wage".

3) Ban on machines.- "This meeting of the Federation is very much concerned at the recent tendency of importing more and more machinery of an automatic type with a view to curtail the number of workers required. Apart from the fact that introduction of such labour saving devices results in actual and potential unemployment of workers in the industries, operatives attending to such machinery are liable to suffer ultimately nervous breakdown as a result of the monotony and very high speed of the machines. The claim of the industry, that such a machinery would reduce the price for the consumer is also not borne out by facts. The conference therefore urges upon the Government of India to put a ban on manufacture, import and installation of all such machines".

4) Rationalisation of management.- "Since the private sector of the industry has been assigned a useful part in the Five Year Plan, it is imperative that the management, methods of production, systems of purchase and sale should be thoroughly rationalised with a view to remove all inefficiency, leakages, waste, and avoidable charges. It is regretted that this important aspect of rationalisation has been completely ignored hitherto by the industry. The Government is requested to take early steps by suitable amendments in the law in this connection at an early date".

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5) Working conditions in factories.- "It is the experience of all concerned that the working conditions in factories are far from satisfactory. Even the existing factory rules are not complied with in toto and in several matters, the rules themselves are inadequate to create the condition of comfort for the workers. Atmospheric conditions, humidity, introduction and frequency ~~of air~~ of air changes, spacing, light, ventilation and other matters are below the standard required for sustaining ~~the~~ ~~in~~ healthy and efficient working. The conference therefore desires the Central Government to appoint a Committee of experts to have a survey of existing conditions and suggest the improvements necessary to remove the present defects and ensure for the workers satisfactory working conditions. In the meantime, it is essential that advisory committees may be formed in each state, if possible, for every major centre, to supervise the working of the Factory Rules and see that the standard prescribed under Act and the Rules are complied with. Such Committees should be composed of representatives of workers, employers, and the officers of the department of factories".

6) Wages and workload.- "It has been brought to the notice of the Federation that in some of the textile centres especially in the State of Madras, the workers are paid no additional remuneration even when they are assigned more work by introduction of rationalisation on the ground that it involves higher workload. The Federation deprecates the narrow and selfish attitude on the part of the employers and disapproves the theory that wages should be determined only in relation with the workload and asks all the unions to make a concerted move to demand an adequate increase from their gains in rationalisation. It also urges upon the State Government to take suitable steps to ~~ask~~ ask the millowners to accede to the reasonable demand of the workers since this is the only manner in which a worker can gradually reach living wage".

Office-bearers.- The following office-bearers were elected for the year 1954-55:- Mr. G.D. Ambekar, Secretary, Rashtriya Mill Mazdoor Sangh, Bombay (President); Mr. Somnath P. Dave, Secretary, Textile Labour Association, Ahmedabad (General Secretary); Mr. G. Ramangum of Coimbatore INTUC (Vice-President); Mr. R. Varma (Indore), Mr. Narendra Tidle (Nagpur), and Mr. S.G. Asthawale (Sholapur) (Secretaries); and Mr. M.P. Joshi (Ahmedabad) (Treasurer).

(The Hindu, 28 and 29 April 1954;  
The Indian Worker, Vol. II, No. 31,  
1 May 1954, page 2. )

Single Organisation for Postal Workers:  
Two Unions to merge.

Mr. B.N. Ghosh, General Secretary of the All-India Postal and RMS Union and Mr. K. Ramamurti, Secretary-General of the Union of Posts and Telegraphs Workers, in a joint statement on 9 April 1954 said they had signed an agreement by which the two Unions will federate.

The Union of P. & T. Workers will ~~merge~~ merge its membership in the Postal and RMS sections of the All-India Postal and RMS Union.

The agreement is subject to ratification by the appropriate managing bodies.

The statement said a special conference of the All-India Postal and R.M.S. Union and a meeting of the Supreme Council of the Union of Posts and Telegraphs Workers would be convened simultaneously at Calcutta in the last week of May to ratify the agreement.

"We hope to conclude similar settlement with all other unions bringing about unity among the P. & T. employees in each section and establish a full-fledged federation representing the entire employees without overlapping of membership in the affiliated sectional unions", the statement added.

(The Statesman, 10 April 1954 ).

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28. Employers' Organisations.

India - April 1954.

Urgent Need for Rationalisation in Textile Industry:  
Presidential Address at Annual Meeting of Millowners'  
Association.

Speaking at the annual session of the Millowners' Association, Bombay, Mr. Neville N. Wadia, who was the chairman of the session, made a vigorous defence of the urgent need for rationalisation and adoption of latest techniques in the cotton textile industry.

He was ~~the~~ of the view that it would be "criminal waste of capital" to put in machinery of an out-of-date type needing the same number of workers.

Mr. Wadia pointed out that in 1940, 491,000 were employed in the cotton textile industry and since then there had been a progressive increase. The latest figure were 742,000, an increase of about 50 per cent in 14 years. Therefore, far from being responsible for unemployment, the textile industry had provided work for an additional 250,000 workers.

A prominent textile union leader was reported to have said that the replacements of 200,000 looms by automatics would require more than 1,000 million rupees, would render unemployed at least 180,000 out of the 200,000 weavers, and reduce the cost of cloth by ~~nine~~ nine pies per yard. While the first part of the statement, according to Mr. Wadia, was approximately correct, the effect on unemployment would be nothing like what ~~the~~ he feared. His calculation on the basis of double shift worked out at 20 automatic looms per weaver, but he ignored all the ancillary labour needed. For a section of 48 looms, which was as high as one could expect for ~~many~~ many years, nine men were required. So even if all the looms were converted to automatics overnight, at least 75,000 men would be retained against his figure of 20,000. As it was, there were considerably less than 200,000 weavers because there were a number of automatic looms installed, and many mills were working four looms to a weaver.

If the reduction of cost of about nine pies per yard was passed on to the consumers, then they could afford to buy another 360 million yards requiring another 54,000 workers for the increased production. The machinery in the average mill in India, Mr. Wadia continued, was well over 25 years old, and, therefore, required renewing. As and when it was renewed, a certain amount of displacement of workers was bound to be necessary. However, the tendency of the mill would be to work its new machinery, which had cost so much, more hours of shifts to earn back the heavy depreciation charges with the result that the total effect on employment would not be great even in an individual mill.

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Mr. Wadia observed that to modernise all the mills in India would need about 3,000 million rupees. Actually there was ~~only~~ about one-third of this amount available; therefore, even if the industry was given a free hand the rate of modernisation would be very slow indeed. On the other hand if the equipment was not kept up-to-date, sooner or later the industry would ~~keep~~ become so uncompetitive that it would lose ~~its~~ export markets. It was now recognised that exports must be in the region of 1,000 million yards or 20 per cent of the present production. If the country lost that, then there would be no work for 20 per cent or 148,000 of employees. It would not end there. Mills would consume less cotton which meant less demand from farmers and lower prices. The ancillary industries ~~from~~ would also be hit.

Modernisation and rationalisation meant cheaper costs and lowering of prices by competition which implied that the consumer would get more cloth for his money, and there were 365 million consumers in the country against 742,000 persons employed directly in the textile industry. Mr. Wadia thought that surely, it was about ~~the~~ time that greater consideration was given to the consumers' interests.

The Chairman quoted Mr. Aneurin Bevan as having told him during a recent visit to India that modernisation was essential to progress, and that industry must either go forward or go out of existence. There was no question of standing still, according to Mr. Bevan's opinion. A recent report by the Ford Motor Co., also said that every technological improvement since the second half of the eighteenth century had resulted eventually "in more jobs, higher pay, shorter hours and better conditions for workmen, and an easier, more comfortable, more enjoyable existence for everyone".

(The Times of India, 13 April 1954).

Effective Representation of Industry's Interests:  
Council of Industry set up.

Following a conference of some leading industrialists ~~have~~ early this year at the instance of Mr. Homi Modi (vide page 17 of the report of this Office for January 1954), a Council of Industry for the more effective representation of industrial interests has now come into existence.

The members of the Council are: Mr. J.R.D. Tata, Mr. G.D. Birla, Mr. Shri Ram, Mr. Kasturbhai Lalbhai, Mr. A. Ramaswamy Mudaliar, Mr. Dharamsey Khatau, Mr. Vithal Chandavarkar, Mr. Neville Wadia and Mr. Homi Modi.

The Council would make more sustained and vigorous presentation to the Government; Parliament and the public of the viewpoint of ~~the~~ industry and of the vital role that free enterprise can play in the economic development of the country.

(The Hindustan Times, 28 April 1954).

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29. International Co-operation.

India - April 1954.

U.S. Technical Aid to India: Operational Agreements  
concluded: Help for Community Development Blocks .

A number of operational agreements, including one for assistance in setting up of additional community development blocks, were concluded between the Governments of India and the United States of America during April 1954. The projects for which assistance will be provided are given below.

1) Financial assistance amounting to about 140 million rupees for a project for power plant expansion in Madras City would be provided by the U.S. Government under an operational agreement signed in New Delhi on 31 March 1954. The U.S. contribution to this ~~project~~ joint project would be *dollars* 28.9 million (about 140 million rupees), while the Government of India's expenditure would be 29.2 million rupees.

2) An agreement providing for U.S. assistance of \$ 4.9 million was concluded on 1 April 1954. This assistance will be for 150 additional community development blocks which the Community Projects Administration proposes to undertake by 31 March 1955. The Government of India's expenditure for these additional blocks will be 213.7 million rupees.

These 150 community development blocks are in addition to the 53 development projects and 55 development blocks (altogether 220 blocks) which are already in operation. The additional blocks will be allotted by the Central Committee (the Planning Commission) to the States on the basis of (a) progress and results achieved in the development blocks presently conducted in the States, (b) the degree of preparedness by the States and local organisations for assuming responsibilities for additional development blocks under the programme.

3) By another agreement signed the same day, the U.S. Government has made an allocation of \$ 555,000 for a project for modernisation and expansion of marine and inland fisheries in India. The Government of India's share of costs for this joint project will be 2.834 million rupees. The U.S. ~~Government~~ contribution of \$ 555,000 (about 2.7 million rupees) will be utilised for payments to be made outside India for the ~~utilised~~ procurement of equipments, supplies and services for this scheme and for their transportation to India. The Government of India's share of the sum of 2.834 million rupees will be used towards the cost of equipments, supplies and services and other costs of the project excluding those paid through dollars.

4) Under another agreement a certain amount of iron and steel for agricultural purposes will be acquired. The joint cost of this project is \$3.27 million and 1.455 million rupees. The dollar expenditure will be met from the utilised funds from some other projects where the expenditure was reduced either on account of lower cost than originally estimated or on account of the mutually agreed change of programme involving less utilisation of dollars.

5) Yet another project on which an operational agreement was signed relates to training in the operation and maintenance of tractors and other agricultural machinery. A pilot training and demonstration centre on the utilisation and operation of agricultural machinery is proposed to be set up and for this purpose various equipments will be acquired from outside India. The total estimated joint cost of the project is \$100,000 and ~~\$~~ 240,000<sup>rupees</sup>. The dollar expenditure will be incurred for the procurement of equipments, tools, etc., while the rupee expenditure will be for defraying the costs of accommodation, staff salaries and stipends for trainees, and the cost of inland handling and transportation of the equipment acquired for the training centre.

6) On 6 April 1954, an operational agreement was conducted for a project to assist in a long-range programme, already under way, of expansion and modernisation of aeronautical ground services and facilities in India. The total estimated joint cost of the project is \$1.95 million and 0.603 million rupees. The U.S. contribution of \$1.95 million will be spent for the procurement of equipment from outside India and other costs, while the rupee expenditure of 0.603 million rupees will be used for the costs of inland transportation and handling of equipment, supplies, installation of facilities, preparation of sites and access roads, power lines and all other local costs, etc.

7) On the same day, another operational agreement relating to a project which will serve as the initial nucleus for an all-India water supply and sanitation programme ~~with~~ with the purpose of reducing the incidence of water and filth-borne diseases, was concluded. The total estimated joint cost of this project is \$3.1 million and 105 million rupees. The U.S. contribution of \$3.1 million will be spent for the procurement of well-drilling rigs, pipes and other supplies and equipment and their transportation to India, while the rupee expenditure of 105 million rupees will be incurred on establishing and maintaining public health engineering organisations at the Centre and in the States, training of engineers and other sanitation personnel in India and all other costs of equipment, supplies and services.

8) Two operational agreements were signed at New Delhi on 20 April 1954, under which specialised equipment will be made available to India's national laboratories and also to certain technical service departments of the Government of India. The total joint cost of the project will be \$ 2.7 million and 2.775 million rupees.

(The Hindustan Times, 17 and 30 April 1954) .

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32. Public Finance and Fiscal Policy.

India - April 1954.

Financing the Five Year Plan: National Loan floated.

The Government of India has floated a ~~new~~ National Plan loan to finance the development purposes and for the fulfillment of the National Plan.

The loan will be issued at 98 rupees 8 annas per 100 rupees (nominal) from 19 April 1954 to 24 April 1954, and thereafter at prices increasing by nine pies per cent per week.

The loan will be repayable in 1964.

The Prime Minister in an appeal to the nation for contributing to the loan said on 12 April 1954: "It is an invitation to all of us to join in this mighty adventure of building up a new India".

(The Statesman, 13 April 1954).

House of People passes Budget for 1954-1955.

The House of the People adopted on 27 April 1954, the Appropriation (No. 2) Act, 1954, authorising the Payment and appropriation of certain sums from and out of the consolidated fund of India for the service of the financial year 1954-55, and the Finance Act, 1954, to give effect to the financial proposals of the Central Government for the financial year 1954-55. These Acts, after receiving the assent of the President, were gazetted on 27 April 1954.

(The Hindustan Times, 27 April 1954;  
The Gazette of India, Extraordinary, Part II-  
Section 1, 27 April 1954, pp. 125-144).

34. Economic Planning, Control and Development.

India - April 1954.

Madras: Bill to provide for the acquisition of Undertakings supplying Electricity.

The Government of Madras published on 3 ~~May~~ May 1954, a Bill to provide for the acquisition of undertakings in the State of Madras supplying electricity.

The Statement of Object and Reasons appended to the Bill states that in 1949, the Government considered that, for the proper development of electricity supply over vast rural areas, very large resources were required which the licensees or local authorities could hardly ever command and that as neither generation nor distribution of electricity to the whole of the State of Madras to the complete exclusion of citizens and local authorities. Accordingly the Madras Electricity Supply Undertakings (Acquisition) Act, 1949 was enacted by the provincial legislature.

The provisions of the Act were considered by the Madras High Court in two batches of civil miscellaneous petitions. In the first batch of cases, the High Court held that the powers conferred by section 8(3) of the Act on the Government to appoint an accredited representative whose the shareholders failed to appoint one, deprived altogether the rights of the company and the directors and was therefore invalid. In the other batch of cases, the High Court held that, the Act as it related to local authorities, had provided for differential treatment in the matter of payment of compensation in respect of the undertakings of these authorities which were taken over by the Government and was therefore ultra vires. These cases went on appeal to the Supreme Court which decided that the provincial legislature had no legislative competence under the Government of India Act, 1955, to enact the impugned law in the absence of a notification by the Governor-General under section 104 of the Act empowering it to pass such a law and that consequently the Act was ultra vires.

The subject "Acquisition of requisitioning of property, except for the purposes of the Union, subject to the provisions of entry 42 of List III" falls under entry 36 of the State List in the Constitution and the subject "Principles on which compensation for property acquired or requisitioned for the purposes.....of a State.... is to be determined and the form and the manner in which such compensation is to be given" falls under entry 42 of the Concurrent List. The State legislature is therefore now competent to enact a law for the acquisition of electrical undertakings. The present Bill seeks to re-enact as far as possible all the provisions of the Act of ~~1949~~ 1949, except those which the High Court considered invalid.

(The Fort St. George Gazette, Part IV-A, Extraordinary, 3 May 1954, pp. 67-89).

16

Central Salt Research Institute opened at Bhavnagar.

Mr. Jawaharlal Nehru, Prime Minister of India, opened on 10 April 1954, the Central Salt Research Institute at Bhavnagar, Saurashtra State. The institute is the twelfth in the chain of India's national laboratories and research institutes.

The main function of the Institute will be to work out methods to improve the quality of salt and to increase salt production for domestic as well as industrial uses. The sources of salt, such as sea and lake brines, contain, besides salt, other ~~max~~ important chemicals. It will be the object of this Institute to conduct research on the economic recovery of the by-products as such of to utilise them for the manufacture of other industrially useful ~~xx~~ chemicals.

Another important function of the Institute will be to devise tests for the determination of the quality of salt and salt products.

The work of the Institute will be carried out in the following three divisions: inorganic chemistry, physical chemistry, and chemical engineering.

(The Statesman, 11 April 1954 ).

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36. Wages.

India - April 1954.

Meeting of Central Advisory Board for fixing  
Minimum Wages, Bombay, 8 and 9 April 1954.

A meeting of the Central Advisory Board for the fixation of minimum wages was held at Bombay on 8 and 9 April 1954, Mr. V.V. Giri, Minister for Labour, presiding. The meeting laid down certain principles for determination of minimum wages. About 70 members representing Central and State Governments and employers' and workers' ~~members~~ <sup>organisations</sup> attended the meeting.

Mr. Giri's address.- Inaugurating the meeting, Mr. Giri emphasised that minimum wage must become a reality, enjoyed by all, "and not just one of those things which appear in Government notifications". "Endorsement of existing rates is not the purpose behind the fixing of minimum wages". The minimum wages must be properly fixed, taking into account all the factors involved, and must also be adequately enforced.

Pointing out that the Indian Constitution required that every effort should be made to secure to the workers a living wage, he added: "In a dynamic society, minimum wage is only the beginning in earnest of the fair wage to come". He expressed the hope that the day when everyone should enjoy a fair wage was not far. "But we have to attain it through hard work and increased production. We must make a determined effort to reach agreement on what should be minimum wage."

Mr. Giri said that minimum wages in employments appearing in Part I of the Schedule to the Minimum Wages Act must be fully covered before 31 December 1954. "This being our target, we must do everything possible, to fulfil our promise to the nation".

Principles determining minimum wages.- The Board laid down certain principles for fixing minimum wages and for extending the coverage of the Minimum Wages Act, 1948.

Fixation of minimum wages.- Regarding the fixation of minimum wage, the general opinion among members of the Board was that a lower limit ranging from 1 rupees 2 annas to 2 rupees per day could be laid down for different areas and employments, below which there should be no statutory minimum wage.

The Board felt that the increase from the present level of minimum wages to the minimum recommended could be achieved, in stages, over a period of three years.

The Board discussed the difficulties arising from widely discrepant minimum wages for the same employment in States adjacent to each other. The solution suggested was that these States should discuss their difficulties and use the good offices of the Central Government in solving them.

The Board also recommended that there should be provision for weekly day of rest with wages in the case of employments in Part I of the Schedule. There was, however, difference of opinion as to whether there should be separate payment for the holiday.

Extension of coverage.- As regards making additions to the schedule of employments covered by the Minimum Wages Act 1948, the Board laid down that such additions should be made in respect of (1) employments in which the conditions of labour are sweated with the result that low wages are generally prevalent and in which there is no satisfactory organisation of labour; (2) employments in which some categories of labour are covered while others are not, though the place of work, conditions ~~and~~ of wages and work, the state of organisation of labour and sometimes even the employing authority are similar, if not the ~~same~~ same.

Enforcement.- The Board urged that early provisions should be made for adequate machinery for the effective enforcement of the Minimum Wages Act.

In order to build up a sound system of inspection and enforcement, it felt, the State Governments should utilise, in addition to the inspectorate created specially for enforcing the Act, the services of personnel employed by the labour and other departments for enforcement of other enactments.

The assistance of the local authorities, like the municipalities and village panchayats, and the co-operation of non-official bodies like the trade unions should also be enlisted to make the machinery of enforcement adequate to cover the numerous units coming under the purview of the Minimum Wages Act.

Exemptions.- The Board felt that any exemption allowed to establishments employing less than ten persons, in regard to the enforcement of the Act in the case of small establishments, would go against the ~~next~~ spirit of the Minimum Wages Act.

In view, however, of some practical difficulties, the State Governments might allow relaxations in special cases up to a period of three years.

The Board recommended that State rules should provide for payment for overtime work.

(The Hindustan Times, 9 and 11 April 1954).

17

Bihar: Revised Minimum Rates of Wages fixed for  
Workers in Bidi-making Manufactories.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Bihar has revised the minimum rates of wages for employment in bidi-making manufactories. The rates vary from 2 rupees 4 annas per 1,000 bidis in Patna City to 10 annas in Chonga area in Chota Nagpur division.

(Notification No.W3-1043/54L-5489 dated 29 March 1954; the Bihar Gazette, Part II, 21 April 1954, pp. 1234-1235 ).

Orissa: Minimum Wages Rules, 1954.

The draft Orissa Minimum Wages Rules, 1954 (vide page 50 of the report of this Office for February 1954) has been ~~not~~ approved and published in the Orissa Gazette on 23 April 1954. The rules prescribe, among other matters, the terms of Office and qualifications of members of the Advisory Board and Committee set up under the Minimum Wages Act, 1948, procedure for the meetings of these bodies, the mode of computation of the cash value of wages and the deductions permissible from the wages, hours of work which constitute a normal working day, etc.

(Notification No.2227-VI-145/53-Lab. dated 20 April 1954; the Orissa Gazette, Part III, 23 April 1954, pp. 497-513 ).

West Bengal: Revised Minimum Rates of Wages for  
Plantation Workers.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the West Bengal Government has revised the minimum rates of wages in plantations in the ~~States~~ State. The revised rates are: (1) for all workers, adult, adolescent and child, both male and female, employed in the plantations of the Terai area of the district of Darjeeling and in the districts of Jalpaiguri ~~and~~ (Dooars) and Cooch Behar, excepting the minimum rates of wages of the permanent workers in the gardens over 500 acres under tea in the district of Jalpaiguri (Dooars) only - a total daily cash wage of 1 rupee 8 annas per male adult worker, 1 rupee 6 annas for female workers and 13 annas and 6 pies for ~~an~~ child workers; (2) for all permanent workers, adult, adolescent and child, both male and female, employed in the tea plantation in the district of Jalpaiguri (Dooars) in the gardens over 500 acres under tea - a total daily cash

wages of 1 Rupee ~~and~~ 8 Annas and 6 Pies for male adult worker, 1 rupee 6 annas and 6 pies for female adult workers and 15 Annas and 6 pies for employable child worker.

The compensation for the withdrawal of food concessions to monthly paid subordinate staff employed in these areas have been fixed at 9 rupees per month.

The rates will be in force for 15 October 1954.

(Notification No.1194-Lab./G/ZW-9/54 dated 5 April 1954; the Calcutta Gazette, Part I, 15 April 1954, page 1147 ).

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## 38. Housing

India - April 1954

Progress of Central Government's Subsidised  
Industrial Housing Scheme: 130 Million Rupees  
provided for in the Year 1954-55

An account of the working of the Central Government's subsidised industrial housing scheme is given in the budget papers of the Government of India for 1954-55\*.

In September 1952, the Government of India formulated a new "Subsidised Industrial Housing Scheme" as the old scheme was not found suitable for various reasons. In July 1953, this scheme was further revised in the light of the experience gained in its working. The following are the main features of the revised scheme known as "Subsidised Industrial Housing Scheme 1953-56" :-

- (i) The accommodation is to be of two general types viz., in cities of moderate size, where land values are not high, single storeyed one-roomed tenements, and in larger cities where land values are high, multi-storeyed one-roomed tenements. Ten per cent of the tenements to be constructed under the scheme may, however, be two-roomed, for allotment to higher paid workers. Subsidy in respect of two-roomed tenements is, however, admissible on the same scale as for one-roomed tenements.
- (ii) The Central Government grants subsidies and loans as follows:
  - (a) Subsidy to the extent of 50 per cent of the actual cost of construction including the cost of land for housing schemes undertaken by the State Governments, or statutory housing boards.

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\*Government of India: Explanatory Memorandum on the Budget of the Central Government for 1954-55 as laid before the Parliament pp.103-106.

- (b) Subsidies to the extent of 25 per cent of the actual cost of construction including the cost of land of housing schemes undertaken by employers and by such registered co-operative societies of industrial workers as provide in their constitution, that the houses will not pass to any one other than industrial workers.
- (c) Loans to the State Governments upto 50 per cent of the cost of construction including the cost of land repayable in 25 years at 4 1/2 per cent per annum.
- (d) Loans to the State Governments for industrial co-operatives upto 50 per cent of the cost of construction including cost of land at 4 1/2 per cent repayable in 25 years.
- (e) Loans to employers upto 37 1/2 per cent of the cost of construction at 3 3/4 per cent per annum repayable in 15 years.

(iii) The financial assistance is based on either the standard costs, which are shown below or the actual cost whichever is lower. The standard rent for each type of tenement is also given below:-

Type of tenement	Cost of building	Cost of land and or its development, if admissible	Standard cost (total of columns 2 & 3)	Rent per mensem
1	2	3	4	5
<b>A. IN BOMBAY AND CALCUTTA</b>				
	Rs.	Rs.	Rs.	Rs.
1. Single-storeyed one-roomed	2,260	440	2,700	10
2. Single-storeyed two-roomed	3,410	440	3,850	19
3. Double-storeyed one-roomed	2,810	440	3,250	14
4. Double-storeyed two-roomed	4,210	440	4,650	25
5. Multi-storeyed one-roomed	3,200	800	4,000	17/8
6. Multi-storeyed two-roomed	4,800	800	5,600	30

Type of tenement	Cost of building	Cost of land and or its development, if admissible	Standard cost (Total of columns 2 & 3)	Rent per mensem
1	2	3	4	5

## B. OUTSIDE BOMBAY AND CALCUTTA

	Rs.	Rs.	Rs.	Rs.
7. Single-storeyed one-roomed	2,260	440	2,700	10
8. Single-storeyed two-roomed	3,410	440	3,850	19
9. Double-storeyed one-roomed	2,260	440	2,700	10
10. Double-storeyed two-roomed	3,410	440	3,850	19
11. Multi-storeyed one-roomed	2,260	440	2,700	10
12. Multi-storeyed two-roomed	3,410	440	3,850	19

The standard cost of 4,000 rupees shown for multi-storeyed one-roomed tenements in Bombay and Calcutta can be raised to 4,500 rupees in special cases.

The cost of land and/or the cost of development is taken into consideration for purposes of financial assistance when the land required has not already been acquired and/or developed.

The figures of rent given above are in the nature of maximum and it is open to the authority or owner concerned to charge lower rents.

(iv) The scheme even though subject to such changes as may be found necessary from time to time, is likely to remain in force upto the year 1955-56.

Sanctions to the grant of the following financial assistance were issued during 1952-53 and 1953-54:-

	Loan Rs.	Subsidy Rs.	No. of tenements.
1952-53			
(a) State Governments	27,453,793	24,935,304	17,178
(b) Employers	1,458,071	972,047	1,528
(c) Co-operatives	Nil	Nil	Nil
1953-54			
(a) State Governments	9,401,030	9,401,030	6,959
(b) Employers	2,268,051	1,876,154	3,133
(c) Co-operatives	Nil	Nil	Nil

As the payment of financial assistance is related to the progress of the work of construction of the tenements, a major part of the expenditure on the schemes of 1953-54 will have to be incurred in 1954-55. Thirty-six applications from State Governments, seventy nine from employers and thirtysix from co-operatives societies are under consideration pending further information from the applicants. The total demand of the State Governments, etc., and the number of tenements proposed to be constructed by them are as follows:-

	Number of Schemes	Number of tenements	Total estimated cost. Rs.
State Governments	36	13,401	46,942,959
Employers	79	12,322	43,153,942
Co-operatives	36	2,139	8,208,092

Schemes for slum clearance likely to cost 160 million rupees have been received from State Governments. The U.P. Government has also submitted a scheme for 3.225 million rupees for construction of houses for sweepers. The question as to whether aid in the shape of subsidy is also to be given for this purpose is under consideration.

The following provision has been made in the Budget Estimates for 1954-55:-

	Rs.
A. Subsidised Industrial Housing Scheme	110 million
B. Slum Clearance	10 million
C. Assistance for non-industrial workers' co-operatives and co-operatives of low income groups.	10 million
<b>Total</b>	<b>130 million</b>

Measures to strengthen Building Industry:  
On-the-Job Training Pilot Scheme to be  
started: Housing Minister's Announcement.

Inaugurating the second All-India Conference of Building and Civil Engineering Contractors, at Bombay on 25 April 1954, Sardar Swaran Singh, Union Minister for Works, Housing and Supply announced that for training in building trades, the Works, Housing and Supply Ministry will shortly run in Delhi a pilot scheme, under which on-the-job training will be provided to educated young men for a short period.

Sardar Swaran Singh said that among the other steps proposed to be taken to organise the building industry on scientific lines was the establishment of the National Building Organisation, which would come into existence soon. This would co-ordinate all resources pertaining to the building trade, try the results of researches by practical experiments and popularise their adoption.

Emphasising the need for improving working conditions of labour, the Minister said: "I make a special reference to cleaner working conditions as men from the educated classes can be attracted only if the working conditions are improved and the job made less dirty as has been done in other countries.

"With better class of labour and proper training, I am sure output and quality of work will increase, and the costs of construction come down".

The Minister urged the conference to devise measures to rationalise the building industry. He said that the construction industry and building trades in the country were the least organised. Most of the building contractors operated individually and there were very few corporate bodies. There did not appear to be any serious attempt to reduce management costs through rationalisation, pooling of financial resources and efficient supervision and direction of work under qualified and experienced engineers. Some of the differences between the contractor and the supervisory staff could be more easily resolved, if contractors had on their staff qualified engineers.

(The Hindustan Times, 26 April 1954).

#### The Mysore Labour Housing Board Bill, 1954.

Mr. A.G. Ramachandra Rao, Minister in Charge of Labour, Mysore, introduced in the State Legislative Assembly on 10 April 1954, the Mysore Labour Housing Board Bill, 1954.

The Statement of Objects and Reasons, appended to the Bill points out that the Mysore Labour Housing Act, 1949, was enacted with a view to providing for the welfare of industrial labour by making provision for proper housing accommodation and for other connected purposes, and it has been in force for some time. The housing problem has become acute in the case of lower middle classes and low income groups of the population in rural and urban areas and the solution of this problem is as urgent as that of the population employed in industries. It is difficult to fit the working of the provisions of the Mysore Labour Housing Act, into the subsidised Industrial Housing Schemes of the Government of India under the Five-Year Plan, which offers many advantages and is more advantageous to employers to the State Government and to labour.

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The first Five-Year Plan stipulates the constitution of Regional Housing Boards, formed under appropriate legislation for the purpose of formulating and executing Housing Schemes of a comprehensive character so that adequate relief may be afforded to all needy sections of the population including the labour population employed in organised industries. The Bangalore Development Committee constituted under the Chairmanship of Sri N. Madhava Rau, which examined the problem of housing, in the light of the suggestion of the Planning Commission, has also recommended the passing of a Housing Board Act.

This Bill is intended to implement the Five-Year Plan so that full advantage may be taken of the financial assistance which the Government of India propose to give for Housing Schemes in general and Industrial Housing in Particular. The provisions relating to the constitution, powers and functions of the Mysore Housing Board are based on the provisions of the Bombay Housing Board Act, 1948. The Board has also been entrusted with powers and functions exercisable for carrying out the purposes of the Mysore Labour Housing Act, 1940, and necessary amendments have been made in that Act.

The Bill was referred to a Joint Select Committee of the two Houses of Legislature on 17 April 1954.

(The Mysore Gazette, Extraordinary,  
March 1954, pp. 3-34;  
The Hindu, 11, 13, 16, 18 and 23 April,  
1954).

Uttar Pradesh: Industrial Housing Bill, 1954.

The Government of Uttar Pradesh published on 30 April 1954, the Uttar Pradesh Industrial Housing Bill, 1954, to be introduced in the U.P. Legislative Assembly. The Bill provides a statutory basis for the administration and management of industrial housing schemes in the States

According to the Statement of Objects and Reasons of the Bill, construction of houses for industrial workers is in progress in the State under the Subsidised Industrial Housing Scheme of the Government of India. A number of houses have already been completed and, pending the setting up of a comprehensive machinery for the purpose, provisional arrangements for their administration, allotment, control etc., have been made. Necessity, however, has been felt for a law to provide for the administration, control, allotment, upkeep, realisation of rent, and other connected matters. The Bill accordingly seeks to make provision for these matters.

The provision of the Bill, when enacted, will apply to houses constructed by the State Government or any local authority for occupation of industrial workers under the Central Government's subsidised Industrial Housing Scheme ~~for~~ or under any other scheme of the Central or State Governments to be notified in the gazette in that behalf.

The Bill provides for the appointment of a Housing Commissioner, who shall be a corporation, to administer the Act and carry on ~~ea~~ functions under it. Subject to the control of the State Government, the Housing Commissioner shall be responsible for allotment of houses, realisation of rent, eviction of persons occupying such houses, and all other matters relating to the administration of this Act.

The appointment of an Advisory Committee to advise on all matters relating to the administration of the Act, with a membership not exceeding eleven, including one member each at least representing employers and workers, ~~tax~~ is also prescribed.

The Bill provides for the deduction of rent due from a worker from his salary or wages.

(Government Gazette of the Uttar Pradesh, Extraordinary, 30 April 1954, pp. 1-8 ).

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

INDIA - APRIL 1954.

41. Agriculture.

Sixth Conference of All-India Sarvodaya Sammelan:  
Bhoodan Workers confer on future Programme.

The sixth All-India Sarvodaya\* Sammelan was held at Sarvodayapuri near Gaya, Bihar from 18 to 20 April 1954, and provided an occasion for a review of the progress of the land-gift (bhoodan) movement. Among those who attended this conference were Acharya Vinobha Bhave, Dr. Rajendra Prasad, President of India, Dr. S. Radhakrishnan, Vice-President, Mr. Jawaharlal Nehru, Prime Minister and Mr. J. B. Kripalani and Mr. Jai Prakash Narain, leaders of the Praja Socialist Party of India.

Acharya Vinobha Bhave's address.- Addressing the session Acharya Bhave said he wanted to keep the bhoodan movement above party level as it was based on a moral conception and had nothing to do with power.

"I need the co-operation of all in this work. I am glad that members of different parties have worked for the bhoodan yagna. We all belong to the Gandhi family. But though we belong to one family we are not as near each other as we should be. The bhoodan aims at establishing closer contacts", he said.

Speaking on the concluding day, Acharya Bhave stated that the achievements of the Bhoodan Yagna had strengthened his faith that it was possible to usher in a stateless society free from exploitation.

Without specific directions, the target of 2,500,000 acres fixed for the Bhoodan Yagna as the Sevapuri session of the Sammelan, Acharya Bhave said, had been achieved and over 250,000 dazpatras (gift deeds) had been collected. It meant that the message of Sarvodaya had influenced the people. It was a very hopeful sign.

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\* The Sarvodaya movement is inspired by the ideals of Mahatma Gandhi and aims at ~~xxxx~~ an integrated development of the country, based on decentralisation and rural economy on a peaceful and non-violent basis. A leading activity of the movement is the campaign for land gifts or bhoodan.

President's address.- Dr. Rajendra Prasad, addressing the All-India Sarvodaya Sammelan, said that the programme of Mahatma Gandhi "which we could not implement is being implemented by Acharya Vinoba Bhave".

The President said the world situation demanded that Mahatma Gandhi's programme, now being implemented by Acharya Bhave, should not only be placed before the people of this country but also before others. "If we make a success of the programme in this country, it will attract others also. This programme does not produce bombs. Through it a different kind of strength can be developed in this country".

Dr. Prasad said that decentralisation of industry, considered a retrograde step two or three years ago, was now finding favour. His views on decentralisation he said, had been strengthened by his visit to Sarvodaya-puri.

The Conference considered the problems of Sarvodaya work especially bhoodan. There was a free and frank exchange of impressions from workers from all over India. The only resolution adopted at the conference warned Bhoodan workers: "Somehow to fulfil quotas is not the aim. In accepting gifts now, we should seek to understand whether the donor has imbibed the underlying ideas".

A notable event of the conference was the announcement of Mr. J.P. Narain to renounce politics and dedicate his life for bhoodan. About five hundred and fifty persons followed him by dedicating their lives for the land gift movement.

(The Hindustan Times, 20, 21 and 22 April 1954;  
The Times of India, 28 April 1954 ).

Problems of Plantation Industries: Enquiry Commission appointed.

The Central Government appointed on 17 April 1954, a Commission of Inquiry to make a comprehensive enquiry into the economic conditions and problems of tea, coffee and rubber ~~plantations~~ industries in India. The Commission consists of Mr. P. Madhava Menon, ex-officio Joint Secretary, Ministry of Commerce and Industry, as chairman and Mr. K.G. Sivaswamy, Research Associate, Delhi School of Economics, and Prof. M.V. Mathur, Head of the Department of Economics, Rajasthan University, as members.

Functions.- The functions of the Commission shall be to ascertain separately the amount of capital, Indian and non-Indian, invested respectively in tea, coffee and rubber plantations; examine the methods of protection and the costs of production of tea, coffee and rubber in the different important growing areas in India; examine present methods of financing tea, coffee and rubber plantations; examine present methods of marketing tea, coffee and rubber including all factors which affect the price paid by the consumer; and examine the possibilities of further expansion and development of tea, coffee and rubber plantation industries. The Commission shall make recommendations to the Government on measures necessary to secure for the producer a fair price for his ~~product~~ product and to the consumer a fair price for the article he buys; to ~~enable~~ enable the provision of necessary finance for the plantation industries; to ensure suitable marketing arrangements; and to develop and expand the tea, coffee and rubber plantation industries.

(Notification No.S.R.O. 1261 dated 17 April 1954; the Gazette of India, Extraordinary, Part II- Section 3, 17 April 1954, pp. 675-676 ).

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CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - APRIL 1954.

50. General.

Revised Salary Scales for Bank Employees:  
Appellate Tribunal's Award.

In an award on appeals against the recent award of the All-India Industrial Tribunal (Bank Disputes) (vide pp.27-30 of the report of this Office for April 1953), the special bench of the Labour Appellate Tribunal, Bombay, has held that "the minimum total emoluments of a clerk in an 'A' class bank in Class I area should be raised to something between 140 rupees and 145 rupees and suitable variations will have to be made for other classes of employees in different areas".

The special bench in their award, said: "We are definitely of the view that the minimum basic wages of a clerk of a 'C' class bank in Class I area should not be below 60 rupees nor his total emoluments below 100 rupees".

Basic wages.- The scheme of basic wages suggested by the special bench is the same as that recommended by the Industrial Tribunal ("Sastry Award") but the scales of pay for the 'A', 'B' and 'C' banks have been stepped up "in the combined running scale both at the beginning and at the end".

As regards 'D' class banks the special bench held "they are in a class by themselves" - banks with limited resources operating mostly within a State.

The bench said: "It is doubtful if they ('D' class banks) will be able to sustain a wage structure higher than the minimum wage if immediately imposed; we have, therefore, decided in their case to retain the scales of pay and dearness allowance given by the Sastry Award, but subject to this condition that it shall apply for a period of not more than five years from 1 April 1954 (when the award of the bench comes into force), after which period the scales of the 'C' class banks shall become applicable".

The special bench awarded the following scales of Pay:-

XXXXX CLASS 'A' BANKS

- Area I : Rs.85-5-100-6-112-7-140-8-164-9-227-EB-9-245-10-265-15-260.
- Area II: Rs.77-4-85-5-100-6-112-7-140-8-164-9-209-EB-9-245-10-255.
- Area III:Rs.73-4-85-5-100-6-117-7-140-8-164-9-200-EB-9-245.

## CLASS 'B' BANKS

Area I: Rs.77-4-85-5-100-6-112-7-140-8-164-9-200-EB-9-245-10-255.  
 Area II: Rs.69-4-85-5-100-6-112-7-140-8-164-9-191-EB-9-236.  
 Area III:Rs.66-3-69-4-84-5-100-6-112-7-140-8-164-9-182-EB-9-227.

## CLASS 'C' BANKS

Area I: Rs.69-4-85-5-100-6-112-7-140-8-164-9-191-EB-9-236.  
 Area II: Rs.63-3-69-4-85-5-100-6-112-7-140-8-164-9-173-EB-9-218.  
 Area III:Rs.60-3-69-4-85-5-100-6-112-7-140-8-156-EB-8-164-9-200.

## CLASS 'D' BANKS

Upto 30 March 1959 and as for 'C' class banks thereafter  
 Area I: Rs.57-3-69-4-85-5-100-6-112-7-140-8-156-EB-8-164-9-200.  
 Area II: Rs.54-3-69-4-85-5-100-6-112-7-140-8-148-EB-8-164-9-191.  
 Area III:Rs.51-3-69-4-85-5-100-6-112-7-140-EB-8-164-9-182.

The combined running scale will therefore be as follows  
 Rs.51-54-57-60-63-66-69- 75-77-81 - 85-90-95-100-106-112-119-133-140-148 - 156-164-173-182-191-200-209-218-227-236-~~244~~ 245-255-265-280.

Dearness allowance.- The minimum dearness allowance for 'A', 'B' and 'C' class banks fixed at 50 rupees in Area I, 45 rupees in Area II and 40 rupees in Area III. The minimum dearness allowance for 'D' class banks (till 30 March 1959 and as for 'C' class banks thereafter) is 35 rupees in Area I, 30 rupees in Area II and 25 rupees in Area III.

Pay scales of subordinate staff.- The subordinate staff will continue to get the same basic scales of pay as in the Sastry Award, but the dearness allowance has been stepped up and is as follows:-

	Area I. Rs.	Area II. Rs.	Area III. Rs.
Class 'A' Banks	42-8	40	38-8
Class 'B' Banks	40	37-8	35
Class 'C' Banks	38-8	35	32-8

Gratuity and compensation in case of retirement.- The decisions of the Sastry Award are modified to provide that "on an employee becoming physically or mentally incapable of further service or on termination of his service by the employers gratuity is to be paid at the rate of one month's pay for each completed year of service subject a maximum of 15 months' pay".

Medical Aid.- The award provides that any workman who has not exhausted the maximum amount available to him in any particular year on account of medical assistance shall be entitled to have the unexhausted portion carried over from year to year but so that the total ~~maximum~~ amount available to him at any time does not exceed three times the maximum amount allowed to him in a year.

Leave facilities.- In banks of Classes 'A', and 'B' one month's privilege leave will be earned by completed service of 11 months and in banks of 'C' and 'D' classes three-fourths of a month's privilege leave will be earned by completed service of 11-1/4 months.

Bonus.- The special bench held that "the issue of bonus has not been adjudicated upon and that it remains to be adjudicated".

Recognition of unions.- The bench held "the refusal of the management to recognise a union may well constitute an industrial dispute, but we are satisfied that such industrial dispute cannot be resolved by a direction under the Industrial Disputes Act".

(The Hindustan Times, 29 April 1954).

Conditions of Work in Indian Railways in 1952-53:  
Annual Report of the Railway Board\*.

The following information regarding the conditions of work of railway employees in India during the year ending 31 March 1953, is taken from the Annual Report of the Railway Board on Indian Railways in 1952-53.

General review of working of railways.- The gross traffic receipts of Government Railways during the year amounted to 2,705.6 million rupees, a decrease of 202.6 million rupees over the 1951-52 receipts. However, the real decrease in earnings amounts to only 59.5 million rupees if allowance is made for the changes in the accounting procedure introduced with effect from 1952-53, according to which railway stores and fuel were treated as free hauled traffic. Passenger earnings totalled 1,003.8 million rupees and goods earnings 1,461.2 million rupees the balance of receipts amounting to 240.6 million rupees being made up of other coaching and miscellaneous (sundry) earnings.

END

\* Government of India: Ministry of Railways (Railway Board): Report by the Railway Board on Indian Railways for 1952-53. Volume I. Printed by the Government of India Press, Calcutta, India, 1954. pp. x - 125.

The ordinary working expenses during 1952-53 amounted to 1,879.6 million rupees or 73.9 million rupees more than during the previous year (excluding the freight charges on railways stores and fuel during 1951-52). The approximation to the Depreciation Fund was 305.3 million rupees including 3.3 million rupees chargeable to capital being depreciation on the capital assets of the Chittaranjan Locomotives Works. Payment to worked lines as their share of net earnings totalled 2.1 million rupees. The operating ratio was 80.80 per cent against 77.57 per cent in 1951-52.

After meeting all charges, including the appropriation to the Depreciation Fund the net revenue on the results of working for the year amounted to 471.8 million rupees. Out of this, 339.9 million rupees were paid to General Revenues as dividend under the Revised Convention. The net surplus for the year amounted to 131.9 million rupees - against 283.4 million rupees in 1951-52 and 150.5 million rupees in 1950-51. Of this, 120 million rupees were allocated to the Development Fund and 11.9 million rupees to the Revenue Reserve Fund.

Originating tonnage carried during the year increased by 460,000 to 97.12 million, but freight ton-miles registered a decrease of 0.2 per cent from 29,018 in 1951-52 to 28,961 miles in 1952-53. The recession in passenger traffic observed during 1951-52 continued during the year under report. The total number of passengers carried was 1.184 million in 1952-53, against 1.232 million in 1951-52. The passenger-miles dropped to 36.038 million in 1952-53 from 39.551 million in 1951-52. The shift in passenger traffic from upper to lower class travel noticed in the previous year continued to some extent during the year under review.

The number of additional passenger train-miles run per day on Government Railways on 30 April 1953, increased by 5.564 on the broad gauge and by 4.453 on the metre gauge compared with the figures of 31 May 1952. In regard to goods service also, the train-miles increased by 2.20 per cent compared to the previous year.

The average earnings received per passenger per mile were 5.43 pies and the average earnings per freight ton-mile was 11.2 pies during 1952-53 against 5.41 pies and 10.2 pies respectively during 1951-52.

During the year, the programme of regrouping which was begun in the previous year with the formation of the Southern Central and Western Railways was completed with the inauguration on 14 April 1952 of the Eastern, Northern and North-Eastern Railways.

The Railways' share of expenditure in the first Five Year Plan is 4,000 million rupees spread in an increasing measure over the five years from 1951-52. Of this, the railways themselves are expected to find 3,200 million rupees from their surplus and other resources, while the balance of 800 million rupees is to be contributed from the Central Revenues.

The major provision in the Railway part of the Plan is earmarked for the rehabilitation of railway assets, both mobile and immobile. Inescapable items of development and some new projects vital to the growing industrial economy of the country have, however, been provided for. The Plan has been cast on the assumption that there would be a 10 per cent increase in freight traffic at the end of 1955-56.

During the year, a length of 225.55 miles of railway lines was opened. Of these the Gandhidham-Deesa line of 169.7 miles, the Mukherian-Pathankot line of 25.77 miles, and the Sulur-Singanallur-Coimbatore section, a length of 8.65 miles were new lines, and the Bijnor-Chandpur Siau section, a length of 21.43 miles, was restoration of a line dismantled during last war.

Number of railway employees.- The total number of employees (permanent and temporary) on all Indian Railways and in the office of the Railway Board and other offices subordinate thereto, excluding staff employed on construction, at the end of 1952-53 was 931,313 as compared with 926,639 at the end of 1951-52. The total route mileage at the end of the year was 34,275.

The total number of staff employed on the open lines of the railways increased from 917,875 at the end of the period 1951-52 to 922,601 on 31 March 1953. The total number of construction staff fell from 5,190 in the previous year to 3,326.

The total cost of staff including that of staff on loan from the Indian Audit and Accounts Service increased from 1,217,088,442 rupees in 1951-52 to 1,268,950,753 rupees in 1952-53.

Confirmation of temporary staff.-Railway Administrations continued to review temporary posts with a view to converting them into permanent posts and to confirming temporary staff in available vacancies. Consequent on the regrouping of the railways, the question of determining the basis for preparing common seniority lists of staff of the various integrating units has been under consideration and on this account the rate of confirmation of temporary staff slowed down to some extent. All promotions on the ~~xxxxxxx~~ regrouped railways have been made on a provisional basis after regrouping. The recommendations of the Seniority Committees appointed on the regrouped railways were under consideration.

The position of conversion of temporary posts into permanent and the confirmation of temporary staff as on 31 March 1953 was as follows:-

Total number of temporary posts converted into permanent during the year.	9,482
Total number of temporary staff confirmed during the year.	26,020
Total number of temporary staff remaining unconfirmed. (This excludes (1) staff under training or on probation, (2) workshop staff with less than three years service, and (3) casual labour).	95,565
Number of temporary staff under training or on probation.	21,883
Number of staff whose posts are not likely to be required permanently.	56,602
Number of <del>xxxx</del> workshop staff with less than three years service.	15,767

During the year under review the position regarding the absorption of surplus staff in alternative vacancies further improved. About 2,900 men were absorbed in alternative vacancies and about 80 men only had to be discharged and even this was mainly because they refused alternative employment.

Labour relations.- The relations between the Railway Board and labour continued to be cordial during the year under review.

Quarterly meetings were as usual held with the All-India Railwaymen's Federation and the Indian National Railway Workers' Federation, on matters concerning staff.

The permanent negotiating machinery which was set up on railways with effect from 1 January 1952, with ~~the~~ a view to maintaining contact with labour and resolving disputes and differences which may arise between them and the Administration, functioned satisfactorily during the period under review. The reports received from railways indicated that during this period, on all the six Indian Government Railways, 63 meetings were held at Headquarters level, and about 700 meetings were held at district/divisional/workshop level, and that the discussions were held in a cordial atmosphere, that the subjects were discussed in a free and frank manner and that some of the suggestions put forward which were within the competence of the railway administrations were accepted by the railway administrations.

At the second tier of the machinery, quarterly meetings were held between the Railway Board and the All-India Railwaymen's Federation and the Indian National Railway Workers' Federation.

There was no occasion, during the period under review for reference to an ad hoc Railway Tribunal as provided for at the ~~xxxx~~ third tier under the machinery, but the demand ~~for~~ of the Federations for reference to an ad hoc Tribunal on certain issues raised by them, was under examination.

During the year, the Central Government appointed a committee to enquire into the question of merging of part of dearness allowance with pay for Central Government employees including railway staff. The Committee recommended the merger of 50 per cent of dearness allowance with pay and this decision was implemented from April 1953.

Mandays lost due to strikes.- The total number of mandays lost as a result of strikes in workshops, running sheds and other similar establishments of the Indian Railways during ~~the~~ 1952-53 was approximately 0.052 per cent of the total man-days worked as against 0.013 per cent during 1951-52, the position in this respect thus showing a deterioration as compared with the previous year. The increase in the loss of man-days on the Eastern and Northern Railways was mainly due to staff having struck work on the ground of alleged delay in refund of payment of compulsory savings of Provident Fund, while in the case of North-Eastern Railway the increase in the loss of man-days was due to staff having struck work at Gorakhpur as a result of an agitation connected with certain clerks having been asked to appear before the Service Commission and connected developments. The increase in the loss of man-days on the Western and Southern Railways was mainly due to the staff having struck work as a protest against higher prices of cereals. The number of man-days worked during the years 1951-52 and 1952-53 totalled 136,695,022 and 117,782,238 respectively and the man-days lost ~~du~~ owing to strikes amounted to 17,353 and 61,608 respectively.

The details of the total number of man-days worked during ~~the~~ 1951-52 and 1952-53 and the number of man-days lost by railways in consequence of strikes are summarised in the following table:-

Railways	Year	Number of man-days worked.	Number of man-days lost owing to	
			Legal strikes	Illegal strikes
Chitaranjan Locomotive Workshop .	1951-52	1,702,681	..	..
	1952-53	1,826,210	..	890
Central	1951-52	15,634,902	..	10,589
	1952-53	14,209,026	..	7,022
Ex.B.N.	1951-52	12,635,168	..	228
Ex.E.I.	1951-52	54,926,483	..	15,539
Eastern	1952-53	49,141,441	..	13,654
Ex.E.P.	1951-52	3,751,429	..	..
Northern	1952-53	17,589,045	..	18,621
Ex.O.T.	1951-52	6,066,480	..	405
Ex.Assam	1951-52	13,653,208	..	36
North-Eastern	1952-53	11,661,009	..	14,252
Southern	1951-52	12,939,791	..	57
	1952-53	13,210,322	..	7,454
Western	1951-52	17,184,880	..	641
	1952-53	10,145,186	..	2,718
Total	1951-52	136,695,022	..	17,353
	1952-53	117,782,234	..	61,608

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Grainshops.- As the conditions of scarcity obtaining generally in the country, which necessitated the introduction of the facility of issuing cereal ration at controlled rates to Railway employees who had not elected for grainshop concessions through the railway grainshops, improved considerably, it was decided that this facility should be withdrawn with effect from 1 March 1953, in all areas excepting statutory rationed areas and those derationed areas where the State Governments had established Fair Price Shops but expressed their inability to register the railway employees in these shops. This facility was, withdrawn in Uttar Pradesh earlier, i.e. from 1 December 1952.

Canteens.- The number of canteens on Railway which served light refreshments, and in some cases cooked meals to workers increased from 94 to 101 at the close of the year under review. The average number of employees served by these canteens also increased from about 106,000 to about 109,000 per day.

Co-operative stores.-The number of consumer co-operative stores, their membership, capital funds and transactions, etc., are shown in the following table:-

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Number of Railwaymen's Consumers Co-operative Stores (excluding those registered as Joint Stock Companies and their branches) on Indian Railways as on 31 March 1952.	44
Number of Railwaymen's Consumer Co-operative Stores organised and/or registered during 1952-53.	9
Total membership of the co-operative stores on 31 March 1953.	26,531
Total working capital of the Stores as on 31 March 1953.	Rs. 1,796,666
Total share capital of the co-operative stores as on 31 March 1953.	Rs. 524,042
Total reserve fund of the co-operative stores as on 31 March 1953.	Rs. 202,078
Purchases made during 1952-53.	Rs. 3,532,912
Sales during 1952-53.	Rs. 3,623,595
Gross profits for 1952-53.	Rs. 194,603
Net Profits for 1952-53.	Rs. 33,268

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The question of reorganisation of the old Joint Stock Companies and their conversion into co-operative societies was taken up for examination and remained under the consideration of the Railway Board.

Housing.- During the year, 5,775 'A', 1,442 'B', 86 'C' and 20 'D' type quarters were constructed on Indian Railways. The figure for 'A' ~~xxx~~ type quarters also includes 542 single ~~xxx~~ room quarters built according to the recommendations of the Committee of Experts for Building Works, appointed by the Government of India.

Implementation of the Adjudicator's Award and Recommendations of Central Pay Commission.- The Adjudicator's Award was implemented by 31 March 1951, on the former Indian Government Railways in respect of hours of work and periodic rest. Instructions have been issued, and necessary steps were being taken by Railways, to provide leave reserves during the year under review.

The application of the Hours of Employment Regulations in ex-States Railway sections of the Indian Railways has been progressing.

The work of amending Chapter VIA of the Indian Railways Act, 1890 with a view to giving statutory force to the Adjudicator's recommendations accepted by Government had been taken in hand but the introduction of the amending Bill in Parliament was postponed in order to give preference to more urgent legislative business. This measure is, however, only formal as the recommendations of the Adjudicator embodied in the Bill have already been given effect to by the Notification of the Railway Servants (Hours of Employment) Rules, 1951.

The approximate annual recurring expenditure on account of additional staff ~~xxxx~~ sanctioned up to 31 March 1953 consequent on the implementation of the Adjudicator's Award amounted to 90 million rupees.

Medical Aid.- The examination of the general question of the policy to be adopted in regard to expansion of medical facilities, including measures for treatment of T.B. patients, amongst railway employees and their families in future was still in progress during the year.

The activities of the medical departments of railways, curative as well as prophylactic, continued during the year with progressive improvement. A number of beds were maintained at different sanatoria ~~by~~ the Railway Administrations for cases suffering from pulmonary tuberculosis.

Training schools on railways.- At the beginning of the year under review 29 training schools were functioning on the railways and during the year one school was opened at Chittaranjan and another at Udaipur on the Western Railway. Most of these are traffic training schools where recruits are trained in the duties of station masters, signallers, guards, booking and parcel clerks, etc. Refresher and promotion courses for staff already in service are also provided in a large number of these schools. Some railway workshops have technical schools attached to them to train apprentices who are intended for eventual appointment as skilled artisans and supervisors in railway workshops and sheds. In some schools loco, running staff and permanent way staff are also trained. ~~On~~ one such school at Jamalpur special class apprentices recruited through the Union Public Service Commission for eventual appointment as Class I officers in the Mechanical Engineering and Transportation(Power) Department are also given training.

On account of the importance of having well trained staff in the Mechanical and Electrical Engineering Departments and the variations which existed in the arrangements ~~therefore~~ on the several railways, the Board decided to review these existing facilities with a view to improving them. They accordingly appointed a committee of railway officers in November 1952:

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- (a) to examine and find out the existing requirements of the railways;
  - (b) to collect information regarding existing facilities for theoretical and practical training of apprentice mechanics and trade apprentices on the railways;
  - (c) to find out ~~how~~ to what extent facilities for theoretical training are available in the technical institutes run by the various ~~State~~ State Governments, and how far they can be utilised on the railways; and,
  - (d) to make recommendations regarding improvements which should be effected in existing arrangements to impart both theoretical and practical training on a sounder footing.

The Committee had not reported by the close of the year.

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Ajmer: Bill to Amend Weekly Holidays Act, 1942.

A private member's bill, Weekly Holidays (Ajmer Amendment) Bill, 1954, seeking to exempt shops in which only the owner works, to be introduced in the Ajmer Legislative Assembly, has been published on 17 April 1954.

The Statement of Objects and Reasons, appended to the Bill states: "Most of the shopkeepers in the State carry on their business by themselves, that is, without employing any servant or gunashta at their shops and the application of the Weekly Holidays Act in case of such shopkeepers is evidently a great hardship on them in view of the financial condition of the persons carrying on such business. The Bill seeks to make provision for the exemption of such shopkeepers from the application of the provisions of the Act".

(The Gazette of India, Part III-Section 3,  
17 April 1954, page 107 ).

52. Workers' Welfare and Recreation.

India - April 1954.

U.P.: Draft Factories Welfare Officers' Rules.

The Government of Uttar Pradesh has published on 3 April 1954, the draft U.P. Factories Welfare Officers' Rules, 1954, which after coming into force will supercede the Factories Welfare Officers' Rules issued in 1949. The rules prescribe inter alia, the salary scales, qualifications and conditions of service of welfare officers to be appointed under the Factories Act, 1948. The draft will be taken for final consideration after July 1954.

(Government Gazette of Uttar Pradesh,  
Part I-A, 3 April 1954, pp.870-871 ).

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56. Labour Administration.

India - April 1954.

House of People debates Labour Policy:  
Demand for Grants voted.

The House of the People voted on 30 March 1954, the Ministry of Labour demand for grants for the year 1954-55, totalling 46.7 million rupees.

During the debate on the demand Mr. Tushar Chatterjee (Communist) said that the Government not only failed to provide proper living conditions to workers but also suppressed the movements of workers for living wages and against retrenchment. The Government, he said, intervened in labour struggles on the side of employers. Even in cases of peaceful and legal strikes arrest and firing were resorted to. Relief for lay-off was granted through the amendment of the Industrial Disputes Act but casual labourers who were in large numbers in jute industry and those thrown out as a punishment were left out of its scope.

Opposition to rationalisation.- Mr. K.P. Tripathi (Congress) General Secretary of the I.N.T.U.C. said that the policy of Government in regard to labour had been progressive. The adjudication policy was acceptable to workers. But unfortunately Government had not carried it out in the right spirit. Not in all just cases had they referred disputes to adjudication. Delay also was caused in reference.

"For the last four months workers are getting afraid because of a new development in Indian politics", he added, "and that is the development of an employers' lobby for the purposes of influencing Government's labour policy". The Government's policy was under continuous fire from employers. That showed that labour policy, which was progressive was now in danger.

"Workers look at this development with anxiety. I hope the Government will not succumb to this lobby. The Prime Minister had said this is a welfare State. But, the question is whose welfare. Should it be employers' welfare or the welfare of the employees or the welfare of agriculturists? From the standpoint that the Government's policy should be to develop welfare the most important Ministry should be ~~xxxxxxx~~ the Labour Ministry. But unfortunately the Labour Ministry has been losing influence which it should carry with the entire Government".

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Opposing technological rationalisation, Mr. Tripathi said that taking into consideration both the growth of population and industry as planned at the end of the Five Year Plan ~~period~~ period, there would be about 3 million unemployed people over and above those new being retrenched. Rationalisation, therefore, would be suicidal. Actually rationalisation would mean only increased profits to employers.

The Industry Minister had been advocating revision of wage structure. It was to be hoped this would be carried into practice. Unless and until wages increased, he said, the economy of the country could not be balanced in terms of increasing production.

Mr. B. Ramachandra Reddy (National Democrat) said that ~~the~~ unemployment was very acute amongst agricultural labour and early measures should be taken to relieve it. The Andhra Government, he said, had already begun to tackle the problem by distributing available land amongst landless labourers. The scheme might with profit be extended to other States where land was available.

Mr. Ganeshi Lal Chaudhary (Congress) urged the appointment of a Commission to inquire into the conditions of agricultural workers. The previous Inquiry Commission, he said, had limited its operations to a few villages only.

Agricultural workers, he said, were not earning even a living wage. The minimum wages of 26 rupees per month, or a rupee per day on a daily basis as recommended by Central Government was disproportionate to the present price level, he said.

Mr. Chaudhary urged introduction of an insurance scheme for agricultural workers who were expected to work in fields in all climatic conditions. He also urged implementation of the ILO Recommendation that women workers in agricultural undertakings should be given protection before and after ~~child~~ child-birth.

Mr. N. Keshava Iengar (Congress) said the Labour Minister should place a comprehensive labour legislation before Parliament at his earliest. Another issue was the Government's delay in referring labour disputes to arbitration tribunals. The Minister should satisfy himself on the merits of each case and refer them to arbitration tribunals.

Mr. Iengar wanted the Minister to allay to some extent the anxieties of labour on rationalisation. The International Labour Code, he said, had clearly defined it as "leading to reform habitual and antiquated practices by methods based on systematic reasoning". The "mysterious working" of the capitalists were such that it was not at all certain that rationalisation would not result in unemployment. Unless it resulted in improving standards of living, and a fall in the prices of the commodities concerned, it would not be in the interests of the country.

Mr. R. Venkataraman (Congress) said that if the Labour Minister had had to agree to the maintenance of adjudication, it was because of pressure from all the labour organisations, including an organisation like AITUC, which previously used to do propaganda against adjudication. Labour wanted retention of adjudication because it ensured an easy method of settlement of disputes.

Intervening in the debate, Mr. Abid Ali Jafferbhoy, Deputy Minister for Labour, said that the Government did not claim that everything that was desired for labour was achieved. It was indisputable, however, that whatever was possible in the circumstances had been achieved.

The charges that the Government meant to suppress the trade union movement, was baseless. He said the Government in fact wanted that the trade unionism among workers should be strengthened. But when in the name of trade unionism, other things were done, the Government had to take note.

Referring to the charge that the Government was pro-capitalist, Mr. Abid Ali asked if it was the contention of opposition members that legislation like the one providing for relief on account of lay-off or retrenchment was undertaken in the interest of capitalists.

Mr. Giri's reply.- Replying to the debate Mr. Giri said he was not ashamed of his previous statements that he was a trade unionist first and last. He was still against adjudication and believed that so long as workers organised themselves in democratic trade unions and put forward reasonable and just demands with sanctions behind them, they would achieve those ends.

He had been asked what his labour policy was. He fully believed in bipartite and tripartite agreements between workers and employers because he felt that only internal settlement of disputes through negotiations and conciliation could lead to permanent industrial peace and better employer-employee relations. If agreement could be reached between workers and employers on fundamental issues, legislation became easy, as it had to provide only for registration of agreements.

Referring to the Industrial Relations Bill, Mr. Giri said the draft was now ready and would go before the Cabinet. He would assure the House that he did not want to delay the legislation at all, and that the Bill would come before the House very soon.

Replying to questions, Mr. Giri said the question of setting up an industrial tribunal to adjudicate on the grievances of insurance employees was receiving consideration "at the highest level".

(The Statesman, 1 April 1954 ).

66. Strike and Lockout Rights.

India - April 1954.

Hyderabad: Cotton Textile Industry declared  
Public Utility Service under the Industrial  
Disputes Act, 1947.

In exercise of the powers conferred under the Industrial Disputes Act, 1947, the Government of Hyderabad has declared the cotton textile industry in the State to be public utility service for the purpose of the Act for a period of six months from 15 April 1954.

(Notification No. I/146/53/59 dated 3 April 1954;  
The Hyderabad Government Gazette, Part I-D,  
8 April 1954, page 847 ).

West Bengal: State Transport Service declared  
Public Utility Service under Industrial Disputes  
Act, 1947.

By a notification dated 21 April 1954, the Government of West Bengal has declared the State Transport ~~of~~ Service under the Transport Directorate of the Government of West Bengal, to be a public utility service for the ~~the~~ purposes of the Industrial Disputes Act, 1947, for a period of six months, from 1 May 1954.

(Notification No. 2172 Dis./D/1A-9/54,  
dated 21 April 1954; the Calcutta Government  
Gazette, Part I, 29 April 1954, page 1307 ).

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68. Labour Courts.

India - April 1954.

Newspaper Office a 'Factory': Gwalior Labour  
Court's Order.

Mr. L.P. Hirwe, Judge of the Gwalior Labour Court, passing an interim order in a case under the Payment of Wages Act filed by Mr. Dinesh Awasthi, a dismissed sub-editor of Navprabhat a Hindi daily of Gwalior, for the recovery of his unpaid salary, held that a newspaper office employing 20 or more persons was a factory within the meaning of the Factories Act of 1948.

The order was in respect of a preliminary and legal objection raised by the Hindusthan Journals Ltd. proprietors of Navprabhat, that the court had no jurisdiction to entertain the application of Mr. Awasthi as it did not come within the purview of the Payment of Wages Act.

The judge set aside the objection and held that the application "can be entertained by this court and the Payment of Wages Act is applicable to this case".

Referring to the main argument of the company that the Navprabhat office was not a factory because no manufacturing process was carried on there, the judge said it had not been disputed by the opponent that the strength of the office was ever below 10. According to the definition of the word 'factory' given in the Factories Act, where not more than 10 persons are working, the manufacturing process must be carried on with the aid of power. "The teleprinter machine is a part and parcel of the Navprabhat office, and although it is kept in the press it makes no difference. This machine is run by electric power and sheets of newsreels are constantly manufactured out of this machine. These newsreels are taken out of the machine and the news printed therein is given a new heading, is moulded into a new form and takes a different shape. In this way the manufacturing process is carried on in Navprabhat with the aid of power".

"Assuming for a moment that the teleprinter machine does not carry on any manufacturing process" the judge added, "it had to be seen whether the Navprabhat office came within the second definition of the word 'factory' given in the Act, namely, that it employed 20 or more persons and a manufacturing process was being carried on there without the aid of power". "In this connection", he observed "I am inclined to hold that in the Navprabhat office actually 20 persons had worked on some days but the management has deliberately kept out certain persons from the attendance register and also has actually struck off the attendance of one person in order to maintain the strength at only 19. The omission to enter the names of certain persons in the attendance register and the act of striking off the attendance of one person whose addition or presence in the register would have raised the number to 20, both go to prove that 20 persons had actually worked in the Navprabhat office in the preceding 12 months. It

now remains to be seen whether any manufacturing process is carried on in that office".

"According to the Factories Act of 1948", the judge continued, ~~work~~'manufacturing process means any process for making, altering, ornamenting, finishing, packing, oiling, washing, cleaning, breaking up, demolishing, or otherwise treating or adapting any article or substance with a view to its use, sale, transport, delivery or disposal'. The Navprabhat is a daily newspaper and the main work of the persons engaged in its office is to collect material for the manuscript of the paper. The news and articles received in the Navprabhat press either through the teleprinter machine or through any other source is the raw material for this factory. Some matter is received through post, some through reporters and some through telephone or radio. All this raw material is treated and adapted by the editorial staff and a new shape is given to it. The news is moulded or cast in a particular manner, attractive and exciting headings are given and out of all this process a final product namely, the manuscript of the Navprabhat daily, emerge which is used for printing in the press and the paper thus printed is sold.

"One can dispute that the material received in a newspaper office is in a crude form and in a raw state. This crude and raw substance is subjected to the process of treating or adapting and is finally rendered fit for printing in the press. Such a change would come within the meaning of the term 'treating or adapting any article or substance with a view to its use' and thus would constitute 'manufacturing process' as defined above. I, therefore, hold that the work that is carried on in the Navprabhat office is within the meaning of the manufacturing process. The three important ingredients of a factory being thus present, it is held that the Navprabhat office comes within the meaning of 'factory' as defined in the Factories Act.

(The Hindustan Times, 17 April 1954).

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CHAPTER 8. MANPOWER PROBLEMS.

INDIA - APRIL 1954.

81. Employment Situation.

Employment Exchanges to be made Permanent:  
Shiva Rao Committee's Recommendations  
published: Integrated Training Scheme  
advocated.

Recommendations for placing the employment exchanges on a permanent footing, handing over the administration to the States and for an integrated training programme have been made by the Training and Employment Services Reorganisation Committee set up by the Government of India under the Chairmanship of Mr. B. Shiva Rao, M.P., in 1952 to enquire into the future set up of the Employment Exchange Organisation and its training schemes.

The report\* of the Committee which was submitted to Government on 28 April 1954, contains a comprehensive historical survey of the Employment Exchange Organisation, the work done so far and detailed recommendations regarding the administrative set-up for this Organisation, its methods and ~~procedures~~ procedures of working. It reviews the various schemes sponsored by the Resettlement Organisation for technical and vocational training and for training of craftsmen and instructors and makes recommendations thereon. A summary of the main recommendations are given below.

Need for an employment service.- The Employment Exchange Organisation should be placed on a permanent footing without further delay. Employment exchanges should, for the present, be confined to places where the employment market is widespread and complex; they are not necessary in places which are self-sufficient and compact so that it is easy for employers and workers to come into direct contact with each other. Additional employment exchanges should be set up only when the need for such is fully established.

Administration and finance.- With the object that the Employment Exchange Organisation might continue to function as a nation-wide system and at the same time be integrated with the plans and programmes of the States, day-to-day administration of the exchanges should be handed over to the States, the Central Government being responsible for laying down policy and standards and for ~~responsibility for laying down policy and standards and for~~ co-ordination and supervision of the work of the Employment Exchanges.

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\*Report of the Training and Employment Services Organisation Committee, Government of India, Ministry of Labour, pp. vii - 349.

For the present, the subsidy to be paid to a State Government should be restricted to 60 per cent of the expenditure on the Regional Headquarters and employment exchanges in the States, subject to a maximum of the amount provided for in the budget for 1953-54 or the actual expenditure incurred during 1952-53, whichever may be greater advantage to the State Government concerned. Within this amount, State Governments should be free to re-organise their respective employment service organisations, except that the closing down of the exchanges not considered necessary and the opening of new exchanges, where the need exists, would require the ~~prior~~ prior approval of the Central Government. The Central Government should share 60 per cent of the cost of the District Employment Exchanges also which in some States are at present financed entirely by the State Government concerned. As regards the Central headquarters the Central Government should continue to bear the entire cost, while State Governments should provide at their cost, the necessary accommodation for the employment exchanges.

The expenditure of the Central Government on the Employment Exchange Organisation should not on the whole be reduced from the present level. Any amount left over after meeting the Central Government's share should be made available for improving the efficiency of the Organisation on the lines recommended in the Report. Similarly, State Governments also should continue to spend not less than what they are doing now. Sooner or later, the coverage of the exchanges will have to be made more comprehensive and additional funds may be necessary. This additional expenditure should also be shared between the Centre and the States in the same proportion.

Responsibilities of the Central Government.- As its specific responsibilities, the Central Government should: (i) establish national policies, standards and programmes to be followed by all employment exchanges throughout the country and prescribe the necessary procedure for the purpose; (ii) carry out periodically inspections of employment exchanges with a view to evaluating operating practices and procedures, organisational structure, supervisory methods and the effectiveness of the various programmes as also to check whether the expenditure incurred conforms to the purpose for which it was allotted, and recommend action which should be taken to further improve the working of the exchanges; (iii) review State plans and budget proposals both from the standpoint of the cost and of the effectiveness of the service to be provided; (iv) organise and provide leadership and guidance in the following programme: (a) Counselling and Testing; and (b) Occupational Analysis and Research; (v) make adequate arrangements for the training of staff in employment exchange policies and procedures; (vi) ~~xxx~~ collect information concerning employment and unemployment and prescribe uniform reporting procedures; (vii) provide a machinery for adjusting surpluses and shortages of workers in the different States; (viii) develop working relationship with major industrial and business concerns of national significance, size, and inter-State importance,



exchanges themselves; it will, therefore, be necessary to seek the co-operation of industry in the trade testing of applicants. In this regard, suggesting suitable tests for the general clerical category, the report states ~~of~~ that service commissions need not be saddled with the duty of conducting examinations for recruitment to clerical and skilled grades.

Side by side with the development of trade tests, the Service should undertake, in collaboration with technical experts and representatives of workers, industry and Government, the task of standardising definitions of skills and functions of the different types of tradesmen.

If the exchanges are to achieve the overall ~~main~~ objective of the Service, a counselling programme is essential. Advice in the choice of a career or an occupation should be made available to all who need special advice. Employment exchanges ~~should~~ should provide special facilities for counselling young men and women straight out from schools or colleges, who have had no previous experience and are not occupationally set in their choice of employment and who represent the largest single addition to the country's manpower every year. As regards employment counselling, employment exchanges should maintain a close liaison and develop co-operative arrangements with schools and college and other agencies engaged or interested in vocational guidance. They should assist schools which set up a vocational guidance or counselling programme by making available to them information ~~particular~~ ~~entirely~~ pertaining to employment opportunities available in the country.

The report recommends that mobile sections as a normal feature of employment exchange work should be discontinued. If need is felt for some employment service in places which do not justify a full-time office, part-time employment exchanges might be set up as an alternative.

Making recommendations in respect of employment information, the report states that employment exchanges should collect comprehensive information on a continuing basis regarding the supply as well as the current and anticipated demand for labour in all its aspects. In order that Government may have reliable and up-to-date statistical information regarding the level of employment in the country, all employers (including Government, semi-Government and private) should, like the Central Government Departments, be required on a compulsory basis to render to the employment exchange concerned and to the Central Headquarters of the Services half-yearly ~~returns~~ returns in a form that might be prescribed for the purpose, showing the total staff strength at the end of the six monthly period, the number of vacancies (including those in the unskilled categories) that occurred during the period, the manner of their filling and a forecast of likely increase or decrease in the staff during the next six months. As regards the size and type of industrial establishments which should be required to render the proposed Staff Strength Return, the ultimate goal should

be to cover as many sectors of employment as possible. The size of the employment exchange organisation and its coverage will be a major deciding factor. The proposal may, therefore, be given effect to in several stages, the progress in each stage being decided by the Central Government in consultation with State Governments and the various employers' and workers' organisations.

To supplement the information which will be available through the Staff Strength Returns twice during the year, employment exchanges should organise employment information surveys at shorter intervals. Operational details should be worked out by experts. The object of the data collected should be not only to provide information regarding the State of employment but also to make available necessary material for planning.

The Employment Service should be the main agency for the collection, compilation and dissemination of all statistics in regard to employment and unemployment, the situation and trend and the requirements of the different occupations and industries in regard to manpower. Full use might, however, be made of the existing statistical agencies for the collection of primary data. In addition to the collection of primary statistics, the Employment Service should undertake special research into and studies of the employment market and trends in particular industries, occupations and areas.

Utilisation of employment exchange.- The report suggests that in so far as the Central Government Department are concerned, the existing arrangements should continue and the Employment Exchange Organisation should as hitherto perform the role as the main agency for recruitment of Central Government employment, reflecting Central Government policy in the matter of priority for those categories for whom the Central Government has assumed moral responsibility to provide employment. The obligation to recruit through the employment exchanges should for the present apply only to ~~skilled~~ clerical and other non-technical categories; excluding the unskilled, and should extend to technical personnel as soon as employment exchanges have made arrangements for the trade-testing of applicants. Recruitment to State Government vacancies and vacancies under local bodies should be made through the employment exchanges. The scope of this compulsory measure should be the same as in the case of Central Government vacancies. The obligation to recruit through the employment exchanges should apply equally to all State-owned enterprises and to all quasi-Government and statutory bodies.

As regards private industry, the working and the results of the recommendation regarding recruitment by Government and semi-Government employers through the exchanges should be watched for a time before enforcing compulsion on the private sector also. Private employers should, however, be required on a compulsory basis to notify to the exchanges all vacancies, other than vacancies for unskilled categories, vacancies of very temporary duration and vacancies proposed to be filled through

promotion. The obligation to notify vacancies should apply equally to firms engaged on Government contracts, undertakings in respect of which Government hold part of the stock and establishments which have received aid or subsidy from Government. Until employment exchange coverage is made more intensive, it should be optional on the employers located in the areas distant from the exchanges to notify their vacancies. Such employers should, however, be required to furnish the Staff Strength Return. The Central Government should decide, in consultation with State Governments and the various employers' and workers' organisations, the particular industries and the categories and size of industrial establishments which should be brought under the operation of the suggested measures of compulsion. The suggested measures of compulsion may, if necessary, be embodied in a suitable legislation. As hitherto workers should register with the exchanges on a purely voluntary basis.

No fee should be levied on employers or employment-seekers who seek the assistance of the employment exchanges.

Plan of organisation of employment service.- The report recommends that the Employment Exchange Organisation, with the Central Headquarters, State Administrative Offices and employment exchanges, should constitute a unit by itself and be renamed as the "National Employment Service". The Directorate of Employment Exchanges, which should perform the role of the Central Headquarters of the National Employment Service, should be re-designated as the Department of National Employment Service. The Department should function as an Attached Office, headed by a Director of National Employment Service, under the Ministry of Labour. The Director should be advised by a Central Employment Advisory Committee, representing employers, labour and other important public interests, in formulating the overall policy and programme of the National Employment Service. The responsibility for detailed inspection of Employment Exchanges should be fully delegated to State Directors and the Central inspections should be confined to the evaluation of the effectiveness of the various programmes, operating practices and procedures organisational structure and supervisory methods and to ascertaining whether or not the services in the States have complied with national policy and standards as also to checking whether the expenditure from Central grants conforms to the purposes for which the grants were allocated. General inspections should be conducted by an Inspectorate consisting of ~~two~~ two Assistant Directors.

The services of an experienced officer should be obtained through the I.L.O. or the Colombo Plan or other similar agencies to assist the Director in organising programmes of counselling and testing and occupational analysis and research.

For administrative purposes, the Employment Service in the States should be placed under the Department of Labour or, where a separate Department of Labour does not exist, under the State Government authority responsible for the administration of labour laws.

Training programmes.- The report recommends that while much of the initiative for the training of its workers should rest with industry, Government should, under existing conditions in the country, continue to provide adequate training facilities. The training facilities now provided in the centres run by the D.G.R. & E. should be integrated with similar facilities provided by State Governments, the administrative responsibility for D.G.R. & E. scheme being also transferred to State Governments. In respect of the latter, the whole expenditure excluding the cost of the Central Headquarters (to be borne fully by the Centre) should be shared between the Central and State Governments in the ratio of 60:40. Neither the Central nor the State Governments should decrease their respective current level of expenditure on technical training on a whole. This can be assured by providing that where a State Government fulfils this condition, that is, spends not less than what it does now - and this will be the sum total of expenditure incurred on the State Government's own schemes plus the contribution now made by the State to the Central Schemes - the Central Government must agree to paying to the State an amount equal to the net amount now spent on the D.G.R. & E. training scheme in that State.

Having regard to the importance of training, substantial expansion and improvements should be made possible in training centres. Such expenditure as may be agreed upon between the Central and State Governments towards expansion in activities relating to training should also be shared by the Central and the State Governments in the ratio of 60:40.

As regards the training centres operated by the Ministry of Rehabilitation, as these centres are of a temporary duration and for a specific purpose, it is not necessary that these should be incorporated in the integrated scheme. They should, therefore, continue under the Ministry of Rehabilitation.

Apart from giving financial assistance to State Governments in the running of their training schemes, it should be the responsibility of the Central Government to lay down the policy for the training of craftsmen, to promote the development of training facilities with due regard to needs and to co-ordinate the overall training programme throughout the country. Amongst the measures that might be adopted to bring about the necessary co-ordination, the Central Government may - (i) collect information regarding the requirements of industry for trained workers and the facilities available for the purpose; (ii) prescribe standards and methods of training; and (iii) draw up syllabi for training in different trades.

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Ministry of Labour should assume the overall responsibility and continue to lay down policy for the craftsmen's training of labour. Within the Ministry of Labour itself, responsibility for the organisation of training should be entrusted to a Department of Training with a Director at the head.

The report also recommends that while the proposed National Trades Certification Board should act as an advisory body to the Ministry of Labour in framing the training policy, the co-ordination function of the Central Government, such as prescription of standards and methods of training and the drawing up of the curricula for training in different trades may be entrusted to the Board and necessary powers delegated to it to enable it to discharge these functions. In fact, all craftsmen training in technical trades and in vocational trades of national importance throughout the country should be co-ordinated through the National Trades Certification Board.

While the greater part of the training might be provided at the training centres, the later part, say six months, if the total course is of two years duration, should be provided under workshop conditions in factories. Various representatives of industry have stated that they would be prepared to collaborate with Government in providing practical training to the trainees passed out from the training centres. If there is the slightest doubt of voluntary measures succeeding, the Government should not hesitate to bring legislative measures. If legislation is undertaken, it can form part of the apprenticeship legislation referred to below.

In addition to short-term in-plant training suggested above, State Governments should take steps for the organisation of full-length apprenticeship programme. As much of the success of such a programme would necessarily depend on the co-operation of industry, efforts should be made to encourage employers through voluntary methods to take in apprentices. If, however, voluntary methods do not succeed, the Government may enact necessary legislation.

A small cess should be levied on employers and the proceeds of the cess may be utilised towards the supervision of apprenticeship training and towards other connected items of expenditure. Industrial undertakings which are operating their own programme of apprenticeship training might be allowed a rebate upto the level of their expenses subject to prescribed ceiling limits.

Under the integrated scheme proposed above, stipends may be granted to 33 1/2 per cent of the total number of trainees on the basis of merit and financial conditions of the trainees subject to satisfactory progress during training. Within this overall limitation proportions may be prescribed for different trades, depending on local conditions and requirements. Expenditure on stipends should also be shared by the Central and State Governments in the ratio of 60:40.

Training of instructors.- The Central Training Institute for Instructors should be placed on a permanent footing and should continue to remain the direct responsibility of the Government of India. Early steps should be taken to ~~provide~~ provide the Institute with more up-to-date equipment.

The report states: "It is understood that the Ministry of Labour has already asked for the services of a foreign expert to assist in ~~reorganising~~ reorganising the Central Institute for Instructors and the existing training centres. This officer's services should be obtained with the minimum delay and he should prepare complete plans and estimates in consultation with the Central and State Governments".

Organisation for training schemes.- As regards organisational set-up for training, the report recommends that the Directorate of Training should be transformed into a separate ~~Department~~ Department under the Ministry of Labour, with the status of an Attached Office. The Department, which may be designated as the Department of Training, should be headed by a Director of Training, who should be responsible to the Secretary in the Ministry of Labour and through him to the Minister for Labour. In the States, the administration of the present D.G.R. & E. training centres, on transference to State control, should be placed under the existing State administrative organisations responsible for administration of State ~~training~~ training schemes. States which do not already have an administrative machinery for the purpose will have to make some suitable arrangements of their own.

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Employment Exchanges: Working during  
February 1954.

According to the review of work done by the Directorate General of Resettlement and Employment for the month of February 1954, the employment situation in general showed little or no signs of improvement. The number of fresh registrations at exchanges during the month of February was the lowest figure for 10 months. Many renewed registrations, however, carried the total number of the registered unemployed to a new record. Fall in the number of vacancies notified and in placements contributed to the rise in the total number of registered unemployed.

Most of the exchanges continued to report a shortage of stenographers, typists, trained teachers, qualified doctors, experienced engineers, overseers and draughtsmen. A large ~~xxx~~ number of employment exchanges continued to report a surplus of clerical applicants, unskilled office workers, carpenters, semi-skilled technicians and unskilled labourers.

Registrations and placings.- The following table shows registrations for employment and placings during the month as compared to the previous month:-

	February 1954	January 1954
Registrations -----	105,229	116,269
Placings -----	12,695	13,606

There was a decline in registrations in all the States ~~except~~ except Ajmer, Andhra, Assam, Bombay, Madhya Bharat and Punjab. The decrease was notable in Uttar Pradesh(5,082), Bihar (1,905), Madras(1,304), Rajasthan (1,075), West Bengal(900) and Hyderabad(831). On the other hand employment exchanges in the Punjab showed an increase of 853 over the previous month's figure.

The fall was notable in Uttar Pradesh(760), Bihar (369), Travancore-Cochin(203) and Punjab(145). On the other hand, there was an increase in placings in Madras (203), Assam(176) and Bombay(140). Of the total number of placements affected 3,594 were placed with private employers and 9,101 in Central and State Government establishments.

Placings by wage groups.- Of the total number of placements effected 1,429 were in posts carrying emoluments of 101 rupees per month and above; 5,521 were in posts carrying emoluments of 61 rupees per month and above but less than 101 rupees per month; 5,434 were in posts carrying emoluments of 30 rupees per month and above but less than 61 rupees per month, and 311 were in posts carrying emoluments of less than 30 rupees per month.

Vacancies notified and submissions.- The number of employers who used the exchanges during the month was 3,886 as against 3,752 during the previous month. The number of vacancies notified by them was 18,552 as against 19,254 during the previous month i.e. a decline of 702. Of the vacancies notified 12,538 were by Central and State Government establishments and 6,014 by private employers, while there was a decline of 930 in the Government sector, the number of vacancies notified by private employers recorded an increase of 228. The decrease in the number of vacancies notified was marked in Orissa(1,636) and Uttar Pradesh(509). Employment Exchanges in Madras, West Bengal, Bombay and Bihar on the other hand, showed an increase of 614, 382 and 288 respectively as compared to the previous month. The number of persons submitted to employers during February 1954, was 64,872 as against 63,070 applicants during the previous month. A total of 12,695 applicants were placed in employment as against 13,606 in the previous month; thus recording a fall of 911.

Register of unemployed.- The number of persons seeking employment assistance through the exchanges on the last day of February 1954 was 539,278. This was 4,961 more than the figure on the last day of January 1954 and was a record figure. Of those on the Live Register 2,647 were known to be employed persons who desired further employment assistance.

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

<u>Occupation</u>	<u>Number on live register</u>
Industrial supervisory	4,970
Skilled and semi-skilled	52,614
Clerical	150,345
Educational	11,696
Domestic Service	17,639
Unskilled	266,505
Other	35,509
<b>Total</b>	<b>539,278</b>

Employment position of special types of applicants.- The employment position in respect of certain special types of applicants during February 1954 is shown in the table given below:-

<u>Category</u>	<u>Total No. of registrations.</u>	<u>Total No. of placements.</u>	<u>No. on live register</u>
1. Displaced persons	7,544	752	45,593
2. Ex-servicemen	6,533	1,001	28,009
3. Scheduled castes applicants	10,871	1,640	48,991
4. Scheduled Tribe applicants	1,068	214	3,585
5. Surplus and discharged Government employees	2,080	807	9,767
6. Highly qualified applicants	654	129	4,977
7. Women	4,281	581	19,073

(Review of work done by the Directorate General of Resettlement and Employment during the month of February 1954: Ministry of Labour, Government of India)

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Inquiry urged into Rationalisation:  
Planning Commission convenes High  
Level Conference.

A demand for a comprehensive inquiry into the economics of rationalisation in the textile industry was made by the I.N.T.C. President, Mr. S.R. Vasavada, at a high level conference convened by the Planning Commission, at New Delhi on 13 April 1954.

The meeting, which was attended by members of the Planning Commission, the Ministers for Finance, Commerce and Industry and Labour and Mr. Ambalal Sarabhai, prominent ~~Ahmedabad~~ Ahmedabad millowner, was inconclusive.

Mr. Sarabhai has applied to the Government for a licence to introduce automatic looms in the Calico Mills, Ahmedabad, and was merely concerned with stating the case for rationalisation in this particular mill.

Mr. Vasavada and Mr. K.P. Tripathi, M.P., General Secretary of the I.N.T.U.C., who was also present, however, raised the issue to the national level, covering the entire textile industry and called for the adoption of a national plan in this regard after due examination of the effect of rationalisation on the workers, the industry, the consumers and the nation.

Mr. Vasavada was prepared to accept rationalisation in the Calico Mills and discuss a scheme for its implementation, provided the Government gave an assurance that rationalisation would be confined to the particular mill.

At the conference Mr. T.T. Krishnamachari, Minister for Commerce and Industry, was understood to have stated at the conference that rationalisation must be undertaken in collaboration with labour. It would otherwise be very difficult to implement.

Employer's view.- Mr. Sarabhai explained his scheme for rationalisation in the Calico Mills. He was believed to have stated that the programme of installing automatic looms would be spread over three to four years, its effect on employment would be to reduce the present proportion 50 men per 100 looms to 16 men for 100 looms.

Labour's view point.- According to labour calculations, with the installation of automatic looms, the weaver will ~~be able~~ <sup>have</sup> to attend at least 32 looms.

In an elaborate presentation of the labour point of view, Mr. Vasavada is understood to have called for a postponement of the introduction of labour-saving machinery for 10 years, during which period new industries should be started to expand the pool of employment so that labour displaced through future rationalisation could be re-employed.

He is understood to have put forward a number of propositions which he wanted examined.

Among these are the following:-

1. What types of machines and in what numbers would they be installed and how much labour would they displace?

2. From past experience, labour had found that the introduction of calculating machines, automatic looms, Barben Colman machines and bleaching plants had displaced several workers. In some cases, men who had worked for several years were not made permanent so that they could be retrenched more easily when labour-saving machines were introduced.

3. When the object of planning in India was to expand employment opportunities, rationalisation would reduce the employment capacity of the textile industry from 700,000 to 200,000.

4. In order to avoid the time-lag between the displacement of labour on account of rationalisation and its subsequent absorption through general industrial expansion, new industries should be set up prior to rationalisation. A definite programme of starting new industries should be chalked out. The period required for this should be determined and machinery to implement this scheme should be established.

5. To what extent will rationalisation reduce the price of cloth and how much of this reduction will be passed on to the consumer?

6. If automatic looms are installed to replace, and not in addition to old looms, then production will remain the same; if the idea behind rationalisation is to improve the quality, then other suggestions already made in this regard should first be implemented.

If the cloth produced on automatic looms is intended solely for export, than the manufacturers should give a ~~guarantee~~ guarantee to the effect.

7. If it is argued that only a few mills can afford rationalisation, then it will mean that these mills will have a competitive advantage and will drive other mills out of production. If this happens, more unemployment will be created.

8. If the competitive potential of the mill industry is enhanced, the position of the handloom industry will further deteriorate. This will again effect employment.

9. Top heavy managements, the managing agency system and the dubious methods of purchase of stores and cotton by mills needs to be rationalised and corrected first.

10. Rationalisation should ~~have~~ involve no unemployment.

(The Times of India, 15 April 1954).

Rationalisation without Tears: Minister for Commerce and Industry explains Government's Policy.

Speaking during the debate on the demands for grants for the Ministry of Commerce and Industry for 1954-55 on 14 April 1954, Mr. T.T. Krishnamachari, Minister incharge defined the Government policy on the controversial issue of rationalisation as "rationalisation without tears".

Mr. Krishnamachari said: "We will have rationalisation but at the same time we will not ~~xxxxxx~~ allow any labour to be thrown out".

Mr. Krishnamachari indicated that the Government would be prepared to consider, if necessary, the creation of a fund out of which loans could be given to an individual mill or unit which was unable to provide against the frictional unemployment caused by rationalisation.

Mr. Krishnamachari emphasised that while the process of rationalisation would be spread out over a period of years according to certain priorities, now was the time to consider the issue and not later. "Now", he said, "we are thinking in terms of expanding and if we do rationalise, we can take up the frictional unemployment and make provision for it, provided labour is mobile".

Finance Minister's views.- Referring to the same subject, Mr. C.D. Deshmukh, Union Finance Minister, said in the House of the People on 22 March 1953, that the need for increased industrial productivity was admitted by everyone. With the emergence of a buyers' market, the growing necessity to seek an outlet for industrial production in export markets and the increasing severity of international competition in such markets had increased the need for a proper solution of this complex problem. This was being handled on various fronts. They had been promoting improvements in methods of managerial efficiency as well as labour productivity. Expert productivity studies had been undertaken and an institute of labour productivity was proposed to be started. Replacement of obsolete machinery by improved machinery and higher productivity was technically known as rationalisation and it was one of the essentials of progress and industrial development. Notwithstanding the imperative necessity of increasing productivity and reducing costs, such methods were usually resisted by labour because of the temporary replacement of labour which was bound to occur.

The Planning Commission, Mr. Deshmukh continued, had studied this problem and had suggested certain safeguards in the interests of labour temporarily replaced so as to facilitate progress in rationalisation. It had recommended that wherever rationalisation was to be undertaken and where it was expected to lead to development, fresh recruitment should be stopped and surplus workers absorbed in other departments as far as possible and retrenchment should be on the basis of "last employed first to be discharged" etc. While the effect of such temporary displacements on the individual should be alleviated to the greatest possible

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extent as a measure of social policy " it would be wrong and against the general interests of the country to discourage or prohibit rationalisation altogether", he added.

The question of rationalisation, Mr. Deshmukh continued, mainly concerned a little over 2.5 million persons engaged in organised industry. It was common ground that without a substantial growth of employment opportunities in the field of industry, it would not be possible to keep pace with the large number of additional persons annually joining the labour force as a result of the growth of population. It was obvious that the interests of labour and general increased employment should not be negated by shortsighted policy in respect of technical progress. Mr. Deshmukh said: "I maintain that it is possible to recognise the claims of the individuals affected temporarily by any such displacement with the requirements we must provide in the interests of the improvement of our economy and general interest".

The Finance Minister referred in this connection to the recent amendments to the Industrial Disputes Act to provide for retrenchment and lay-off relief to safeguard the interests of workers. He said that while everything possible should be done to alleviate hardship caused to labour temporarily displaced, they should not do any thing which would ban all technical progress and inhibit the growth of employment. At any given moment an industry consisted of units in varying degrees of efficiency - some just starting, some developing and some which might have become senile and on the verge of closure. It was essential for the healthy development and growth of industry that there should be a certain measure of elasticity of the labour force engaged by different units according to the circumstances. They ought to concern themselves with the volume of total employment. Any policy which made retrenchment impossible by particular undertakings would only have the result of inhibiting the growth of new lines of development by other undertakings and would possibly cause far greater harm to the economy than it would avoid, including to the labour community as a whole.

Mr. Deshmukh said: "I agree that in the special circumstances of our country, rationalisation must be graduated and discriminative and according to plan".

The Finance Minister said that the problem should be approached so as to reconcile the need for progress with the alleviation of hardships caused temporarily. They could evolve a method of rationalisation with due regard to the needs of the individual and the workers ~~whose~~ who might be temporarily displaced.

(The Hindustan Times, 23 March and 15 April 1954).

Opposition to Rationalisation in Textile Industry:  
I.N.T.U.C. President's Press Conference.

Addressing a press conference at Ahmedabad on 15 April 1954, Mr. S.R. Vasavada, President of the Indian National Trade Union Congress reiterated his opposition to rationalisation in the textile industry. "It is no longer a question to be settled between labour and capital, but had become a national problem involving the question of employment", he said. Mr. Vasavada estimated that about 180,000 of the present 200,000 weavers in the textile industry would be thrown out of employment if automatic looms were introduced.

Mr. Vasavada argued existing looms in textile were workable and need not be replaced, by automatic looms as had even been admitted by textile industrialists themselves. He said that the cloth control advisory committee had in 1952 given a decision against introduction of any labour saving devices as automatic looms in view of unemployment that would result. Mr. Vasavada wondered how after the unanimous verdict of that body, the Planning Commission should have taken up the question of rationalisation again.

Mr. Vasavada also wished to draw attention to productivity reports from the U.K. which, he said, had maintained that looms there need not be replaced. If the U.K. could do without automatic looms why should the Indian textile industry press for them.

Calling for a clear and unambiguous policy on the part of the Government on the question of rationalisation, Mr. Vasavada said it had to consider whether "frittering away of resources for replacing workable looms" should be permitted.

He said the Calico Mills in Ahmedabad where 1,300 looms were proposed to be replaced would require 4.8 million of rupees for the change-over. In all, he said, six mills in the country had already applied for introduction of automatic looms and if ~~permitted~~ permission was granted 4,000 looms would be replaced annually.

Mr. Vasavada said the Government should consider the problem from three points (1) whether the existing looms need really be replaced; (2) the quantum of unemployment that would result and what they were to do with the thousands of workers who would lose their jobs, and (3) whether rationalisation would not help the textile industry to "swallow" the handloom industry.

He said if the Commerce and Industry Ministry had understood that not big industries, but small-scale and village industries were the real industries of the country and given full attention to them, it would have helped to create more avenues of employment.

He declared that trade unions would not oppose rationalisation if "it did not create unemployment, there is proper adjustment of work load and proper wage increase is guaranteed to the workers".

Mr. Vasavada feared that there was likelihood of cloth prices going up if automatic looms were introduced. There would be better quality of cloth, but there was no guarantee that the price would be cheaper.

(The Times of India, 17 April 1954).

Mechanisation of Bidi Industry to be discouraged:  
Centre's Directive to States: Bombay Government  
prohibits Supply of Power.

Replying a question in the Bombay Legislative Assembly on 3 April 1954, Mr. M.P. Patel, Minister for Co-operation stated that the Union Government had asked the State Government to discourage the mechanisation of the bidi industry. He added that the Government of Bombay has prohibited the supply of electric power for bidi manufacturing machines.

The Minister said that the Government was aware that mechanisation of the bidi industry was being introduced in the State. As a result of mechanisation, nearly 65 per cent of the workers engaged in the industry would be thrown out of employment.

Representation in West Bengal.- A deputation on behalf of 150,000 bidi workers of West Bengal met Dr. B. C. Roy, Chief Minister, West Bengal, at Calcutta on 13 April 1954 and urged a total ban on the use of mechanical unit in bidi industry.

The deputation emphasised that, if at all the industry was to be mechanised, it should be done only after providing alternative employment to the vast number of artisans in the State, on whom depended 600,000 people in the State.

The bidi-making machines can turn out 14,000 bidis in three hours, almost 12 times what a man can produce in a whole day.

(The Times of India, 15 April 1954;  
The Amrita Bazar Patrika, 14 April 1954).

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### 83. Vocational Training

India - April 1954

#### Labour Ministry's Training Scheme:

Progress during February 1954

Training of adult civilians.- According to the review of work done by the Directorate-General of Resettlement and Employment for the month of February 1954, the number of trainees on the rolls of various Training Institutes/Centres on 28 February 1954 was 2,288. There were 638 trainees in the technical trades and the remaining in the vocational trades.

Training of displaced persons.- The total number of displaced trainees on the rolls at the end of February 1954 was 982; of them 661 were in technical trades. The remaining were undergoing training in vocational trades.

Apprenticeship training for displaced persons.- Five hundred eightytwo displaced persons were undergoing training as apprentices in industrial undertakings or establishments in West Bengal and Uttar Pradesh against 700 seats sanctioned. They were recruited and posted direct to the undertakings or establishments concerned.

Training of women.- A total of 378 women were undergoing training at the end of the month at the three Women's Training Institutes in New Delhi, Dehra Dun and Madras. In addition 56 women at Industrial Training Institute, Almora, 4 women at Industrial Training Centre, Poor Cottage Industry, Cuttack and 15 women at Industrial Training Institute Kakinada were undergoing training.

Training of supervisors and instructors.- In the regular session at the Industrial Training Institute for instructors, Koni, the total number of supervisors and instructors under training on 28 February 1954 was 142. In addition there were 19 foremen and supervisors receiving training in the short term course which commenced from 2 January 1954.

(Review of Work Done by the Directorate General of Resettlement and Employment during the Month of February 1954; issued by the Ministry of Labour, Government of India)

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CHAPTER 10. SOCIAL AND INDUSTRIAL MEDICINE

INDIA - APRIL 1954.

105. Industrial Medicine.

Occupational Diseases in the Dichromate and Chromate  
Manufacture and Storage Battery Industry: Studies published.

The Chief Adviser of Factories, Ministry of Labour has brought out two reports dealing with: (i) the incidence of occupational diseases in the manufacture of Dichromate and in the mining and concentrating of Chromate; and (ii) environmental and medical studies in the Storage Battery industry.

These two reports relate to the first two comprehensive studies undertaken with a view to ascertaining the health hazards associated with these industries and cover both the engineering and medical aspects of the problem. Such data would fulfil two objectives, namely: (i) control of health hazards that exist and formulation of a constructive industrial hygiene programme, and (ii) dissemination of information to industry, labour etc., regarding the health hazards in industrial occupations and thereby stimulating interest in the problems. A summary of the reports and the recommendations made are given below.

Dichromate manufacture.- The field of enquiry covered all the seven dichromate producing factories in India that were in operation at the time of enquiry (1950). The seven factories employed a total of 631 workers (including 29 women) all of whom were examined. Working conditions in the factories were generally far from satisfactory. Health and safety measures were in most cases overlooked. These unsatisfactory conditions may, to a large extent, be attributed to the fact that the factories were established at a time when there was serious shortage of building materials.

Skin affections were found in 132 workers (20.9 per cent of the total number) and in 124 workers (19.7 per cent), typical skin ulcers were found. Ulcers were of especially high frequency on the lower extremities. Nasal cartilage perforations were found in 132 workers, (20.9 per cent) and nasal mucosal ulceration in 130 (20.6 per cent).

Concentrating of Chromite.- A combined environmental and medical survey was carried out in a chromite mine and chromite concentration plant to determine the effect of chromite dust inhalation on the health of the workers.

The greater degrees of dustiness were found at jaw crushing, ball milling and bagging sections.

The dust samples from the jaw crusher and ball mill sections contained on an average 7.8 per cent of chromium (as Cr<sub>2</sub>O<sub>3</sub>) and 1.8 per cent of free silica; dust samples from the packing section contained 45.0 per cent of chromium (as Cr<sub>2</sub>O<sub>3</sub>) and 5.3 per cent of free silica.

Ninety-nine workers at the chromite mine and concentration plant were medically examined and this included chest X-ray photographs as well as recording of occupational history. Fifty-nine workers at a nearby magnesite mine, engaged in hand-dressing of the ore were also subjected to the same medical examination; this group, drawn from the same socio-economic class as the chromite workers, served as 'control'.

Chromium exposure, as it occurs in chromite mining and concentrating was found to have no adverse effect on the skin or nasal mucosa of the exposed workers.

Thirty-two workers in the chromite group, as against only nine workers in the magnesite group, had exaggerated pulmonic markings as revealed by the X-ray films, thus indicating that chromite dust inhalation is likely to cause these changes. The pulmonary markings, however, were not associated with respiratory tract symptoms.

A positive correlation was found between the length of service in the chromite operations and lung effects.

Recommendations.- Based upon the findings of this enquiry, and upon good industrial hygiene principles and practices, the following recommendations are made to eliminate, or at any rate, to reduce disease conditions.

1. Processes that give rise to proxious dust, fume, vapour or mist should be isolated from others, and should either be totally enclosed or provided with hoods, with suitable exhaust or ventilation arrangements where necessary. In operations, which are of short duration, and in which mechanical exhaust is not practicable, use of respirators by the workers should be enforced.

2. Suitable footwear, gloves and aprons should be provided to workers engaged in the following processes: acidification, concentration, centrifugalization, crystallisation, and packing.

3. Housekeeping should be improved. Floors should be of impervious material and should allow of easy drainage.

4. A separate room should be provided for workers to store their street and work clothes; and adequate washing facilities should be provided.

5. Medical facilities should be provided and the workers should be required to report to the medical practitioner periodically. Suitable protective skin cream and nasal ointment should be provided at the discretion of the medical practitioner.

6. All workers should be instructed on the nature of the health hazards involved and should be appraised of the control measures in use for their protection.

Storage battery industry.- A survey was made of the health hazard in all the 16 storage battery factories existing in the country at the time of the study. This included environmental studies as to the existence of lead hazards, the control measures in use and their effectiveness, as well as medical examination, including laboratory tests of 492 workers in those factories.

Based on environmental studies in all the plants, recommendations have been made with regard to proper engineering control of the environments.

56.5 per cent of the workers showed urine lead values in excess of 0.1 mg/litre. 48.7 of workers showed blood lead values in excess of 0.08 mg/100 cc. 57 per cent of workers showed presence of porphyrinuria. 70 per cent of workers were exposed to 1.5 mg lead per 10 m<sup>3</sup> air or more per cent.

Out of the 492 men examined, 52 or 10.6 per cent showed signs and symptoms of early lead poisoning. No cases of disabling plumbism were seen. The blood lead and urinary lead values and the porphyrin tests were not considered in making a diagnosis.

Percentage of affected workers with early plumbism was 8.3 per cent for men exposed to a "time intensity factor" of less than 100 and 27.5 per cent for men exposed to a time-intensity factor of over 1,000.

The laboratory tests indicated that, from the points of view of ease of accomplishment and degree of positive correlation with other significant data, the porphyrin test holds out the greatest promise as a screening method ~~of~~ for groups of workers exposed to lead.

In factories where lead hazard exists, it is recommended that porphyrin test may be carried out as a routine screening measure.

Recommendations.- The Rules prescribed under the Factories Act, 1948, cover the good practice procedures in respect of the various operations in the manufacture of electrical storage batteries. As a result of this study a few further recommendations are made to reduce the lead hazard.

1. Thermostatic control should be provided on the melting pot.
2. The melting pot and the casting operation should be isolated from other processes.
3. Casting should preferably be done mechanically.
4. Plate trimming and filing should be done at a table fitted with a grill, which will allow the clippings and filings to fall into a collecting trough containing water. Local exhaust ventilation should be supplied for the filing operation, especially when filing of pasted plates is carried out.
5. Lead oxides should be kept in closed metal containers in separate storerooms. If bags are used for storage, care must be taken to see that the empty bags do not become a source of contamination of the workroom air. They should be handled carefully and stored in the same room as the full bags.

6. Reuse of paper sheets used as backing for the plates is not recommended; cloth pieces once used should be carefully handled and stored in a moist condition in suitable receptacles for being reused.

(Indian Labour Gazette, Vol. XI, No. 9,  
March 1954, pp. 855-857).

LIST OF THE PRINCIPAL LAWS PROMULGATED DURING THE  
PERIOD COVERED BY THE REPORT FOR APRIL 1954.

INDIA - APRIL 1954.

Chapter 3. Economic Questions.

- (a) The Appropriation (No.2) Act, 1954 (No.16 of 1954).  
(The Gazette of India, Extraordinary, Part II-Section 1,  
27 April 1954, pp. 125-133 ).
- (b) The Finance Act, 1954 (No.17 of 1954). (The Gazette of  
of India, Part II-Section 1, 27 April 1954,  
pp. 133-144 ).

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- \*(b) Government of West Bengal. Dabour Department. Annual Report on the Working of the Indian Trade Unions Act, 1926, in the State of West Bengal for the year ending 31 March 1951. Superintendent, Government Printing, West Bengal Government Press, Alipore, West Bengal, 1953, pp.132. Price Rs.5-8.

Chapter 3. Economic Questions.

- \*(a) The National Sample Survey.No.2. Toples with Notes on the Second Round, April-June 1951. Issued by the Department of Economic Affairs. Ministry of Finance. Government of India. December 1953. pp.55.
- \*(b) A Mission of the International Monetary Fund. Ministry of Finance. Government of India. Price Rs.2 As.8. pp. ii - 84.
- \*(c) Wage in National Policy. By K.P. Tripathi, M.P., President, Indian National Plantation Workers' Federation. Published by General Secretary, Indian National Plantation Workers' Federation, Silchar (Assam). (Sent to Geneva under this Office Minute No.D7/714/54 dated 11 May 1954).
- \*(d) Department of Economic Affairs. Ministry of Finance, Government of India. Final Report of the National Income Committee, February 1954. pp. iii - 173. (Sent to Geneva under this Office Minute No.D1/667/54 dated 3 May 1954).

Chapter 8. Manpower Problems.

- \*(a) Government of India. Ministry of Labour. Directorate-General of Resettlement and Employment - Review of Work 1952 (Revised). pp.47.
- \*(b) Report of the Training and Employment Services Organisation Committee. Government of India. Ministry of Labour. pp. v - 252.

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\* Publications received in this Office.

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RECORD OF PRINCIPAL DECISIONS ON LABOUR  
AND ALLIED SUBJECTS.

INDIA - APRIL 1954.

Chapter 3. Economic Questions.

Second Meeting of the Central Advisory Board  
set up under the Minimum Wages Act, 1948, Bombay,  
8-9 April 1954.

National Minimum Wage.

"The most important conclusion reached by the Board, subject to further consideration by the Labour Ministers' Conference, was about a National Minimum Wage. The Board approved of four minima - Rs.1/2/-, Rs.1/6/-, Rs.1/10/- and Rs.2/-/-. The actual rates fixed would depend upon the area and nature of employment concerned".

Implementation.

"Agreement was also carried at regarding -

(i) the phased implementation of the Act in respect of agriculture and the collection of necessary data by the State Governments, with the assistance of the Central Government where required, to facilitate implementation;

(ii) the need for uniformity in the matter of payment for overtime work;

(iii) the inspection machinery to be set up under the Act;

(iv) the principles that should govern the fixation of wage rates for men and women workers;

(v) the standardisation of the system of collecting statistical data under the Act; and

(vi) the principles to be followed in making additions to the Schedule to the Act."

Exemptions.

"Another subject of importance discussed by the Board was the desirability of granting exemptions to units in the Scheduled employments engaging less than 10 persons. The Board came to the conclusion that the granting of any such exemptions would go against the very spirit of the Act and therefore recommended that generally no such exemptions should be allowed. In exceptional cases, however, the State Governments might allow relaxations upto a period of three years, subject to review thereafter"<sup>1</sup>.

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1. Government of India. Ministry of Labour. Note for circulating to the Indian Missions Abroad for the Month ending the 21st April 1954, pp.3-4.

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Chapter 4. Problems Peculiar to Certain Branches  
of the National Economy.

Plantations Enquiry Commission.

"Whereas the Central Government is of the opinion that having regard to the importance of the tea, coffee and rubber industries in the national economy of the country, a comprehensive inquiry should be made into the economic conditions and problems of these industries.

Now, therefore, in exercise of the powers conferred by section 5 of the Commissions of Inquiry Act, 1952 (LX of 1952) the Central Government hereby appoints a Commission of Inquiry consisting of the following members namely:-

(1) Shri P. Madhava Menon, I.C.S., O.S.D. and ex-officio Joint Secretary, Ministry of Commerce and Industry who is hereby appointed as the Chairman of the Commission.

(2) Shri K.G. Sivaswamy, formerly of the Servants of India Society, Madras, and Research Associate of the Delhi School of Economics; and

(3) Prof. M.V. Mathur, Head of the Department of Economics, ~~Rajasthan~~ Rajputana University, Jaipur.

for the purpose of making a comprehensive inquiry into the economic conditions and problems of the tea, coffee and rubber industries.

2. In particular, and without prejudice to the generality of the foregoing power, the Commission shall, in the course of the inquiry, perform the following functions, that is to say, shall -

(a) ascertain separately the amount of capital, Indian and non-Indian, invested respectively in tea, coffee and rubber plantations;

(b) examine the methods of production and the costs of production of tea, coffee and rubber in the different ~~in~~ important growing areas in India;

(c) examine the present methods of financing tea, coffee and rubber plantations;

(d) examine the present methods of marketing tea, coffee and rubber including all the factors which affect the price paid by the consumer;

(e) examine the possibilities of further expansion ~~of~~ and development of the tea, coffee and rubber plantation industries.

3. On the conclusion of the Inquiry the Commission shall make recommendations to Government on the measures necessary--

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(a) to secure for the producer a fair price for his product and to the consumer a fair price for the article he buys;

(b) to enable the provision of necessary finance for the plantation industries;

(c) to ensure suitable marketing arrangements; and

(d) to develop and expand the tea, coffee and rubber plantation industries.

4. The Commission shall submit its report to the Central Government within one year from the date of the publication of the Notification in the Official Gazette".<sup>2</sup>

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2. Notification No.S.R.O.1261 dated 17 April 1954.  
The Gazette of India, Extraordinary, Part II-Section 3,  
17 April 1954, pp. 675-676.