

COPY NO. 2

8/11/72

I.L.O. REGISTRY-GENEVA
22. SEP 1955
File No: C 33-2
Date: 22/9/55

INTERNATIONAL LABOUR OFFICE
INDIA BRANCH

Industrial and Labour Developments in August 1955.

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

<u>Contents.</u>	<u>Pages.</u>
<u>CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.</u>	
<u>11. Political Situation and Administrative Action:</u>	
(a) Law Commission Set up: Review of all Acts and Judicial Administration.	1
(b) Travancore-Cochin Conference of Labour Representatives: Stress on Maintenance of Industrial Peace.	1-3
<u>CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.</u>	
<u>28. Employers' Organisations:</u>	
Chairman's Address to Annual General Meeting of Shareholders of Tata Iron and Steel Company: Two Million Tons Expansion Programme.	4-7
<u>CHAPTER 3. ECONOMIC QUESTIONS.</u>	
<u>34. Economic Planning, Control and Development:</u>	
(a) 7,190 Million Rupees Capital Formation in India during 1953-54: Finance Minister's Statement in Parliament.	8-10
(b) Development Councils set up for Wool and Artificial Silk Industries.	10-11
(c) Tata Iron and Steel Company to expand output.	11
<u>35. Productivity:</u>	
(a) Rationalisation Schemes in Kanpur Mills: Committee formed by Uttar Pradesh Government.	12-13
(b) Efficient Management of Ordnance Factories: Defence Production Committee set up.	14

<u>Contents.</u>	<u>Pages.</u>
36. <u>Wages:</u>	
(a) Factories (Amendment) Bill, 1955: Provision for Payment of Overtime Wages.	15
(b) Minimum Wages (Bombay Amendment) Bill, 1955.	15-18
(c) Madhya Pradesh: Bonus granted to Workers in Manganese Mines.	18-19
 <u>CHAPTER 4. PROBLEMS PECULIAR TO CERTAIN BRANCHES OF THE NATIONAL ECONOMY.</u> 	
41. <u>Agriculture:</u>	
(a) Assam Tea Plantations Provident Fund Scheme, 1955.	20
(b) Ajmer Bhoodan Yagna Act, 1955 (VI of 1955).	20
(c) Madras Cultivating Tenants Protection Bill, 1955.	21
(d) Rajasthan Jagir Decisions and Proceed- ings (Validation) Ordinance, 1955.	22
43. <u>Handicrafts:</u>	
(a) Measures for the Development of Cottage Industries: Review of Work Done by Government Boards for the Year 1954-55.	23-33
(b) Assam Khadi and Village Industries Board Act, 1955 (XVI of 1955).	34
(c) Promotion of Village Industries: Proposal for 3,170 Million Rupees Plan for Second Five Year Period.	35
(d) 1,000 Million Rupees Plan for Handloom Industry during the Second Five Year Plan: Board's Decision.	36-37
44. <u>Merchant Marine and Fisheries:</u>	
Central Master Mariners' Organisation to be set up.	38
 <u>CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.</u> 	
50. <u>General:</u>	
(a) Labour Conditions in Silk Industry in Mysore: Report of Court of Inquiry.	39-42
(b) Welfare of Building Workers: Recommenda- tions by Ad Hoc Committee.	43
 <u>CHAPTER 6. GENERAL RIGHTS OF WORKERS.</u> 	
64. <u>Wage Protection and Labour Clauses in Employment Contracts with the Public Authorities:</u>	
(a) Uttar Pradesh: Working of the Payment of Wages Act during the Year 1952.	4

<u>Contents.</u>	<u>Pages.</u>
<u>CHAPTER 6. GENERAL RIGHTS OF WORKERS.</u>	
<u>63. Individual Contracts of Employment:</u>	
Industrial Employment(Standing Orders) (Bombay Amendment) Bill, 1955.	44-45
<u>64. Wage Protection and Labour Clauses in Employment Contracts with the Public Authorities:</u>	
(a) Uttar Pradesh: Working of the Payment of Wages Act during the Year 1952.	46-48
(b) Payment of Wages(Bombay Amendment) Bill, 1955.	49-50
<u>66. xxxx Strike and Lockout Rights:</u>	
(a) Mysore: Iron and Steel Industry declared a Public Utility Service.	51
(b) West Bengal: Inland Water Transport Industry declared a Public Utility Service.	51
(c) Madras: Labour at Minor Ports declared a Public Utility Service.	52
<u>67. Conciliation and Arbitration:</u>	
(a) Railway Board and Federation sign Agreement: Arrears of Pay and Travelling Allowance Regulations.	53-54
(b) Rationalisation of Kanpur Textile Industry: Committee appointed by U.P. Government.	54
(c) Bombay Industrial Relations(Amendment) Bill, 1955.	55
(d) Uttar Pradesh: Industrial Disputes (U.P.) Rules, 1955.	56
<u>68. Labour Courts:</u>	
Industrial Disputes (Appellate Tribunal) Amendment Bill, 1955.	57

Contents.

Pages.

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN
CATEGORIES OF WORKERS.

71. Employees and Salaried Intellectual Workers:

Lok Sabha debate & Press Commission's
Report: General approval of Recommenda-
tions.

58-64

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

Salaries of Central Government Employees:
Debate on Private Member's Resolution
in Lok Sabha.

65-66

74. Indigenous Labour:

Orissa Compulsory Labour (Amendment)
Bill, 1955.

67

CHAPTER 8. MANPOWER PROBLEMS.

81. Employment Situation:

Employment Exchanges: Working during
June 1955.

68-72

83. Vocational Training:

Labour Ministry's Training Schemes:
Progress during June 1955.

73-74

CHAPTER 9. SOCIAL SECURITY.

91. Pre-legislation Measures:

IV. Unemployment Benefits:

An Integrated Unemployment Insurance
Scheme: Manpower Working Group's
Suggestion.

75-76

92. Legislation:

VI. Compensation in case of Employment
Injury or Occupational Diseases:

(a) Workmen's Compensation (Amendment) Bill,
1955.

77

(b) Workmen's Compensation (Bombay Amendment)
Bill, 1955: Scope of the Act to be enlarged
and Quantum of Compensation to be raised.

78-80

Contents.

Pages.

93. Application:

Employees' State Insurance Scheme
extended to Certain Areas in West Bengal. 81

CHAPTER 12. INDUSTRIAL COMMITTEE.

121. Special Information:

(a) Working Conditions in the Chemical
Industry in India during 1953. 82-89

(b) Meeting of Ad Hoc Committee on Building
and Construction Industry, New Delhi,
3-4 August 1955: Constitution of Regular
Industrial Committee recommended. 90-100

RECORD OF PRINCIPAL DECISIONS ON LABOUR AND
ALLIED SUBJECTS - INDIA - AUGUST 1955. 101-102

LIST OF PRINCIPAL LAWS PROMULGATED DURING THE
PERIOD COVERED BY THE REPORT FOR AUGUST 1955. 103

BIBLIOGRAPHY - INDIA - AUGUST 1955. 104.

CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - AUGUST 1955.

11. Political Situation and Administrative Action.

Law Commission Set up: Review of all Acts and
Judicial Administration.

Mr. C.C. Biswas, Minister for Law, announced in the Lok Sabha on 5 August 1955 the appointment of a Law Commission for consolidating and bringing up to date Central Acts of general application and importance.

The Commission is required also to review the system of judicial administration and suggest improvements so that justice may be both speedy and inexpensive.

Mr. M.C. Setalvad, Attorney-General of India, has been chosen as Chairman of the Law Commission. His colleagues, numbering ten, have been drawn from the Bench and the Bar.

(The Hindustan Times, 6 August 1955).

Travancore-Cochin: Conference of Labour
Representatives: Stress on Maintenance
of Industrial Peace.

A Conference of labour representatives, convened by the Travancore-Cochin Government, to discuss the question relating to the need for enhancement of employment opportunities in the State through industrial development with particular reference to the Second Five Year Plan, met at Trivandrum on 25 August 1955. Mr. P. Govinda Menon, Chief Minister presided.

Chief Minister's address.- Mr. Menon, the Chief Minister, addressing the Conference said that the main purpose of the conference was to evolve a new method of approach in dealing with labour problems. He said that he ~~thought~~ thought it fit to consult the representatives of labour so as to be benefited by their valuable suggestions giving a final shape to the Second Five-Year Plan. He had already had similar preliminary discussions with the representatives of trade and industries in the State. The Chief Minister explained that it was the aim during the second Five-Year Plan period, to increase the national wealth by 25 per cent that is five per cent per annum.

2

In order to achieve this object, it was necessary, to invest more capital in industries, both in the public and private sectors. The attempts to persuade the private sector to invest money in industries had not met with the desired effect. Investors hesitated on the ground that the climate was unfavourable for investment in industry. Whether or not, there was valid reason for this feeling, the Chief Minister added, ~~it~~ could not be denied that the feeling was there.

The Second Five-Year Plan was not just a bundle of projects and work which the Government proposed to take, the Chief Minister said, but it should be something better. The projects and schemes would doubtless be there, but a new spirit was also necessary. Better relations between employees and employers and the creation of a new ~~spirit~~ spirit to work for the common interest and benefit of the country were absolutely necessary for the success of the Plan. The purpose of the present Conference, the Chief Minister said, was to find out what had to be done to see that the interests of labour were safeguarded. There was a complaint, the Chief Minister said, that the work of the Labour Department was at present confined to the settling of disputes. Whenever troubles ~~arose~~ arose, the Labour ~~Department~~ Department intervened and whenever it did not succeed, the matter was referred to adjudication. Before conciliation, long drawn-out strikes, satyagraha and other forms of direct action, were resorted to, which resulted in considerable loss, and created a bad atmosphere in the country.

The Chief Minister added, they had to evolve certain conventions by which the small disputes could be settled at a factory or shop level and larger disputes by direct negotiations, the Labour Department intervening on as few occasions as possible. The major disputes instead of being referred to Adjudicator, involving protected procedure should be referred to arbitration. Whenever major disputes, capable of being settled between the Trade Union and the employer, arose, it could be referred to arbitration, so that, there was ~~xxx~~ as little friction as possible.

The Chief Minister pointed out that this kind of machinery was working well in democratic countries like Switzerland. Had it not been for industrial peace, which prevailed in the country, Switzerland could not have been in a position to compete with bigger and ~~stronger~~ stronger countries than herself. The Chief Minister said that he was able to gather that for the last several years ~~that~~ there had been no labour strike in ~~that~~ that country. This was because of the fact that there was a convention, by which, even major disputes were attempted to be settled by negotiation. The Federal Government appointed a Board of Adjudication in which labour representatives were also included. Industrialists willingly accept the verdict of the Board, whether they liked it or not. The Chief Minister stressed the need to evolve such healthy conventions in ~~our country~~ ^{India} also. He invited the Labour representatives to offer their valuable suggestions regarding the method of approach to labour problems under the Second Five Year Plan.

The Conference had a full, frank and free discussion of problems relating to labour by its representatives. Speakers dealt with topics ranging from inadequacy of proper labour legislation to the need of workers in various categories of industries. The main theme, however, was the paramount need to ~~preserve industrial peace~~ preserve industrial peace in the State.

The Conference, on the suggestion of the Chief Minister set up a Steering Committee with the Labour Commissioner as Chairman to suggest ways and means for ensuring industrial peace. The Committee would prepare an agenda for a wider and more detailed discussion of the subject sometime later. The Chief Minister also suggested that a full conference of representatives of Labour, Industry and Government should be held ~~later~~ later to discuss the problems in all its aspects and evolve a common policy. The suggestion was accepted.

(The Hindu, 26 August 1955).

'L'

4

28. Employers' Organisations.

India - August 1955.

Chairman's Address to Annual General Meeting
of Shareholders of Tata Iron and Steel Company:
Two Million Tons Expansion Programme.

Addressing the annual general meeting of the shareholders of the Tata Iron and Steel Company Ltd., held at Bombay on 25 August 1955, Mr. J.R.D. Tata, Chairman of the Company, said that the present expansion programme of the company, already under way, would bring the company's total capacity by 1958 to 1,300,000 tons of ingots and the new expansion programme would involve the creation of an additional 700,000 tons of capacity. Mr. Tata added that preliminary studies had shown that the expansion project was both technically feasible and economically sound and that it could be completed within three years, costing about 600,000,000 ~~million~~ rupees. This compared favourably with the cost of putting up an entirely new plant.

Financial aspects.- Dealing with the question of finance, Mr. Tata said that recently he and other members of the management had been to the United States for the purpose of obtaining 300,000,000 rupees of foreign borrowings to pay for the plant and equipment to be purchased abroad. Discussions were held with the World Bank and the Export-Import Bank, both of which received them and listened to their proposals with courtesy and responsiveness with the result that they came away satisfied that the required long-term finance would be made available to TISCO. He expressed the opinion that the U.S. Government was anxious to help India in her industrial development.

Mr. Tata said that the Government of India's resolution referring to the question of a revision in prices to the Tariff Commission provided that the prices should be such as would enable both the major producers to obtain a portion of their capital requirements for their current and additional expansion, programmes from internal resources and as would enable them to ~~raise~~ raise the balance from outside sources. He then explained that, even if the Tariff Commission's recommendation and the Government's ultimate ~~and~~ decision enabled the company to accumulate over four or five years 200 million rupees for the expansion project, there would still remain a sum of approximately 100 million rupees to be found and in this connection the Directors had come to the conclusion that the only source from which this sum of 100 million rupees could and should be obtained was a fresh issue of ~~and~~ equity capital.

5

The Chairman ~~referred~~ observed that apart from the need for additional funds, there was an overwhelming case for an increase ~~of~~ in the share capital of the company. He pointed out that taking into account the present modernisation and expansion programme, the two million ton programme and various ancillary projects and the normal annual capital expenditure, the gross block of the company, during the next four years or so would probably rise to 1,400 million rupees or more and its borrowings to something like 500 million rupees. On the basis of such enormous figures, an amount of 37.4 million rupees, which was the total capital provided in cash by the equity shareholders, including the premium on deferred shares, would be disproportionately low. He felt that the best solution of the problem would lie in the capitalisation from time to time of the reserves as they were built up and in corresponding issues of bonus shares.

Labour's role.— Mr. Tata said that the employees of the company, ~~not~~ ^{only} only had a vital stake in the project but an important responsibility in its implementation. ^{and} in recent years the company had made ^{it} clear to them that there was no room left for any appreciable increase in their emoluments except through an improvement in their productivity. The company obviously would not afford to embark upon a scheme of such magnitude ~~of~~, at the end of it, they were still to be burdened with the gross excess in their labour force which they had to-day. Mr. Tata continued, "The new Government plants will be of the latest type, employing a much lower number of men per ton of capacity than we do at Jamshedpur. It is obvious that if Government pays the same wage rates as we do, their labour cost per ton of steel will be substantially lower than ours unless our output per capita is correspondingly increased. Fortunately, the proposed expansion will provide the opportunity to achieve smoothly and painlessly a substantial increase in the output per capita at Jamshedpur involving no retrenchment and ensuring job security and higher earnings to our workers in the years ahead. I sincerely trust that they will appreciate and seize the wonderful opportunity which the scheme will bring them of serving their own interests as well as those of the country".

6

Second Five-Year Plan.- Touching on the subject of the proposals for the Second Five Year Plan, Mr. Tata said that while the necessity for bold planning was unquestioned, some of the proposals were such as to raise doubts in one's mind. For instance, could the proposed targets be attained without recourse, a much higher degree of deficit financing than at present contemplated, with the consequent risk of inflation, which would deprive the mass of the people of the fruits of their toil? Would not the large-scale development of heavy industry at one end and cottage industries at the other, without an adequate development at the same time of secondary consumer goods industries in between lead to a lopsided, pattern of development, scarcity of consumer goods, and also in a substantial part of the capital investment in heavy industry remaining unproductive for some years for want of a market? Has the argument that the position can be rectified by the development of secondary industries at a later stage any validity, considering that, owing to the continuing increase in population amongst other factors, there was bound to be a large amount of unemployment at the end of the Second Five-Year Plan, and the same arguments will inevitably be used then as now for restricting the development of manufacturing industries? Would the consumer in urban and industrial areas be willing to pay the necessarily higher prices of goods produced by household and cottage industries, even when the quality was satisfactory? Finally, was it realistic to assume that household industries could be developed fast enough to provide all the additional consumer goods necessary to meet the increased demand?

Socialistic Pattern of Society.- Referring to the goal of "socialistic pattern of society" set before the country, Mr. Tata felt assured that it would receive the fullest support if it meant a society in which all had equal rights and opportunities, the underprivileged were protected and helped to a better life, economic activities were harnessed to constructive nation-building purposes and controlled by the State for the common good, and selfish abuses and anti-social acts were checked.

Mr. Tata said that if the means adopted were to lead ultimately to a society in which incentives and initiatives were impaired, the greater part of the industrial apparatus was owned by the State, economic power and responsibility were largely centred in the hands of Government, and the individual lost freedom of choice, whether as producer or consumer, this kind of society would be incapable of producing the required volume of goods and services essential for the prosperity and happiness of the people.

(Amrita Bazar Patrika, 27 August 1955).

'L'

8

34. Economic Planning, Control and Development.

India - August 1955.

7,190 Million Rupees Capital Formation in India
during 1953-1954: Finance Minister's Statement
in Parliament.

The net domestic capital formation in India has been estimated at 7,190 million rupees in 1953-54, forming about 6.8 per cent of the estimated national income of the year, according to a paper placed on the ~~agenda~~ table of the Lok Sabha on 27 July 1955 by the Finance Minister. The paper had been prepared by the Planning Commission by the Central Statistical Organisation on estimates of capital formation for the years 1948-49 to 1953-54.

The estimates show a steady increase in the rate of capital formation over the period. They are presented in the table below:-

Estimates of Domestic Fixed Capital Formation
(In million rupees)

	1948-49	1949-50	1950-51	1951-52	1952-53	1953-54
Private						
1. Construction						
Urban - Gross.	1,080	1,280	1,690	1,760	1,860	1,980
- depreciation.	690	710	720	730	750	750
- net.	390	570	970	1,030	1,110	1,230
Rural - Gross.	1,000	1,060	1,160	1,200	1,170	1,340
- depreciation.	480	500	520	520	530	530
- net.	520	560	640	680	640	810
2. Improvement of lands and construction of irrigation works						
- gross.	670	720	790	810	790	910
- depreciation.	60	60	70	70	70	80
- net.	610	660	720	740	720	830
3. Agricultural and other implements and small enterprises						
- gross.	1,080	1,130	1,160	1,340	1,360	1,340
- depreciation.	630	650	650	670	690	690
- net.	450	480	610	670	670	650
4. Mining and Manufacturing enterprise						
- gross.	1,130	1,400	1,200	1,500	1,350	1,360
- depreciation.	530	600	630	680	720	750
- net.	600	800	570	820	630	610

(Table continued on next page)

Table continued: -

9

	1948-49	1949-50	1950-51	1951-52	1962-53	1953-54
5. Transport						
- gross.	870	790	1,030	1,260	1,230	930
- depreciation.	520	540	540	590	590	640
- net.	350	250	490	670	640	290
6. Total Private						
- gross.	5,830	6,380	7,030	7,870	7,760	7,860
- depreciation.	2,910	3,060	3,130	3,260	3,350	3,430
- net.	2,920	3,320	3,900	4,610	4,410	4,430
7. Government						
- gross.	2,000	2,570	2,820	2,860	3,030	3,490
- depreciation.	460	650	630	750	850	720
- net.	1,540	1,920	1,990	2,110	2,180	2,770
8. Total Investment						
- gross.	7,830	8,950	9,650	10,730	10,790	11,350
- depreciation.	3,370	3,710	3,760	4,010	4,200	4,160
- net.	4,460	5,240	5,890	6,720	6,590	7,190

The following table gives the trend of net domestic capital formation expressed as a percentage of national income.

Capital formation as percentage of national income.

Year	Net domestic capital formation as percentage of national income
1948-49	5.2
1949-50	5.8
1950-51	6.2
1951-52	6.7
1952-53	6.7
1953-54	6.8

The investment in India may be compared with the level of investment in certain other countries. The gross domestic fixed capital formations expressed as a percentage of the gross domestic produce at market prices for a few countries for the years 1948 to 1952 are given in the table below:

Comparison with some foreign countries.

	1948	1949	1950	1951	1952
Australia	20.7	24.3	24.8	30.6	25.9
Burma	15.1	8.7	10.3	12.0	15.1
Ceylon	6.0	8.8	10.5	11.6	13.3
Ireland	12.8	12.6	14.1	15.2	13.4
United Kingdom	12.1	12.6	13.1	13.1	13.4
Indian Union	8.3	9.1	9.3	9.8	10.0

The estimates of domestic capital formation may be adjusted for lending to the rest of the world. The results are given below:

10

(Domestic investment and foreign lending)
(In million rupees)

Year	Net domestic capital formation.	Net lending to the rest of the world.	Net domestic capital formation plus net lending abroad - Saving
1948-49	-- 4,460	- 2,390	2,070
1949-50	-- 5,240	- 500	4,740
1950-51	-- 5,890	560	6,450
1951-52	-- 6,720	- 1,740	4,980
1952-53	-- 6,590	740	7,330
1953-54	-- 7,190	660	7,850

The estimates of investment presented in this paper are fairly close to those furnished by the Taxation Inquiry Commission for the years 1950-51 and 1953-54.

(The Hindustan Times, 29 July 1955).

Development Councils set up for Wool and Artificial Silk Industries.

In exercise of the powers conferred under the Industries (Development and Regulation) Act, 1951, the Central Government has established a Development Council for each of the following ~~industries~~ industries.

- (1) Scheduled industries engaged in the manufacture and production of textiles made of wool, including woollen yarn, hosiery, carpets and druggets.
- (2) Industry engaged in the manufacture and production of textiles made of artificial silk, including artificial silk yarn.

The following ~~key~~ functions have been assigned to the Councils:-

- (1) Recommending targets for production, co-ordinating production programmes and reviewing progress from time to time.
- (2) Suggesting norms of efficiency with a view to eliminating waste, obtaining maximum production, improving quality and reducing costs.

- //
- (3) Recommending measures for securing the fuller utilisation of the installed capacity and for improving the working of the industry, particularly of the less efficient units.
 - (4) Promoting arrangements for better marketing and helping in the devising of a system of distribution and sale of the produce of the industry which would be satisfactory to the consumer.
 - (5) Promoting standardisation of products.
 - (6) Promoting or undertaking the collection and formation of statistics.
 - (7) Promoting the adoption of measures for increasing the productivity of labour, including measures for securing safer and better working conditions and provision and improvement of amenities and incentives for workers.

(Notification SRO 1515 and 1516/1 DRA/6/788 dated 1 July 1955; Gazette of India, Part II, Section 3, 16 July 1955, pp. 1320-1322).

Tata Iron and Steel Company to expand output.

On 25 August 1955, Mr. J.R.D. Tata, Chairman of the Tata Iron and Steel Company Limited, told the Shareholders ~~of~~ of the Company that the present expansion programme of the Company would bring the company's total capacity ~~to~~ by 1958 to 1,300,000 tons of ingots. He added that the next expansion programme would involve the creation of an additional 700,000 tons of capacity which could be completed in three years at a capital cost of 600 million rupees. Mr. Tata emphasised that this compared favourably with the cost of putting up an entirely new plant.

For details please see pages 4-7 of Chapter 2 of this report.

12

35. Productivity.

India - August 1955.

Rationalisation Schemes in Kanpur Mills:
Committee formed by Uttar Pradesh Government.

On 12 August 1955, the Government of Uttar Pradesh announced, by an official notification, the personnel and the terms of reference of the Committee set up to work out details of rationalisation schemes in seven textile mills in Kanpur. The decision to appoint such a Committee was taken by the Chief Minister, Mr. Sampurnanand on 20 July 1955 when the 80-day old Kanpur textile strike was called off (vide pp. 58-60 of the report of this Office for July 1955).

The Committee, which is to be headed by Mr. Bind Bansi Prasad, retired Judge of the Allahabad High Court, will work out details of the broad set-up of decisions taken at a tripartite conference held at Naini Tal during 1954 (vide pp. 72-74 of the report of this Office for May-June 1954). Other members will be Mr. R.D.R. ~~Bhatnagar~~ Bell of the South India Corporation (Elgin Mills Branch, Kanpur) and Mr. Munna Lal Bagla, of the Swadeshi Cotton Mills Company Limited, Kanpur, as representatives of the employers of the textile mills in Kanpur, Mr. Kashi Nath Pande, MLC of the Uttar Pradesh Indian National Trade Union Congress and Mr. Ganesh Dutt Rajpur of the Suti Mill Mazdoor Sabha, Kanpur, as representatives of workers in the textile mills in Kanpur, and Mr. H.M. Misra, assistant labour commissioner, Uttar Pradesh as member secretary.

The headquarters of the committee will be at Lucknow.

The committee will be assisted in its work by a number of experts who will be appointed by the Government on the recommendations of the Chairman.

The Committee will be required to : (1) Work out the various details of the broad set-up of the decisions taken at the State Labour Tripartite (Textile) Conference held at Naini Tal in June 1954, and of ancillary matters, and (2) to formulate in the light of the details so worked out, individual schemes of rationalisation relating to the following textile mills in Kanpur: The Elgin Mills Company Limited (British India Corporation), the Kanpur Textile Limited (B.I.C.), the Kanpur Cotton Mills Limited (B.I.C.), the Swadeshi Cotton Mills Company Limited, the Muir Mills Company Limited, the Atherton West and Company Limited and the J.K. Cotton Spinning and Weaving Mills Company Limited.

The Committee will examine the various details of all these matters, and may also take into account the decision taken on such points, by agreement or by the awards of competent bodies, in connection with the introduction of similar rationalisation schemes in other important textile centres of the country; and submit its recommendations to the State Government as expeditiously as possible.

Naini Tal decisions.- The ^{broad} heard decisions taken in the Naini Tal tripartite conference in 1954 were: (1) that the introduction of rationalisation should not mean any unemployment, i.e. reduction in the number of workers except by retirement and natural wastages; (2) that the wage structure and workload, as suggested by the Uttar Pradesh Labour Inquiry Committee, should be considered for adoption; (3) that an arrangement of incentive wages should be introduced to reward high standard of work; (4) that there should be a watch over the working conditions in the mills; and (5) that a Committee should be set up to consider the details of the scheme on these broad lines and to find ways and means to give effect to the scheme.

(National Herald, 13 August 1955).

14

Efficient Management of Ordnance Factories:
Defence Production Committee set up.

The Government has decided to constitute an autonomous Defence Production Board with Mr. Mahavir Tyagi, Minister of Defence Organisation, as Chairman. The Board ~~being~~ is being set up in order to ensure efficient management of ordnance factories, it is stated.

The decision is a first step towards implementation of the recommendations of a Committee appointed earlier.

The Defence Production Board, consisting of eight members, will have a Controller-General of Defence Production who will be its administrative head and Vice-chairman. The other members of the Board will comprise, senior representatives from the three Services, a senior representative of the Ministry of Finance (Defence), the Director-General of ~~Ordnance~~ Ordnance Factories and the Scientific Adviser to the Ministry of Defence. A Deputy to the Controller-General may act as the Secretary of the Board.

There will also be a Committee associated with the Board consisting of representatives of the Railways and other Government Departments. Representatives of the private sector of industry will also be invited to attend meeting of this Committee from time to time.

Functions.- Apart from its managerial role in relation to defence factories, the Board will perform two other functions. It will co-ordinate research, development and design activities in the three Armed Services with Defence production. In addition, it will secure effective liaison with civil industry for meeting Defence requirements both, in peace as well as in an emergency.

(The Hindustan Times, 21 August 1955).

15

36. Wages.

India - August 1955.

Factories (Amendment) Bill, 1955: Provision for
Payment of Overtime Wages.

Mrs Renu Chakravarti, Member of Parliament (Communist - West Bengal) introduced in the Lok Sabha on 5 August 1955 a Bill to amend the Factories Act, 1948. The Statement of Objects and Reasons to the Bill says that it has been found that in certain factories and in certain industries, the hours of work for a day or a week are less than the period or periods fixed by the statute, either due to the peculiar conditions obtaining in the industry or as a result of collective bargaining, or award by any industrial court or by custom.

This amendment seeks to pay overtime wages to such workers who work above the period or periods of work notified by the factory or industry concerned.

(The Gazette of India, Extraordinary,
Part II, Section 2, 5 August 1955,
page 331).

Minimum Wages (Bombay Amendment) Bill, 1955.

The Government of Bombay published on 18 August 1955 a Bill to amend the Minimum Wages Act, 1948, in its application to the State of Bombay. The Statement of Objects and Reasons gives the following reasons for the amendments.

It is not possible to fix minimum wages under the Act after 31 December 1954 except in two cases - firstly, in respect of any scheduled employment in which the number of employees in the whole State is less than 1,000 and Government comes to a finding that the number of employees has risen to 1,000 or more and secondly, in respect of new employments added to the Schedule under section 27. In both the cases minimum wages have to be fixed within one year of such a finding or addition. Government has fixed minimum wages for all employments originally covered in Part I of the Schedule to the Act except those in which less than 1,000 employees are employed in the whole State. Government has also fixed minimum wages in agriculture for a part of the State as provided under the proviso to section 3(f)(a)(ii). Even in employment for which

16

minimum wages have been fixed, it is likely that a category of employees might have been left uncovered by original wage fixation or new type of ~~employment~~ work might come up for which it would be desirable to fix minimum wages. Specific time limit for fixation of wages creates difficulties in cases in which for one ~~person~~ or the other ^{reason} the time limit cannot be adhered to as wage fixation after the expiry of the time limit is not valid. It is, therefore, proposed that the time limit laid down for fixation of minimum wages in section 3 should be removed. For similar reasons it is also proposed to remove the time limit laid down for review of minimum wages already fixed under the Act.

While for original wage fixation under section 5, it is not obligatory to appoint a committee, it is obligatory to appoint an Advisory Committee under section 6 for revision of wages and also to consult the Advisory Board under section 10. It is not expedient to adopt the cumbrous and expensive procedure of appointment of Advisory Committee under section 6 when a minor revision is found necessary. It is, therefore, proposed to provide for revision of wages fixed under the Act either (1) by appointment of an Advisory Committee, or (2) by ~~the~~ prepublication of proposals on the lines of section 5(1(b)). When revision is sought to be made by the method of appointing Advisory Committee, consultation with the Advisory Board has been made optional and when revision is sought to be made by prepublication of proposals, consultation with the Advisory Board has been made obligatory. Suitable amendments have been proposed to section 6 and 10.

It is proposed to make provision enabling the ~~Inspector~~ Inspectors to seize accounts, registers, records or documents relevant in respect of offences under the Act so that proper evidence is available for prosecution. A new sub-section (00) is to be added to section 19.

Provision is made for appeal against a direction of the authority made under sub-section (3) or sub-section (4) of section 20 on the lines of similar provision ~~made~~ under the Payment of Wages Act, 1936. A new section 21A is to be added.

17

Amendments to section 22.— Apart from the offences mentioned in sub-sections (1) and (2) of section 22, no penalty is prescribed for any other offences. It is, therefore, proposed to insert a general penalty clause to provide for breach of any of the provisions of the Act or rule or order made thereunder for which no specific penalty has been prescribed.

In order to avoid duplication of judicial proceedings it is proposed to entrust the power of sanctioning prosecution in respect of offences relating to underpayment of wages or dues, to the State Government or any officer authorised by it on the lines of section 21 (1) of the Payment of Wages Act, 1936.

Although under section 22 (1) of the Act infringement of any order or rule made under section 13 is made punishable no prosecution can be launched for any infringement of such order or rule as the non-observance thereof does not amount to payment of wages at less than the minimum rates prescribed and it is not possible for the Authority to take cognizance under section 20(1) and sanction the making of a complaint as required by section 22(3). It is, therefore, proposed to entrust the power of sanctioning prosecution in respect of such offences to the Inspector under the Act.

New Section 22A.— In the case of a firm or other association of individuals, any one of the individual partners or members and in the case of a company, any one of the directors thereof or in the case of a private company any one of the shareholders thereof are made liable for prosecution under the Act on the lines of section 100 of the Factories Act, 1948.

New Section 22B.— Section 20(1) of the Act provides for appointment of an Authority to hear and decide only such claims as arise out of payment of less than the minimum rates of wages and claims for delay in payment or non-payment of wages cannot be entertained by the Authority. Where wages are in excess of the minimum fixed under the Act they are not recoverable under it. It is, therefore, proposed to take power to the State Government to apply all or any of the provisions of the Payment of Wages Act to scheduled employments with such modification as may be specified.

Amendment to section 26.- Power is taken to exempt employees in any establishment or a part of any establishment in a scheduled employment from the provisions of the Act, or any of them where Government is satisfied that having regard to the terms and conditions of service applicable to them it is not necessary to fix minimum wages in their case.

Amendment to Schedule.- The whole object of the Act is to provide safeguards for labour in sweated industries, in which, due to lack of organisation of workers and other causes, the normal machinery of collective bargaining is either absent or is unable to function effectively. This consideration does not arise in the case of big local authorities in which there are powerful unions capable of ensuring adequate terms and conditions of service for workers. It is, therefore, proposed to amend entry 6 in Part I of the Schedule to enable Government to fix minimum wages only in respect of employment under such local authority or class of local authorities as may be notified by it.

(Bombay Government Gazette, Part V, 18 August 1955, pp. 278-283).

Madhya Pradesh: Bonus granted to Workers in Manganese Mines.

The Central Government's Industrial Tribunal, Dhanbad, has in its award dated 15 June 1955, has ordered manganese mine owners in Madhya Pradesh to pay four months' basic wage as bonus to workers for the year 1953-54.

About 75,000 workers engaged in over 240 mines in the State will benefit by the award. The Tribunal also directed the daily wages of different categories of workers to be raised by 4 annas to 6 annas a day.

The Tribunal presided over by Mr. P.S. Bindra, asked the employers to pay dearness allowance at the rate of 6 annas per day.

The award also directed the payment of attendance allowance at the rate of one month's basic wage per quarter. This bonus will be paid quarterly within 30 days of the end of each quarter, on an attendance of 56 days per quarter in the case of underground workers and 60 days in the case of other workers.

Employers have been asked to provide schools in places where there is no school within a distance of three miles ~~far~~ from a mine and engage one teacher for every 50 students.

Regarding medical facilities, the award said there should be a dispensary for every 100 workers and a maternity home for every 500 women workers. Eight days' sick leave per year was also granted to the employees.

(Gazette of India, Part II, Section 3,
2 July 1955, pp. 1145-1162;
The Hindustan Times, 20 July 1955).

'L'

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

INDIA - AUGUST 1955.

41. Agriculture.

Assam Tea Plantations Provident Fund Scheme, 1955.

The draft Assam Tea Plantations Provident Fund Scheme, 1955 (vide page 37 of the report of this Office for July 1955) has been approved and gazetted on 10 August 1955.

(Notification No. GIR 267/55 dated 5 August 1955;
Assam Gazette, Part IIA, 10 August 1955,
pp. 1415-1426).

Ajmer Bhoodan Yagna Act, 1955 (VI of 1955).

The Government of Ajmer State published on 9 August 1955 the Ajmer Bhoodan Yagna Act, 1955, as passed by the Ajmer Legislative Assembly and which received the assent of the President on 15 July 1955. The Act is intended to facilitate the activity in connection with the bhoodan yagna (land gift movement) initiated by ~~Shri~~ Acharya Vinoba Bhave and provides for the constitution of a bhoodan yagna board, the donation of land to the board, the distribution of land received in donation to landless ~~XXXXXX~~ persons and other matters ancillary thereto.

(Gazette of India, Extraordinary, Part II,
Section 1, 9 August 1955, pp. 355-362).

Madras Cultivating Tenants Protection Bill 1955.

The Government of Madras published on 3 August 1955 the text of the Madras Cultivating Tenants Protection Bill, 1955, proposed to be introduced in the Legislative Assembly of the State. The Statement of Objects and Reasons to the Bill says that it has been brought to the notice of Government that in anticipation of land reforms legislation owners of lands are evicting cultivating tenants with a view to bringing the lands under their personal cultivation. Such large scale eviction will, if allowed to continue, lead to agrarian trouble and disturbances and to breach of peace. The object of this Bill is to protect the tenants from unjust eviction for a period of one year.

A tenant will not, however, be entitled to production if he is in arrear of rent or has done any act which is destructive of, or injurious to, the land or any crop thereon, or has ceased to cultivate the land or has used it for any purpose other than that for which it was let. Suitable provision has been made for restoring land to any cultivating tenant who was in possession of it on ~~the~~ 1 December 1954.

The Bill will not apply to areas governed by the Malabar Tenancy Act, 1929, or the South Kanara Cultivating Tenants Protection Act, 1954, or to lands to which the Tanjore Tenants and Pannaiyal Protection Act, 1952, applies.

(Fort St. George Gazette, Part IVA,
3 August 1955, pp. 141-145).

Rajasthan Jagir Decisions and Proceedings
(Validation) Ordinance, 1955.

The Rajpramukh of Rajasthan promulgated on 27 July 1955 an ordinance to validate certain rulings given and proceedings taken in respect of matters relating to the resumption of jagirs in the covenanted States of Rajasthan and the recognition of succession to the rights and titles of jagirdars and to provide the forum for the disposal of such cases and proceedings.

The ordinance provides that notwithstanding anything contained in the covenant or in any judgment, decree or order of any court, all ~~that~~ final decisions given by the various grades of revenue courts or officers, or by the Rajpramukh, in cases or proceedings arising out of, or under, the laws of the covenanted States providing for the resumption of jagirs in those States and the recognition of succession to the rights and titles of jagirdars will be valid and will not be liable to be called in question in any civil court.

The ordinance says that if immediately before the commencement of the ordinance any cases or proceedings are pending before any revenue court or officer, or before the Rajpramukh all actions taken before the commencement ~~of~~ by any court or officer or by the Rajpramukh shall be valid and will not be liable to be called in question in any civil court. The orders of the Board of Revenue for Rajasthan passed in ~~the~~ such cases or proceedings will be final.

The ordinance comes into force immediately.

(Rajasthan Gazette, Part IVB,
29 July 1955, pp. 14-17).

43. Handicrafts.

India - August 1955.

Measures for the Development of Cottage Industries:
Review of Work Done by Government Boards for the
Year 1954-1955.

With a view to look after the interests of cottage industries, to organise them on proper lines, arrange for the marketing of their products, and to examine the schemes for their development, the Government of India has in recent years set up various boards. A review of the working of these boards for 1954-1955 is given in a report published recently*.

The All India Handloom Board.- The All India Handloom Board was constituted by the Government in October 1952. During the period under report, the Board recommended 439 schemes to the Ministry of Commerce and Industry, Government of India, for sanction. The Government sanctioned 376 schemes and had under consideration, at the end of the year, 63 schemes. Upto the end of December 1954, the Government of India had, on the recommendation of the All India Handloom Board, sanctioned 61 million rupees as loans and grants to the various States for implementing handloom development schemes including the production of woollen and art silk fabrics.

During the year under report, the Government of India accepted the recommendation of the Board to advance loans from the Handloom Cess Fund to apex weavers' co-operative societies and loans to the tune of 6.55 million rupees were sanctioned. The Government of India also sanctioned 1.12 million rupees for the conversion of two factories run by master weavers into industrial co-operatives in Malabar district of Madras State.

* Cottage Industries: Report on the Working of the Boards set up by the Government of India, (1954-1955) (Ministry of Commerce and Industry, New Delhi, 1955, pp.89).

The All India Handloom Board attached considerable importance to the marketing of handloom fabrics and one of the steps suggested for improving sales was the grant of rebates on sales of handloom fabrics. During the year 1953, this was sanctioned but could be availed of only by weavers' co-operative societies running depots and State-owned depots. This had, however, to be extended to that sector of the industry also which was not within the co-operative fold but at a reduced rate of rebate. The Government of India, on the recommendation of the All India Handloom Board, further decided to grant a rebate on wholesale sales effected by weavers' co-operative societies to consumers' co-operative societies, multipurpose co-operative societies, State-owned depots, fair price shops and other wholesalers. Cloth which had enjoyed a rebate at the wholesale stage would not, however, be eligible for a rebate at the retail stage as well. The Board also recommended for the current financial year only a rebate to weavers' co-operative societies and State Trading Organisations on sales of handloom cloth for export provided such cloth was bought by them from weavers' co-operative societies and to weavers' co-operative societies exporting handloom cloth direct. The Government has accepted this suggestion.

The Central Marketing Organisation launched a programme of wide publicity throughout the country by display of advertisements, cinema slides, establishment of show-rooms in Regional Offices and exhibitions. As envisaged in the external marketing scheme, 4 commercial travellers, whose functions were to develop external markets for Indian handloom fabrics, were appointed during the year and posted to Baghdad, Colombo, Rangoon and Singapore. The scheme also provides for the opening of emporia in important towns and three such emporia have been opened, one at Colombo and the other two at Aden and Singapore. In addition to the efforts being made by the 4 marketing officers to develop markets for Indian handloom fabrics in areas under their jurisdiction, the Central Marketing Organisation of the All India Handloom Board has been supplying representative samples of handloom fabrics to the Indian trade representatives posted in various countries. For the first time, an All India Handloom Week was held from 7 to 13 March 1954 with a view to give wide publicity and popularise handloom fabrics.

To cope with one of the serious handicaps of the handloom industry - that is the difficulty in obtaining accurate statistics of the number of handlooms, number of workmen, quantum of production because of its dispersed nature - the Government of India has earmarked a sum of 420,000 rupees for the current year for disbursement to State Governments which are prepared to collect the required statistics. Of this amount, a sum of 232,504 rupees has already been disbursed to the State Governments.

There had been allegations from overseas buyers that Indian handloom fabrics were not of standard quality. With a view, therefore, to draw up standard specifications for those varieties of handloom fabrics which were exported from the country in substantial quantities, the Chairman of the All India Handloom Board appointed a Committee of Experts to undertake this work. This Committee had already done useful work in drawing up these specifications which had been circulated to all interested bodies and associations urging them to standardise their production for export purposes.

All India Khadi and Village Industries Board.-
 The All India Khadi and Village Industries Board was constituted on 12 February 1953. Apart from Khadi, ten other village industries were placed under its purview and for which the Board framed programmes for development.

The Board met four times during the period under report to transact its business of reviewing the work undertaken by it and ~~the~~ determination of policies. Among the highlights of its activities were the All India Khadi and Village Industries Exhibition in New Delhi from 3 to 18 April, the All India Conference of the representatives of the State Boards, State Governments and Constructive Workers in November 1954 at Poona, establishment of two Central Training Institutes for training khadi workers and pottery experts, provision of training facilities for tanning, leather industry, hand-made paper craft teachers, the setting up of the Regional Training Institutes in Rajasthan, Saurashtra and Madhya Bharat to extend training facilities for khadi workers, and the opening of Khadi-Gramodyog Bhavan (Emporium), one each at Bombay and New Delhi.

26

Khadi.- Of the total allotted sum of 29.25 million rupees a sum of 200,124 rupees 13 annas and 9 pies was spent under various heads. Experience of 21 months of its work shows that work could be carried on effectively only when a sufficient number of trained people was available. Attention was given to this question and a Central Training Institute was started in Nasik to give training in spinning and weaving. Besides this Institute, three regional institutes were being started in Rajasthan, Saurashtra and Madhya Bharat. Similar schemes for the provision of training facilities in Madhya Pradesh, Uttar Pradesh, Bihar, PEPSU, Madras, Orissa and Bombay had been proposed and it was expected that when these schemes were fully implemented some 22,000 persons would find employment as sales agents.

Other schemes approved by the Board for the promotion and expansion of Khadi industry were aid to basic schools; introduction of hand-spinning in jails; rehabilitation of khadi handloom weavers; revival of artistic weaving; peripatetic khadi workers parties.

Ever since the Board took over khadi work from the All India Spinners' Association, the number of institutions engaged in the organisation of khadi production, and the number of spinners and handloom weavers had greatly increased. It had also been observed as evidenced by the increasing demand from the public for khadi, a new climate favourable to khadi production work had been created. It was hoped the production target of 40 million rupees worth of khadi for the current year would be attained.

Bee-keeping.- Attempts at systematic development of the modern type of Bee-keeping industry started only after the Board took up the work. A scheme for the development of bee-keeping industry involving an expenditure of 343,000 rupees was submitted by the Board to the Government in June 1953; sanctioned was obtained, however, for an amount of 221,355 rupees in the year 1953. During the current financial year 1954-55, the Government sanctioned the following funds:

45,000 rupees towards expenditure on 25 model Apiaries;

55,400 rupees towards expenditure on 3 additional Area Offices;

60,000 rupees towards expenditure for 50 additional sub-stations;

18,600 rupees towards expenditure on 15 additional sub-stations;

27

42,500 rupees towards expenditure on 50 training centres for school children;

16,625 rupees towards expenditure on training of 25 persons;

10,000 rupees for publicity and propaganda;

The Government of India also placed with the Board an additional sum of 12,500 rupees to be given as loans to 25 educated persons desirous of being settled in bee-keeping industry.

Village Oil Industry.- The Board's programme for the development of Village Oil Industry (Bullock-drawnGhanis) is two fold: first to aid existing ghanis and secondly, to introduce improved type of ghanis. The Board also proposed the starting of 25 model production-cum-demonstration centres and two training centres. The two training centres had already started functioning. The number of improved ghanis introduced and in operation now is 578.

Leather Industry.- A sum of 756,250 rupees was allotted under the heads of "Loans and Advances" (276,200 rupees) and "Grants and Subsidies" (480,050 rupees). Of this the total amount disbursed was 111,454 rupees.

Considerable progress had now been made and workers trained in the training centre for flaying at Kora Kendra, near Bombay, had been drafted for work in many of these centres. The five training-cum-demonstration centres had also started work and training was being given to 10 candidates at each of these centres selected from about 200 applicants. Sixty additional flaying centres and 4 more training-cum-demonstration centres will soon go into operation under the 1954-55 programme.

Cottage Match Industry.- The Board had at the outset been demanding the creation of new 'D' class 25 gross-a-day match factory on a cottage production basis and subsidise it by an enhanced rebate of excise duty. The Government of India had agreed to this demand and fixed the excise duty for this class at 2 rupees 10 annas for 60's and 1 rupee 12 annas for 40's per gross boxes, which ~~would~~ worked out at 6 annas per gross as rebate.

The Government of India also ~~has~~ sanctioned a sum of 150,000 rupees as loan for three sales depots for cottage match boxes. Preliminary arrangements had been made to start depots at Bombay, Hyderabad, and Nagpur.

Palm Gur Industry.- The palm gur development work which was under the Union Ministry of Food and Agriculture was taken over by the All-India Khadi and Village Industries Board only from 1 February 1954. Development schemes in respect of this industry continued in the seventeen States as before. The work was carried on in 19 Community Project areas in the States of Bihar, Madras, Hyderabad, Rajasthan, Travancore-Cochin and West Bengal. Besides giving financial assistance to development work in States, the Central organisation had been rendering technical guidance, removing legal handicaps, helping elimination of middlemen by forming a Federation of Palm Gur Manufacturers' Co-operatives, imparting training through the Central Palm Gur Training School, facilitating export of palm gur and supply of material required at concessional rates.

From 1 November 1954, a specialised training course open exclusively to tappers and other working people was started at Cuddalore, Madras State. The duration of the course is 2 1/2 months and no fees are charged. Suitable applicants are selected by the All-India Khadi and Village Industries Board on the strength of the recommendations of the forwarding authority.

The Research Laboratory attached to the Cuddalore school helps the industry by tackling the various problems confronted by it in its work such as keeping quality and storage of palm gur, remodelling of pans and furnaces, clarification of palm juice, manufacture of palmolates with the use of palm gur, sugar and molasses, utilisation of solar heat for manufacture of palm gur by the introduction of fine thread net, etc.

With a view to exploring the possibilities of economising the cost of production in respect of different products of palm, the All India Khadi and Village Industries Board opened four central pilot demonstration stations, one each for the four varieties of the sugar-yielding palms, at Poona, Udangudy (Madras State), Kasargode (Madras State) and Kunnamukulam (Travancore-Cochin).

Soap Making with non-edible oil.- This is a new industry which the Board had undertaken to develop by way of organising maximum collection of seeds which can be utilised for this purpose, crushing them into oil and thus utilising the oil so crushed for soap making.

The Government of India sanctioned a sum of 282,000 rupees for this purpose. Of this 185,000 rupees was for loans bearing 3 per cent interest and the balance for subsidies. In all 262,000 rupees were distributed among five different institutions for implementing the scheme.

During the period under report the Government had placed at the disposal of the Board a total sum of 1,146,000 rupees of which 391,000 rupees were to be utilised as subsidies to the extent of 50 per cent of the capital cost to be given to registered institutions for establishing soap manufacturing centres with oil pressing units at 17,750 rupees per full centre and towards salary of 20 supervisor-cum-chemists at 1,800 rupees per institution.

Out of the amount placed with the Board, it had disbursed so far a sum of 200,712 rupees 8 annas as subsidy to 16 institutions, 755,000 rupees were for loans.

Hand-pounding of Rice.- A sum of 300,000 rupees was placed with the Board for the year 1953-54 for help in hand-pounding of rice. The amount was to be utilised for the supply of improved implements viz., chakkis, dehnkis and fans at 50 per cent of cost and a production subsidy at a maximum of 6 annas per maund of paddy de-husked.

Village pottery industry.- In regard to the development of village pottery industry, the Board had proposed: a) a central training-cum-research institute to train experts in the line; b) regional training centres to train pottery artisans; and c) three model production-cum-demonstration centres in suitable areas, and six other centres in the intensive development areas. For this purpose the Government had allotted 129,200 rupees of which 106,600 rupees were on account of grants and 23,600 rupees for loans. The Board had already started the Central Training-cum-Research Institute at Khanapur and arrangements were nearing completion for the operation of the proposed three model production centres.

Mention might also be made of a Khadi and Village Industries Economics Committee set up by the Board to study the economics of the village industries and to formulate specific proposals for their protection and development. During the current year, the committee devoted its attention in various directions such as studying specific problems of village industries, collection of data and planning of surveys with a view to ascertaining the exact condition of different industries.

Small Scale Industries Board.- At the request of the Government of India, a Ford Foundation Team comprising of seven specialists surveyed the problems of small scale industries and submitted a report in March 1954. Government had decided to implement the following recommendations arising out of the report:-

- (i) Establishment of four Regional Institutes of Technology for small scale industries;
- (ii) Establishment of a Marketing Service Corporation; and
- (iii) Establishment of a Small Industries Corporation to organise production for meeting Government orders.

The four Regional Institutes ^{are to be located} at Calcutta, Faridabad, Madurai and Bombay.

A Small Industries Corporation was also registered on 4 February 1955 as a private limited company with a share capital of 1 million rupees under the Indian Companies Act 1913. The aim of the Corporation is to accept contracts for Government orders and sub-contract them out to suitable small industrial units. It will also provide these small scale industrial units with loans and technical assistance so as to enable them to fulfil these ~~small~~ orders, and effect co-ordination between the small scale and large ~~scale~~ industries.

At a conference held in Bombay on 15 June 1954 with the representatives of certain State Governments to discuss the recommendations of Ford Foundation International Team, it was decided that State Governments should be requested to liberalise the rules governing the grant of loans to small scale industries and that the Central Government would meet half ~~of~~ the loss resulting from such liberalisation upto a maximum limit so far as the Centre is concerned, of 5 per cent of the total loans granted. In pursuance of ~~schemes~~ this scheme, the Central Government had so far sanctioned about 6.4 million rupees as loans to State Governments. The Central Government's expenditure in 1954-55 on small scale industries was more than 15.2 million rupees as compared to 3.3 million rupees in 1953-54.

Coir Industry.- With a view to advise on all matters relating to the development of the coir industry, a Coir Board was set up with effect from July 1954. Among other things, the functions of the Board also include promotion of exports of coir yarn and coir products, undertaking, assisting or encouraging scientific technological and economic research, collection of statistics from manufacturers and dealers, fixation of grade standards and promotion of co-operative organisation. The Board set up 6 Ad Hoc Committees to examine the various questions and advise the Board on the policy to be followed.

The Government had given a loan of 400,000 rupees and a grant of 100,000 rupees to the Travancore-Cochin Government for the organisation of coir co-operative societies.

Central Silk Board.- The silk industry which ^{affords} a ~~more~~ congenial subsidiary occupation to agriculturists is mainly prevalent in Mysore, Madras, West Bengal and Jammu and Kashmir and Assam; in the Punjab, Himachal Pradesh, Uttar Pradesh, Bihar and Orissa the industry exists on a smaller scale.

As a result of the experiments conducted in the major sericultural States, it had been found that the yield of mulberry could be increased by resorting to cultivation of mulberry grafts with improved varieties, as the cost of production of mulberry had a great bearing on the cost of cocoons. During the year 1954-55 a sum of 41,816 rupees was sanctioned to the Governments of Mysore, Madras, West Bengal, Assam and Uttar Pradesh for the establishment of graft nurseries. A scheme for opening a model demonstration unit in Madras was approved and a sum of 1,125 rupees being 50 per cent of the recurring expenditure was sanctioned.

The question of improving the quality of basic seeds required for the preparation of cross-breed layings was also engaging the attention of the Central Silk Board. During the year under report, a sum of 462,555 rupees was sanctioned towards the schemes designed for the improvement of silk worm rearing. The Tariff Commission, in its report on the sericulture industry, had suggested that notified cocoon markets may be established in the States so that the prices of cocoons may be kept within reasonable limits. During the period under review, a sum of 1,200 rupees was paid to the Mysore Government for continuing the Voluntary Cocoon Market at Ramanagaram.

Cottage silk reeling also engaged the attention of the Central Silk Board during the period. A final report of the Experts' Committee constituted to study the problem was expected to be before the Board shortly. The Technical Development Committee had also recommended interest-free loans for modernisation of reeling machinery to the Government of Mysore and West Bengal. During the year 1954-55, a sum of 25,000 rupees was sanctioned as a capital grant to West Bengal Government for the formation of a reelers' organisation and for installation of 20 units of improved type of reeling machinery. A sum of 73,120 rupees was also sanctioned to the West Bengal Government for the establishment of a silk testing and conditioning house at Calcutta.

Valuable experimental work and research in the different aspects are being carried on in Mysore, Madras, West Bengal and Assam and a sum of 70,500 rupees was sanctioned to the Government of Mysore for research work on worm nutrition in the Indian Institute of Science, Bangalore. Since there is a dearth of trained personnel, the Board has given grants for getting promising persons trained in the industry. Six officers were sent abroad for training and study of the organisation of the industry.

Schemes for the development of non-mulberry silk industry were also receiving due attention of the Board and accordingly, a sum of 54,956 rupees for Madhya Pradesh, a sum of 169,600 rupees for Bihar and a sum of 42,564 rupees for Orissa were sanctioned.

The prices of raw silk continued to rule high during the period under review. In order to bring down prices of imported silk, the Government decided to canalise such imports through the Central Silk Board from January 1955. Under the India-China trade agreement, the Central Silk Board had been entrusted with the import and distribution of 90 tons of Chinese raw silk of which 50 tons have already arrived.

All India Handicrafts Board.- The All India Handicrafts Board which was set up in 1952 had the following 4 industries for development in its first year's programme of work: (1) Pottery, (2) Mat weaving, (3) Toys, and (4) Hand-printed textiles. In the subsequent years many more were included.

In addition to the schemes sponsored by the State Governments and other bodies engaged in the development of handicrafts, the Board had itself sponsored many schemes. The Government had so far sanctioned 75 schemes totalling 872,373 rupees towards grants and 733,445 rupees towards loans.

Besides affording assistance towards implementation of development schemes, the Board had been assisting artisans in obtaining raw materials. Ever since the inception of the Board, special attention had been paid to the marketing of handicrafts both in India and abroad. The Board had also been conducting a marketing clinic for handicrafts at Srinagar and formed a mobile exhibition unit. To give a fillip to internal marketing, the Board conducted ~~several~~ successfully many exhibitions during the period. The amount sanctioned for the exhibitions of handicrafts in the country and abroad was 500,971 rupees.

The Board had recommended the formation of an Expert Promotion Organisation which would take the responsibility of canvassing orders for the various emporia as well as furnishing designs and suggestions for improving the quality of articles. The Government of India had also placed at the disposal of the Handicrafts Board a sum of 1,000,000 rupees for granting short-term loans to State Governments and others against orders received by them for handicrafts goods.

'L'

34

Assam Khadi and Village Industries Board
Act, 1955 (XVI of 1955).

The Assam Khadi and Village Industries Board Bill (vide page 69 of the report of this Office for June 1955) as passed by the Assam Legislature received the assent of the Governor on 23 July 1955 and has been gazetted as Assam Act XVI of 1955. The Act provides for the organising, developing and regulating village industries in the State of Assam and for the constitution of a Board to carry out the said object.

(Assam Gazette, Part IV, 27 July 1955,
pp. 49-54).

'L'

35

Promotion of Village Industries: Proposal for
3,170 Million Rupees Plan for Second Five Year
Period.

Development programmes for Khadi and village industries prepared by the All-India Khadi and Village Industries Board for the second Five-Year Plan period involve a total capital outlay of 3,170.5 million rupees resulting in an output valued at 29,222.1 million rupees at the end of the Plan period and employment to 7,545,000 of persons in terms of full employment.

of

Of the capital outlay/3170.5 million rupees, 662.2 million rupees are for development expenditure, 1,869.1 million rupees for ~~expenditure~~ loans, 601.1 million rupees for expenditure on establishment and field organisation for the industries and the expenditure on durable assets and equipment required for areas of intensive development, training and research institutions.

An analysis of the data provided in the Board's Plan shows a capital output ratio of 1:9.22 for the entire group of village industries and 1:9.91 for the industries with common production programmes and 1:1.42 for the other industries. The development programmes, as a whole, estimate that for an outlay of 420 rupees per capita the value of output may be 3,873 rupees ~~per capita~~ and the net per capital income 933 rupees.

(The Hindustan Times, 7 August 1955).

'L'

36

1,000 Million Rupees Plan for Handloom Industry
during the Second Five Year Plan: Board's Decision.

The All-India Handloom Board meeting at New Delhi on 1 and 2 August 1955, generally approved the draft Five-Year Plan prepared by the Board secretariat under which a target of 3,000 million yards of handloom cloth is to be achieved at the end of the second Five-Year Plan. The plan envisages an expenditure of 1,000 million rupees, about 600 million rupees in grants and 400 million rupees in loans. The major items of expenditure are 217.8 million rupees for providing working capital to weavers' co-operative societies, 150 million rupees for rebate, 110 million rupees for starting a thrift fund for weaver members of co-operative societies and 190 million rupees for building weavers' housing colonies.

Funds will also be provided for marketing depots and mobile vans, setting up of dye-houses, bleaching calendering and finishing plants, supply of improved handlooms, standardisation and research. Over 10 million rupees have been provided for the conversion of factories of master weavers into industrial co-operatives.

The Plan envisages that two-thirds of the total production of 3,000 million yards would come from the co-operative sector. Provision has been made for the opening of 4,600 marketing depots in addition to 1,200 depots sanctioned in the past two years.

Regarding rebate, it is anticipated that the scheme will be on a sliding scale beginning at a rate of 2 annas in a rupee in the first year of the Plan, reducing it to six pies per rupee in the fifth year. Thereafter the scheme will cease to operate.

Textile Enquiry Committee's Report.- The Board also discussed at length the recommendations in the report of the Textile Inquiry Committee.

The Deputy Minister for Commerce and Industry, Mr. Nityanand Kanungo, who was chairman of the Committee, was present during discussions on the committee's report. He stated that what the committee had done was to lay down a general pattern for the development and improvement of the handloom industry and he felt that this pattern would hold good. They had to consider whether the situation in which a large section of the people were condemned to sub-standard living should be allowed to continue. In 1954, Mr. Kanungo said, the average earning of a weaver was not more than 20 rupees per month on the basis of full-time work for 200 days in a year. He explained that reductions in cost and larger production would lead to greater consumption of cloth and consequently more employment. The main conclusion reached by the committee was that the productive capacity of the individual should be increased. The question of conversion of handlooms into powerlooms would have to be faced, if not in the near future, at some later date as the technological development of the country could not be ignored.

Prominent among those who took part in the discussion were Prof. N.G. Ranga, M.P., and president of the All-India Handloom Weavers' Congress, and Mr. M. Somappa who has been closely connected with handloom industry in Andhra. Among others who participated in the discussion were Mr. S.R. Vasavada, Mr. A. Rasool Rasul (U.P.) and Mr. Konda Lakshmana (Hyderabad). While the non-official members expressed general appreciation of the work done by the committee many of them expressed fear that implementation of the recommendations in regard to conversion of handlooms into powerlooms would lead to unemployment. They felt that the Government should aim at providing full work to all handloom weavers and the view was expressed that this could provide additional production of cloth that would be required during the second Five-Year Plan. While a few considered that an attempt should be made to convert some handlooms into powerlooms on an experimental basis, others felt that the question of conversion should be deferred for the duration of the second Five-Year Plan.

A recommendation was made to the Government that the main proposals in the report of the Inquiry Committee could be generally accepted excluding those relating to conversion of handlooms into powerlooms and to "reservations". It said improved types of handlooms should be introduced. It also felt that the field of "reservations" should be confined to handlooms and should be further extended.

(The Hindustan Times, 2 and 3 August 1955).

44. Merchant Marine and Fisheries.

India - August 1955.

Central Master Mariners' Organisation to be set up.

A meeting of 31 master mariners was held at Bombay recently to consider the possibilities of starting an organisation to be known as the "Company of Master Mariners of India", the functions of which will be similar to those of the Hon. Company of Master Mariners in the U.K.

The aims and objects of the proposed company include the provision of a central body representative of senior officers of the merchant navy for the purpose of developing and promoting the traditions, efficiency and interests of that service; encouragement and maintenance of a high standard of ability and professional conduct; setting up of a consultative body of practical seamen who will be available to the Government of India, shipowners, seamen and the public for information and advise on all matters connected with the safety and preservation of ships, passengers, seamen and cargo.

It will constitute a body of ~~experienced~~ experienced seamen who will be available to act as members of, or to give evidence before, any commissions appointed by the Government, or any courts of inquiry. It will be available for advice on all questions concerning or affecting the merchant navy. Yet another object is to promote the community welfare of seamen and of master mariners and research in nautical subjects.

A preliminary executive was elected at the meeting to carry out the initial work in connection with the formation of the company and to prepare a draft memorandum and articles of association.

(The Times of India, 27 July 1955).

'L'

39

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - AUGUST 1955.

50. General.

Labour Conditions in Silk Industry in Mysore:
Report of Court of Inquiry.

The Government of Mysore published on 7 July 1955 the report of the Court of Enquiry, Silk Industry, constituted by the Government in 1954. The Court of Inquiry was required to examine the working conditions of workers in silk industry with reference to the position of the industry and its capacity to bear any additional levy in the shape of better ways, amenities and social security to the workers that may be called for as a result of the findings of the Court of Inquiry with a view to promote better industrial relations and increased production.

General.- The silk industry including sericulture provides occupation and living, directly or indirectly to nearly 200,000 families in Mysore State. The total population thus helped is about a million including agricultural labour, while the industry is capable of further expansion providing more employment. Sericulture is a biological industry. Production and quality of silk depend upon the life conditions to which the worms are subjected. It is the most important subsidiary occupation to agriculture in the State, as it gives additional income to over 50,000 families of agriculturists, besides providing occupation to more than 15,000 families employed in reeling industry and to about 10,000 to 15,000 families employed in silk waste collections, making trays, stands, chandrikes, etc. Mulberry is the basic and to a large extent the most important factor in Sericulture and essentially the costliest. As many as 115,000 acres of land is under mulberry cultivation in Mysore during the year 1954-55.

Recommendations: Wages.- There is no uniformity in the wages in silk factories. This has given ^{room} ~~open~~ for the workers to complain about the differential treatment. The Committee feels that uniform wages for each process in silk industry should be fixed, and enforced under the provisions of the Minimum Wages Act by bringing the silk industry under its purview. Accordingly, The Committee has recommended uniform minimum and maximum wages for each job.

40

Leave.- There is no uniformity in the grant of leave facilities in silk factories. The granting of leave should not depend upon the profits or losses incurred by the factory. The Labour Department has to properly enforce the provisions of the Factories Act in this respect.

Holidays.- Holidays are granted in silk factories in different ways. It is necessary and desirable to regulate the number of holidays with pay in a year, apart from the leave facilities which the worker is entitled to under section 79 of the Factories Act. The Committee recommended 15 festival holidays to suit all classes of people and occasions and out of this five holidays will be with pay and dearness allowance and the rest without pay and dearness allowance. The paid holidays should include three national holidays, viz., the independence day, the republic day and the sarvodaya day, which are usually declared by Government as paid holidays to enable the workers to participate in the functions.

Sick Leave.- In the grant of sick leave also, there is no uniformity in the silk factories. In view of the fact that many of the silk factories are small in size and capacity, the Committee recommends 5 days sick leave in a year with pay and dearness allowance to a worker who has put in 12 months' continuous service, provided the worker ~~and~~ satisfies the management about his sickness. The extended sick leave will not carry pay and dearness allowance but his name will be kept on the rolls, as long as the medical opinion requires.

Night Shift.- There is no provision of any allowance to workers for night shift work. The Committee recommends a Night Shift allowance of 2 annas per day of work, in addition to normal wages, may be paid along with tea or coffee.

To encourage regular attendance of workers the Committee recommends perfect attendance bonus of 2 rupees for a half year to workers in silk factories in Bangalore.

Provident Fund.- The Committee recommends that provident fund contribution should be enforced in all silk factories having 50 and more workers as provided in the Employees' Provident Fund Scheme, 1952.

41

Some of the wholesome provisions regarding the welfare of the workers, seem to have eluded the notice of the authorities such as Standing Orders defining the conditions of service like recruitment, discharge, disciplinary action, holidays, leave, etc., which tend to minimise friction between the workers and the employers, and safeguard the workers against unfair exploitation, particularly with regard to tenure, elimination, unjust reduction and discharge from service. In factories which have 100 and more workers, certified Standing Orders should be strictly enforced. In the case of factories with less number of workers, ^{the Committee} recommends the formation of Model Standing Orders to safeguard the ignorant workers from unfair treatment, since the major number of silk factories have labour less than 100.

Factories Act.- The Committee feels, that to safeguard the health safety and welfare of the workers in silk factories, the provisions of the Factories Act should be strictly enforced. Since, however, the Silk Industry is very poorly organised in view of the slender financial position, the application of the Act may be regulated in such a way, that no hardship is caused to the Industry. The Committee, however, lays stress, on the enforcement of the following chapters of the Factories Act:-

- Chapter III - which relates to health and cleanliness, overcrowding, proper lighting, providing drinking water, latrines, urinals and spittoons,
- Chapter IV - Which relates to careful handling of machinery,
- Chapter V - Which provides welfare measures, such as First Aid appliances, shelters and places for taking food,
- Chapter VI - which regulates working hours,
- Chapter VII - which prohibits employment of young children, and
- Chapter VIII- which regulates grant of leave with wages.

Since silk factories employ a small number of workers, often not exceeding 50, there is no need for providing expensive facilities.

42

Industrial Disputes Act. - In view of the several instances of wanton mischief resulting in damage to goods, slow production, indiscipline, etc., during the pendency of a case before the Industrial Tribunal, ^{the Committee} ~~we~~ suggest, that in fairness to the employer and the industry, the present provision in Section 33 of the Industrial Disputes Act, regarding conditions of service, be suitably amended, so that, the employer may be enabled to take notice of misconduct ^{not} ~~and~~ connected with the dispute.

The Committee feels, that the provision of Section 36 Clause (4) takes away the privilege of an individual to engage a counsel in whom he has got confidence to defend himself. As the Section now stands, this privilege could be exercised only with the consent of the other party to the proceeding and with the leave of the Tribunal. The privilege is thus curtailed with the consequences, that the employers in silk industry who are generally illiterate and ignorant of laws are denied the help of their chosen legal adviser to represent their case in court. The Committee, ~~has~~, therefore recommends that the portion underlined above may be deleted to the advantage of both the parties, so that they may be free to engage their own counsel.

To promote industrial peace, the Committee recommends holding Tripartite Conference at least once a year, in each industry. The Government, the employers and the employees may be represented at these conferences whereat matters of industrial policies and relations may be discussed, view points expressed and exchanged, and ~~mutual~~ mutual understanding of duties and responsibilities of employers and employees may be arrived at.

The Committee also recommends, formation of Work Committees in each or for a group of silk factories representing management and duly elected representatives of labour, for the settlement of small disputes which may arise from day to day. Such Committees may strive to bring about cordial relations by mutual co-operation.

Other recommendations of the Committee deal inter alia, with mulberry cultivation, rearing of cocodns, silk reeling, import policy, constitution of advisory board for silk handloom industry, special case on art silk, etc.

(The Mysore Gazette, Part IV, Section 1c,
7 July 1955, pp. 795(1-171)).

Welfare of Building Workers: Recommendation, by
Ad Hoc Committee.

At a meeting held at New Delhi on 3 and 4 August 1955, the Ad Hoc Industrial Committee on Building and Construction Industry recommended various measures for the welfare of workers in the building and construction industry.

For details see pages 90-100 of Chapter *Section* 121 of this Report.

'L'

49

63. Individual Contracts of Employment.

India - August 1955.

Industrial Employment (Standing Orders)
(Bombay Amendment) Bill, 1955.

The Government of Bombay published on 18 August 1955 a Bill to amend the Industrial Employment (Standing Orders) Act, 1946, in its application to the State of Bombay for the purposes set out below.

Experience has shown that certification of standing orders under the Industrial Employment (Standing Orders) Act, 1946, takes a long time and that in the meanwhile the workmen are left without the protection of any standing orders applicable to them. The Model Standing Orders ~~prescribed~~ prescribed under the Act serve only as a model and, unlike the Model Standing Orders notified by Government under the Bombay Industrial Relations Act, 1946, have no binding effect. It is, therefore, proposed that power ~~should~~ should be taken to make the Model Standing Orders prescribed under the Industrial Employment (Standing Orders) Act applicable to all establishments covered by that Act and, thereafter, to permit the employers and workmen to submit, within six months from the date of such application, draft amendments to the Model Standing Orders applicable to them according to the requirements of each individual establishment. The Certifying Officer will, after consulting the other party, decide whether any modification to the draft amendments are necessary and then ~~may~~ certify the draft amendments with or without modifications, as the case may be. The new provision to permit the parties to submit only amendments to the Model Standing Orders in place of the existing provision in section 3 which requires the employers to submit draft Standing Orders for their establishments is calculated to reduce the work on all sides and expedite the process of certification ~~and~~ of Standing Orders. The Standing Orders which are already certified will remain unaffected and continue to apply. Suitable amendment to sections 2, 3 and 5 are proposed.

45

The Bombay Industrial Relations Act, 1946, provides for certification of Standing Orders in respect of all establishments employing 20 or more ~~workmen~~ workmen, which are covered by that Act, whereas the Industrial Employment (Standing Orders) Act is applicable to establishments employing one hundred workmen or more. It is proposed by amendment 2 section(3) that the ~~latter~~ latter Act should be made applicable to all establishments employing fifty workmen or more in order to extend the provisions of the Act to a larger number of workmen.

The definitions of the terms "employer" and "workman" are proposed to be enlarged. Where an owner of an industrial establishment enters into a contract with a person for doing any work ~~other~~ than in relation to the workmen employed by the Contractor the owner of the establishment would be the employer. In the definition of "workman" the workmen who are employed outside the establishment in connection with any work of the establishment are also included.

Section 10 is proposed to be amended in order to permit modification of the Model Standing Orders with or without any amendments, on an application by the employer ~~xxx~~ or workmen after a specified period.

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

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

Other amendments ~~contained~~ contained in the abovementioned clauses and other clauses of the Bill are consequential of of minor importance.

(Bombay Government Gazette, Part V,
18 August 1955, pp. 284-290).

46

64. Wage Protection and Labour Clauses in
Employment Contracts with the Public Authorities.

India - August 1955.

Uttar Pradesh: Working of the Payment of Wages Act
during the Year 1952*.

According to the annual report on the working of the Payment of Wages Act in Uttar Pradesh for 1952, the Act extended to all factories covered by the Factories Act, 1948, and also to printing presses.

Out of 1,598 factories 1,153 factories submitted the returns under the Act. Ninety-three factories did not work while 352 factories did not submit the returns. Action was being taken against managers of factories who failed to submit the returns without a reasonable cause.

Total wages paid.- The average number of persons employed daily during the year in all factories was 176,113 as against 186,118 in the previous year. The total amount of wages paid, including deductions, was 164,670,560 rupees, 12 annas and 9 pies, amounting to an average of 77 rupees 14 annas and 8 pies approximately per worker per month, against an average of 75 rupees 3 annas 2 pies for the year 1951.

There was a slight increase in the average ~~against~~ annual earnings of a worker in the year 1952 as compared to the year 1951. This was attributable to ~~fact~~ the fact that the wage date for the year 1952 on which the report is based relate to a larger number of big organised factories (where wages are comparatively higher) as compared to the year 1951.

The table below gives a comparative study of total average number of workers, total amount paid and average wages paid per worker per month:-

* Annual Report on the Working of the Payment of Wages Act, 1936, in the State of Uttar Pradesh for the year 1952. Allahabad, Superintendent, Printing and Stationery, Uttar Pradesh, 1954. Price Rs.3/2/-, pp.69.

Year	Class of Industries	Total average No. of persons employed daily.	Total amount of Wages paid including deductions.			Average wages paid per worker per month.		
			Rs.	As.	Ps.	Rs.	As.	Ps.
1952 --	2m(i) -----	168,326	157,835,448	9	9	78	2	3
	2m(ii) -----	7,553	6,688,943	7	9	73	12	10
	Printing Presses.	254	146,168	11	8	52	0	10
1951 --	2m(i) -----	178,971	161,848,042	8	6	75	5	9
	2m(ii) -----	6,795	5,850,354	14	1	71	11	11
	Printing Presses.	352	259,301	13	9	61	6	2

Inspections.- As usual, inspections under the Act were made along with inspections under the Factories Act. One thousand and seventy-five factories were found contravening certain provisions ~~under the Act~~ of the Act and rules made thereunder. In majority of these cases the irregularities detected were got rectified. In a number of cases factories were let off after issuing strict and final warnings to them. Prosecutions were launched only against such factories in which persistent or serious breaches of the provisions of the Act and rules were detected.

Payment of wages.- Compliance of the provisions of section 5 of the Act regarding disbursement of wages within the prescribed time-limit was not satisfactory, and a number of factories were found contravening the said provisions. The reasons for non-compliance of the said provisions may be attributed to certain extent to financial stringency of the employers due to general trade depression. However, such cases were vigorously pursued and warnings were issued to the defaulters. Cases where persistent contraventions were found were referred for direction to the District Magistrates concerned for necessary action.

Wage period.- The provisions of section 4 of the Act were generally found complied with.

Deductions from wages.- No permission for deductions from wages under section 7(2)(i), i.e., deductions for subscription to the provident fund was given to any factory during the year under report. However, permission for deductions under section 7(2)(j), i.e. deductions for making payment to co-operative societies was given in one case. The table below shows comparative details of deductions for fines or loss of goods during the years 1951 and 1952 in the factories registered and licensed under section 2(m)(i) and 2(ii) of the Factories Act, 1948.

Detail of deductions.	No. of factories		No. of cases				Total amount				Average per case			
	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952	1951	1952
1. Fines -----	41	16	25413	10238	4368	12 0	2309	12 9	0	2 9	0	3	7	
2. Deductions for damage or loss goods. -----	21	11	14265	11205	11782	13 9	19307	15 9	0	13 2	2	3	0	
3. Deductions for breach of contract. -----	5	2	1292	850	25395	7 6	6596	5 9	20 9	9	7	11	0	

Prosecutions.- During the year four prosecutions, as against five in the previous year were launched out of which 3 were for non-submission of annual returns in time. Out of these conviction was obtained in one case and in another accused was acquitted. The remaining two were still pending for decision. In addition to these two pending cases three cases for the year 1947 and three cases for the year 1948 were also pending for decision. From the pending cases one case for the year 1950, and one case for the year 1951 were decided during the year under report.

'L'

49

64. Wage Protection and Labour Clauses in
Employment Contracts with the Public
Authorities.

India - August 1955.

Payment of Wages (Bombay Amendment) Bill, 1955.

The Government of Bombay published on 11 August 1955 the text of the Payment of Wages ~~Amendment~~ (Bombay Amendment) Bill, 1955, proposed to be introduced in the Legislative Assembly of the State. The Bill seeks to amend the Payment of Wages Act, 1936, in its application to the State of Bombay for the following reasons.

Cases of persistent defaults by some sugar factories in the payment of wages to the agricultural labour employed in sugarcane plantations attached to those factories have come to the notice of Government. The definition of "plantation" in section 2(m) is therefore amended so as to take power to extend the Act to persons employed on any firm which is maintained for the purpose of growing sugarcane and attached to a factory established or maintained for the manufacture of sugar.

Under the ~~proposed~~ amendments proposed to sec. 15 of the Act, power is taken to appoint more than one authority for the purpose of deciding claims arising out of deductions from the wages or delay in the payment of wages of employed persons. Appointment of more than one authority for a given area has become necessary with the recent extension of the Act to shops and establishments in local areas with a population of ~~an~~ 100,000 or more persons.

It has been the policy of Government to encourage the workers to pursue their claims under the Act either by themselves or through their unions rather than through Government Inspectors. In cases involving large number of workers, the unions find it difficult to file the claims as it is necessary for them to obtain the authority from each individual worker. It is, therefore, proposed that when a union is registered as a representative union under the Bombay Industrial Relations Act, 1946, it should be competent to make an application to the authority under section 15 ~~of~~ ~~in~~ the same way as an Inspector under that Act without being required to obtain the necessary authority from the persons on whose behalf the application is made.

- 50 -

At present there is no provision in the Act under which wages payable to an employed person who subsequently dies, can be recovered by the legal representative of the deceased person. It is felt that a remedy should be available to the legal representative under this Act. The clause seeks to make this provision.

It is proposed to amend sub-section (3) of section 15 on the lines of section 20(3) of the Minimum Wages Act, 1948, so as to empower the authority to direct payment of compensation in cases where the amount deducted on the delayed wages are paid by the employer to the employee before the disposal of application by it.

Under an amendment to sec. 17 of the Act, all persons who are ~~not~~ competent to apply to the Authority under section 15(2) are empowered to prefer an appeal under section 17.

The other amendments proposed are of a consequential nature.

(The Bombay Government Gazette,
Part V, 11 August 1955, pp. 259-262).

'L'

51

66. Strike and Lockout Rights.

India - August 1955.

Mysore: Iron and Steel Industry declared a
Public Utility Service.

In exercise of the powers conferred under the Industrial Disputes Act, 1947, the Government of Mysore has declared the iron and steel industry in the State a public utility service for the purpose of the said Act for a period of six months from 1 July 1955.

(Notification No. LS 3570-LW-129-54-8,
dated 18 July 1955; the Mysore Gazette,
Part IV, Section 2c, 21 July 1955, page 283).

West Bengal: Inland Water Transport Industry
declared a Public Utility Service.

In exercise of the powers conferred under the Industrial Disputes Act, 1947, and by a notification dated 18 ~~July~~ August 1955, the Government of West Bengal has declared the inland water transport industry in the State to be a public utility service for the purposes of the said Act for a period of six months with effect from 20 August 1955.

(Notification No. 3817 Dis/D/1A-6/55,
dated 18 August 1955; the Calcutta
Gazette, Part I, 25 August 1955,
page 3270).

'L'

Madras: Labour at Minor Ports declared a
Public Utility Service.

In exercise of the powers conferred under the Industrial Disputes Act, 1947, the Government of Madras has declared all labour at the minor ports in the State to be a public utility service for the purposes of the Act for a period of six months from 18 August 1955.

(GO Ms No. 2661 Industries, Labour and Co-operation, dated 8 August 1955; Fort St. George Gazette, Part I, 17 August 1955, page 1196).

'L'

67. Conciliation and Arbitration.

India - August 1955.

Railway Board and Federation sign Agreement:
Arrears of Pay and Traveling Allowance Regulations.

Agreement has been reached between the National Federation of Indian Railwaymen and the Railway Board on three of the five terms jointly referred by them to the ad hoc tribunal, according to a communique issued by the Railway Board on 22 July 1955.

The items agreed upon relate to arrears of pay in the Central Pay Commission scales for certain categories, officiating pay without the present minimum limit to some classes of workmen, and the rules governing travelling allowance to engineering staff.

In addition the Railway Board has, as a result of discussion on other points agreed that:

(1) Medical facilities available on railways should be extended to the dependants of railway employees in the same manner as to other members of their families.

(2) "Dais" will be attached to all hospitals and important dispensaries.

(3) The Railway Administrations will examine the feasibility of opening primary schools in the larger railway colonies in ~~the~~ consultation with the recognised unions.

(4) The Government has decided to open hostels for the children of railway employees. The decision where these hostels should be opened shall be taken in consultation with the recognised unions.

(5) The classification of seven categories of railway employees for allotment of skilled and semi-skilled rates of pay, which the Federation desired to be re-examined, will be scrutinised by a committee of experts to be appointed in consultation with the Labour Ministry.

(6) The conversion of temporary posts to permanent and the confirmation of employees therein will be pursued with great vigour on all Railways and unions will be invited to give their suggestions to "Railway Administrations in respect of the posts they consider should be converted from temporary to permanent.

54

A ~~kanpur~~ communique issued by the Railway Board stated that the desire to come to quick decisions precluded the Federation and the Railway Board from discussing all the issues that were placed on the agenda but in respect of some, the Board had already initiated action and hoped to be able to announce the decisions at an early date. One of these was the feasibility of altering the rules to meet the grievances in respect of the effect of the merger of half dearness allowance with pay for staff drawing Rs 76 rupees per month and above.

(The Statesman, 23 July 1955).

Rationalisation of Kanpur Textile Industry:
Committee appointed by U.P. Government.

Reference was made at pages 58-60 of the report of this Office for July 1955 to the suspension of an eighty-day old strike in the Kanpur textile industry which was started as a protest against rationalisation schemes of certain textile mills. After the strike was called off, the Chief Minister announced that a committee would be appointed to consider the question of rationalisation.

On 12 August 1955, the U.P. Government by a gazette notification announced the composition and functions of the committee, details of which are given at page 12-13 of ~~paragraph~~ ^{paragraph} 35 of this report.

The notification declared that the outset that the committee had been appointed as ~~far~~ the strike in the textile mills had been formally called off; nationalisation in textile mills had once again been accepted as the proper prerequisite step in all quarters, including those who had decided to go on strike, and there was a general desire on all sides that further steps be taken in the matter by the Government.

(National Herald, 13 August 1955).

'L'

55

Bombay Industrial Relations (Amendment) Bill, 1955.

The Government of Bombay published on 18 August 1955 the text of the Bombay Industrial Relations (Amendment) Bill, 1955, proposed to be introduced in the Legislative Assembly of the State.

The Bill seeks to amend the Bombay Industrial Relations Act, 1946, for the following reasons.

In a recent case, the Labour Court, Bombay, has held that the provisions of rule 12 of the Labour Courts (Practice and Procedure) Rules, 1947, under which, in an application against numerous employees for declaring a strike to be illegal one or two employees are proceeded against or defend on behalf of all the employees, are ultra vires of the provisions of section 85 read with sections 33 and 80 of the Bombay Industrial Relations Act, 1946. The decision would apply to all other cases of applications to the Labour Courts wherein numerous employees are affected. It is considered that the proceedings before a Labour Court may become interminable if all the employees affected in any dispute appear in the Court individually. It is, therefore, proposed that the provisions of rule 12 and also of rule 13 of the above mentioned rules should be incorporated in the Act itself. Suitable amendments to section 80 and new sections 80A, 80B and 80C and 80D are proposed.

In a judgment of the Bombay High Court, it has been held that under section 114, a registered agreement, settlement, submission or award to which a registered union is a party would be binding only on the members of the Union and not on the other employees. It has become necessary therefore to amend sections 114 and 115 to provide that they bind all employees in the industry in the local area.

Section 123 of the Act is being amended to take powers to frame rules for removal of procedural difficulties experienced by the Registrar of Unions in holding inquiries under Chapters III and IV of the Act.

Provision is also being made for giving retrospective effect to the amendments to sections 114 and 115 in order to preserve the binding character of all agreements, settlements, submissions and awards to which registered unions are parties and which may still be in force.

(Bombay Government Gazette, Part V, 18 August 1955, pp. 274-277).

56

Uttar Pradesh: Industrial Disputes (U.P.)
Rules, 1955.

The Government of Uttar Pradesh published on 23 July 1955, the Industrial Disputes (U.P.) Rules, 1955, made under the Industrial Disputes Act, 1947. The rules prescribe the procedure for service of notice of retrenchment, maintenance of a seniority list of retrenched workmen, re-employment of retrenched workmen and the form of application for recovery of money due from employers under Chapter VA of the Act.

(Uttar Pradesh Gazette, Part IA,
23 July 1955, pp. 560-562).

'L'

68. Labour Courts.

India - August 1955.

Industrial Disputes (Appellate Tribunal)
Amendment Bill, 1955.

Mr. Khandu Bhai Desai, Minister for Labour, Government of India, introduced in the Lok Sabha on 4 August 1955 a Bill to amend the Industrial Disputes (Appellate Tribunal) Act, 1950. The Statement of Objects and Reasons to the Bill declares that a large number of applications under sections 22 and 23 of the Industrial Disputes (Appellate Tribunal) Act, 1950, are filed by employers and employees during the pendency of appeals. Members of the Appellate Tribunal have to spend a considerable amount of time in disposing of these applications which usually relate to cases of individual workmen and do not involve any major questions of law or principle. Employers and workmen have frequently complained that there have been delays in the disposal of these applications owing to the preoccupation of the Appellate Tribunal with its more important work of hearing appeals. With a view to giving relief to the Appellate Tribunal and ensuring ~~expeditious disposal~~ expeditious disposal of the applications, it is proposed to amend the Act so as to empower the Chairman, Labour Appellate Tribunal, to transfer such applications to the industrial tribunals constituted under the Industrial Disputes Act, 1947, to be designated by the Central Government. It is also proposed to empower the Chairman or any other member, specially authorised in this behalf by the Chairman, to dispose of, sitting singly, applications under section 22 or section 23.

The Bill when passed will repeal the Industrial Disputes (Appellate Tribunal) Amendment Ordinance, 1955 (vide page 61 of the report of this Office for July 1955).

(Gazette of India, Extraordinary,
Part I, Section 2, 4 August 1955,
pp. 325-327).

- 58

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN
CATEGORIES OF WORKERS.

INDIA - AUGUST 1955.

~~XXXXXXXXXXXXXX~~

71. Employees and Salaried Intellectual Workers.

Lok Sabha debates Press Commission's Report:
General approval of Recommendations.

The Lok Sabha debated on 19, 20 and 22 August 1955, the recommendations of the Press Commission (vide pp. 92-95 of the report of this Office for the month of July 1954) and approved them generally.

Dr. B.V. Keskar, Minister for Information and Broadcasting, initiating the debate on 19 August 1955, said that the Government had arrived at certain tentative conclusions but it was prepared to modify them if necessary in the light of the views expressed in Parliament.

Members were generally in favour of all the major recommendations of the Press Commission, including those relating to price-page schedule, the minimum wages and safeguards proposed by the Commission for the working journalists and reorganisation of the news agencies.

Mr. V.V. Giri (Congress) former Labour Minister, appealed to the Government to implement immediately "all the conclusions" reached by the Press Commission. The Government he said, could revise its decision if necessary after five years. "I am told that there is some doubt about the minimum wages recommended by the Press Commission for journalists. I would tell the Information Minister not to entertain any of these doubts but to go ahead. The whole public opinion in this country will support him", he said.

Turning to the attitude of the employers towards the Press Commission report, Mr. Giri said: "I see employers making a great case by saying that if the conclusions of this report are implemented, the industry will go to the dogs. They are entirely mistaken. If better wages and better conditions of work are conceded to workers, better work will be turned out and better profits will result for the benefit of the industry, the workers and the country".

59

Mr. Giri said that the International Labour Organisation had come to the definite conclusion that industries where minimum wages had been introduced not only did better but earned greater profits. "There is no use shutting our eyes to history. Therefore, I want to tell those who are captains of ~~industry~~ industry not to be afraid of anything of the kind".

Mr. Giri suggested that the first experiment in associating workers with the administration of an industry should be started in the Press Industry. Such a steps, he said, would be in keeping with the socialistic pattern of society about which "so much is being talked now".

Mr. J.B. Kripalani (Praja Socialist) said that the Press originated in India not as an industry but as a "national philanthropic activity" and a "missionary activity". But after independence the Press had passed into the hands of "Press barons" and was being run as an industry. The Press barons were also dealing in cement, textiles and other industries. Mr. Kripalani said that the main purpose of these people in taking over the newspapers was to make profits and enhance their prestige in the social and political fields. The changeover had given rise to monopolies and chain ~~of~~ newspapers. The inevitable result of this was that under the sway of a centralised big industry the social character of the Press was lost altogether.

The service conditions of working journalists, Mr. Kripalani said, were absolutely pitiable. Working journalists did not get sufficient emoluments to maintain themselves.

He asked for the acceptance of the Commission recommendations regarding minimum wages and other service conditions of the working journalists.

Mr. R. Venkataram (Congress) said though there were differences on certain recommendations, like the one authorising the Chief Justice to appoint the Chairman of the Press Council, by and large, the House desired that the major recommendations of the Commission should be implemented without delay.

He appealed to the Government to bring forward a comprehensive Bill embodying the conditions of employment and service, and providing for a minimum wage, hours of work, rest, holidays with pay, leave, gratuity and bonus without forcing the working journalists to go through tortuous processes to get even their elementary demands fulfilled.

60

Mr. Venkataraman said the suggestion for setting up regional wage boards, consisting of "smaller men", to hold further inquiries on fixed minimum wages would really amount to a contempt of the memory of the late Justice Rajadhyaksha, who with all his experience in this field, had recommended minimum wages on a certain ~~basis~~ basis.

In all the Central services, the salary was standardised all over the country though there might be variations in local allowances. The same principle should be followed, he said.

As regards the question of bonus, the Commission, after considering the circumstances of this industry, had suggested a scheme different from that of industrial tribunals. They had suggested that after allowing an initial maximum return of four per cent on the capital, the available surplus profits should be divided into three parts, one part being set apart for the rehabilitation of the industry, one for bonus to the employees and the third as a dividend to share-holders. This should be provided for in the proposed Bill, he said.

Mr. Venkataraman said in some places, Madras for example, emoluments were paid in three or four instalments. He suggested that the proposed Bill should include the relevant provision of the Payment of Wages Act so that journalists could get their emoluments on fixed ~~xxxxxx~~ dates.

He said the proposed Bill should be a self-contained code. The Industrial Relations Bill proposed by Mr. Giri which the Commission had suggested should be applied to journalists, "had vanished into the thin air". Even the amendments to the Industrial Disputes Act did not see the light of day.

He therefore, desired that the proposed Bill should contain a provision for standing rules, fixation of hours of work, etc. In this connection he said, in Madras, the editorial staff at night worked from 8-30 p.m. to 5-30 a.m. - longer hours than in the day. They did not have even the protection available to ordinary factory workers, he added.

67

Quoting from a U.N.E.S.C.O. publication, Mr. Venkataraman said in many countries of the world, not only had special legislation been passed protecting the service conditions of journalists, but also providing them with conditions even far in advance of other workers. There was no basis, therefore, he added, for the argument that no special legislation should be enacted for journalists. Parliament should pass a law for this class of employees, Mr. Venkataraman said.

He desired that as in many other countries, the law should also provide for indemnity and damages to an editor whose services were terminated within the period of contract due to changes in the policy of the paper. This "conscience" clause should be included to safeguard the independence of journalists and to assure them the freedom of conscience.

Minister's reply to debate.— Replying to the debate, Dr. B.V. Keskar, said he was glad that there had been practically unanimous appreciation of the work of the ~~Committee~~ Commission. It was wrong, however, to suggest that the Government were trying to avoid implementing its recommendations. The Government had the fullest confidence in the impartiality and competence of the people who were on the Commission. If it had not wanted to appoint the Commission, it could have found some pretext or other to avoid it. For the very reason that the report of the Commission was very important, its recommendations had to be carefully weighed. Hence the Government had taken time.

The Minister said that during the debate, a number of measures had been suggested to curb the monopolies tendencies of the Press. This would mean interference by the Government. If this was done then the Government might be accused of interfering with the freedom of expression of the people, ~~xxxxxxxxxxxx~~ The question, was, therefore, not very easy to deal with.

Dr. Keskar said that listening to the debate one got the impression that the whole of the Indian Press was bad and that it was dominated by the "Press barons". In fairness to the Indian Press however, they should ~~an~~ avoid any generalisation on the point. Any generalisation, Dr. Keskar added, would not be doing justice to the large number of good newspapers, simply because they found that there were a large number of bad papers. He would like to pay his tribute to the good ones. The Commission itself had recognised this when it paid a tribute to the Indian Press. From what little he know of journalism, he would say that there were first class papers in India of which any country could be proud.

62

There was no doubt that, just as in other businesses, trends of monopolism were beginning to creep into the newspaper industry also, because newspapers tried to increase their circulation and profits. But, the trend had only begun to gather momentum at the Commission itself had realised. There was no doubt that this trend would ultimately affect the newspaper industry greatly and that it would have to be seriously tackled. At the same time, to view the problem from the correct prospective they must realise that they were not already in the complete grip of monopolistic tendencies. No doubt the tendencies were increasing. The measures suggested by the Press Commission were, therefore, more of a preventive nature than for combating actual monopolies. He agreed that monopolistic tendencies should be combated and not allowed to come in the way of an independent Press. ~~Similarly, the Commission~~ The Commission had suggested the establishment of a Press Council the introduction of a price-page schedule and also action to be taken against chain ~~newspapers~~ newspapers for this purpose.

Working conditions. - As regards service conditions of working journalists, Dr. Keskar recalled that when introducing the Bill for the application of the Industrial Disputes Act, to working journalists he generally gave the Government's approach to this question. They entirely agreed with the Commission that journalists should work under proper conditions. They should have a fair deal. There was no question amount this and the Government had made this clear even before this debate took place.

Working journalists were given the powers and rights of workmen. One of the main objectives behind this was - and the Commission had also emphasised it - that details of the amelioration of their conditions should be worked out not purely by statute but also by collective bargaining. That should not be ~~lost sight of~~ lost sight of. There should not be too much reliance on statutes.

It should not be thought that the Government was not trying to do what the Press Commission had recommended. "We have generally accepted the recommendations of the Press Commission. We are accepting them because, as the Press Commission itself has said, this is a peculiar profession and it does not require certain basic legislative action to be taken so as to give working journalists a kind of push for a further amelioration of their conditions. Other things will come afterwards. They will themselves do it. They will not need continuous legislative support and they will take whatever action is proper under the Industrial Disputes Act or under the service conditions of a Working Journalists' Act which might come into force later".

63

As far as working ~~the~~ conditions were concerned, the main things that the Commission had recommended were a minimum period of notice of retrenchment, payment of gratuity, leave with pay, maximum hours of work, compensation for refreshment during transitional period, minimum wages to be determined and provident fund.

The Commission had asked that these should be *provided*
Some ~~put~~ into ~~a~~ kind of legislation.

Regarding minimum wage, a number of members had asked that the Government should act this way or that way. He agreed with them that this was a very important recommendation and it had to be given the importance that it required. The only question was how it should be put. Up to now, they had had a statutory minimum wage only for the "sweated industries". Therefore, when taking up any legislation regarding minimum wage, they had to consider all the implication and the effects it would have on other industries.

There were also other industries and the demands that would come from them. Therefore, the legislation should be framed in such a way that "the principle that we accept for one industry like this can be accepted with some modifications for other industries also".

"We have", said, Dr. Keskar, "generally accepted the principles underlying this recommendation about service conditions of working journalists and I hope that we will very soon bring a Bill before the House".

Many members said Dr. Keskar, had mentioned the financial effect of improving service conditions and they had linked this in the price-page schedule. Though the Commission had not directly linked these two questions, it had also agreed that there was a certain cause and effect. He personally agreed that the inter-linked of these two questions could not be completely ruled out.

Press ~~General~~ Council.—There was also some controversy about the price-page schedule. The Commission had mainly put forward this as something which would help the smaller and medium-sized newspapers and check the monopolistic tendencies. The Government had not been able to come to any decision on it yet. He had no doubt, that the discussions that had taken place in the House would help the Government very considerably in coming to the right decision very soon.

As regards the proposal for a Press Council Dr. Keskar said that the Government agreed with the principle of the Press Council and at *It was* present ~~they~~ were engaged in drafting the details. He hoped to be able to bring legislation before the House as soon as possible.

(The Hindustan Times, 20, 21 and 27 August, 1955).

'L'

65

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

India - August 1955.

Salaries of Central Government Employees:
Debate on Private Member's Resolution in
Lok Sabha.

The Lok Sabha discussed on 12 August 1955, a private resolution moved by Mr. D.C. Sharma, a Congress member, asking for the appointment of a Commission to go into the pay structure in the country so that the disparity between the highest salary and the lowest salary was reduced to the minimum. This resolution was rejected by the House by 69 votes to 27.

Minister's views on the resolution.- Replying to the debate on the resolution, Mr. M.C. Shah, Minister for Revenue and Civil Expenditure, said that while the Government viewed with sympathy the demand that large disparities in income should be avoided and the income of the lower strata raised, it could not agree to the appointment of the commission suggested in the resolution. To raise the minimum wage to 100 rupees per month alone the Government would require 280 million rupees annually. For raising the salaries of teachers, they would require about 360 million rupees. A few more million would be needed to raise the salaries of employees of State Government and local authorities. Roughly ~~100 million~~ 1,000 million rupees would be required annually to increase the pay structure of all these employees. The question before them now was whether they could spare this 1,000 million rupees ~~at~~ at this time for such expenditure or ~~it~~ whether it would be better to conserve this money for the successful implementation of the second Five-Year Plan which aimed at the raising of the standard of living of all the people in the country.

Mr. Shah assured the House that the Government would make earnest efforts to see that the lot of the lower-paid staff was bettered as much as possible. So far as housing was concerned "we are just taking steps to provide it to nearly 80 per cent of the clerical and lowpaid staff". Class IV employees would get the benefit of the contributory medical scheme. The Government had framed liberalised leave rules and in so many other ways, they were trying to better the lot of their employees.

66

Mr. Shah recalled the appointment of the Pay Commission in 1946 and said by accepting its recommendations barring two, the Government had to incur an extra annual expenditure of 300 million rupees. The minimum wage of a Government servant now was 70 rupees per month and the disparity between the highest and the lowest paid had been reduced to one to ~~30~~ 3/

Mr. Shah said the resolution was a comprehensive one inasmuch as it ~~wanted~~ wanted the examination of the pay of not only employees of the Government but also of the State Governments and the private sector. He asked whether it was a feasible proposition.

If Central Government employees alone were taken, they were about 1.6 million in number and only 2,500 of them were getting more than 1,000 rupees. Only 57 persons got a salary of more than 2,000 rupees. If the suggestion of some that the highest salary should be reduced to 1,000 rupees, was accepted the Government would be able to save about 1.5 million rupees and if this amount was distributed among the other Government employees each would get an increase of 1 rupee 4 annas.

The Minister contended that the pay scales of Central Government employees were not unduly low.

The State Government servants were getting less than the Central Government employees for the same work. Some State Governments had ~~complained~~ complained to the Centre that when the latter raised the pay scales of their servants they were affected and they could not afford to pay the same salaries to their employees. Some State Governments had appointed committees to go into the question.

(The Hindustan Times, 13 August 1955).

'L'

67

74. Indigenous Labour.

India - August 1955.

Orissa Compulsory Labour (Amendment) Bill, 1955.

The Government of Orissa published on 12 August 1955 a Bill to amend the Orissa Compulsory Labour Act, 1948. The Statement of Objects and Reasons to the Bill says that article 23 of the Constitution of India and the International Labour Organisation Convention concerning forced or compulsory labour prohibit exaction of such labour save in exceptional circumstances. The Constitution of India provides for imposing compulsory labour for public purposes whereas the I.L.O. Convention provides for exaction of such labour both in ~~emergent~~ emergent cases and for public purposes or minor communal services provided the members of the community or their direct representative are consulted in regard to the need of such services before such services are actually requisitioned.

Section 11 of the Orissa Compulsory Labour Act, 1948 provides exaction of forced labour from the members of the village communities for the purpose of ordinary work of irrigation and drainage. But as this type of work cannot be treated as a work of emergent nature, the members of the community or their representatives from whom such work is designed to be exacted are to be consulted in regard to the need of such services. Section 11 of the Orissa Compulsory Labour Act does not provide anything in this behalf. In order to bring the Act in conformity with the I.L.O. Convention amendment of section 11 of the Act is considered necessary.

(Orissa Gazette, Part XI, 12 August, 1955,
pp. 7-8).

62

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - AUGUST 1955.

81. Employment Situation.

Employment Exchanges: Working during June 1955.

General Employment situation.- According to the review of the work of the Directorate-General of Resettlement and Employment during June 1955, during the month, fresh registrations at exchanges increased by over 20,000 over the figure recorded during the Max month of May. This was primarily due to the registration of a large number of school and college students following the publication of examination results. During the month, placements increased by over 1,300 in continuation of the favourable rise which has been recorded since the beginning of March. This, however, was not sufficient to off-set the large increase in the number of fresh registrants and the continued registration of other applicants on the live register, with the result that the total number of persons still seeking employment assistance at the end of the month rose by 17,000 above the figure for May, the total number being higher than had ever been recorded before. In general, reports from the regions indicated that there was no noticeable improvement in the employment situation, though three States reported some improvement. The actual number of vacancies notified during the month declined by nearly 2,500 over the figure for May. This reversed a trend which had been favourable since the beginning of March and was primarily due to the cessation of demands for temporary hot weather seasonal workers. The onset of the monsoon, as usual, caused a decline in demands for manpower.

Shortage in regard to stenographers, trained teachers, qualified draughtsmen, overseers, surveyors, compounders, midwives and nurses continued to be widespread. Experienced doctors, health visitors and skilled technicians such as turners, moulders, boiler makers, etc. were also reported to be in short supply. A number of exchanges were unable to submit suitable candidates for vacancies of physical instructors, tractor drivers, diesel mechanics and road roller drivers.

Surpluses in respect of clerks, untrained teachers, unskilled office workers, freshers from schools and colleges and motor drivers was reported to be widespread. Employment prospects for semi-skilled fitters and motor-mechanics, were reported to be unsatisfactory. Employment opportunities were not adequate for electricians at Amritsar, Asansol,

Barrackpore, Calcutta, and Howrah. Typists at Kolhapur and handloom weavers at Gorakhpur were also surplus to requirements.

Registrations and placings.- The following table shows registrations for employment and placings during June 1955 and May 1955:-

	June 1955	May 1955
Registrations -----	145,424	124,628
Placings -----	17,668	16,351

Registrations recorded an increase of 20,796 as against the figures of the previous month. Marked increase in registrations was recorded in Madras (5,110), Bombay (4,221), Andhra (2,077), Delhi (1,638), Uttar Pradesh (1,370) and West Bengal (1,239). On the other hand there was a fall in registrations in the States of Himachal Pradesh(1,032) and Panjab (893).

A total of 78,497 applicants were submitted to employers for selection during June 1955 as against 84,659 during the preceding month. A comparatively large increase in placings was recorded in the Punjab (1,932), Bombay (677), and Hyderabad(262). A decline in placements was however, marked in Himachal Pradesh (609), Uttar Pradesh (289), Madhya Pradesh (220), and Andhra (197). Increase in placements in the State of Punjab was mainly due to the recruitment of a large number of persons of the unskilled category for the "Solar Eclipse Fair" at Kurukshetra. Of the total number of placements secured, 6,039 were in Central Government establishments, 7,141 were in States Government establishments and 4,488 with Private employers.

Placings by wage groups.- The table below shows placings during the month classified according to wage groups:-

<u>Wage groups.</u>	<u>Number placed.</u>
101 rupees and above	1,765
61 rupees to 100 rupees	9,175
30 rupees to 60 rupees	6,229
Below 30 rupees.	499

Vacancies notified.- The number of employers who used the exchanges during the month was 5,248 as against 5,246 during the preceding month. The number of vacancies notified by them was 23,795 as against 26,263 during May 1955 i.e., a decline of 2,468. A comparatively large fall in the number of vacancies notified was reported by the exchanges in West Bengal (1,868) and Bombay (1,403). The number of vacancies notified to the exchanges has, however, recorded an increase in the States of Punjab (1,209) and Delhi (683). Of the vacancies notified 17,458 were in Central and State Government establishments and 6,337 in private concerns. There was a fall of 2,023 vacancies in the public sector and 445 in the private sector.

Register of unemployed.- The number of persons seeking employment assistance through the exchanges as on the last day of the month was 624,074 which was 16,962 more than the figure at the end of the previous month. Of those on the registers, 3,866 were known to be employed persons who desired further employment assistance. The live register figure was the highest on record. The composition of the live register occupation-wise is shown below.

<u>Occupation</u>	<u>No. on Live Register as on</u> <u>30 June 1955</u>
1. Industrial supervisory	5,081
2. Skilled and semi-skilled	50,204
3. Clerical	185,391
4. Educational	26,982
5. Domestic service	20,215
6. Unskilled	302,302
7. Others	33,899
Total.	624,074

Employment position of special types of applicants.- The employment position regarding special types of applicants during June 1955 is shown in the following table.

<u>Category</u>	<u>Registrations</u>	<u>Placings</u>	<u>No. on the</u> <u>Live Register</u>
1. Displaced persons.	9,528	1,801	52,071
2. Ex-servicemen.	7,473	1,424	30,096
3. Scheduled Caste applicants	16,668	3,194	60,785
4. Scheduled tribe applicants.	1,514	198	-
5. Surplus and discharged Central and State Government employees.	1,611	961	8,297
6. Highly qualified applicants	1,206	108	4,881
7. Women.	6,670	787	25,834

71

Special investigation: Employment assistance to displaced persons.- Statistics of work done by the employment exchanges in respect of displaced persons during the last five years show that there has been a steady decline in the average monthly number of such applicants seeking employment assistance but that the cumulate number of displaced persons who remain on the live registers has tended to increase during the last 2 years. The figures for the period 1950-54 are given below:-

Year	(Monthly average)		No. on Live Register at end of the year.
	Registrations	Placings	
1950	14,054	2,471	58,091
1951	10,919	2,286	37,046
1952	8,681	1,424	37,569
1953	8,396	935	44,027
1954	8,355	912	49,682

Along with registrations, the number placed also marked a decline.

Since partition upto December 1954, employment exchanges effected 1106,426 registrations and 223,111 placements in respect of displaced persons. Of the total number of placements effected 40,579 were secured for migrants from East Pakistan and 182,532 for migrants from West Pakistan. The percentage of placements to registrations during these 5 years works out at 20.2.

During 1950, the number of unemployed displaced persons on the exchange registers showed an increase from 30,495 at the end of January to 65,366 at the end of August. This was the highest number on record during the period under review. This increase was mainly due to a heavy influx of displaced persons from East Pakistan during the second quarter of 1950. The number registered as unemployed recorded a steady decline from September 1950, and stood at 35,853 on 30 November 1952. It showed an upward trend during the subsequent years. From 44,027 at the end of 1953 the number rose to 49,682 at the end of 1954. Of the total number of displaced persons on the live register at the end of December 1954, 31,227 (or 62.9 per cent) were migrants from East Pakistan and 18,455 were migrants from West Pakistan. Although the displaced persons from East Pakistan enjoy a high priority in the matter of submissions against Central Government vacancies in the Eastern Zone, lack of requisite qualifications and experience stand in the way of their speedy absorption.

72

Trends in Central Government employment.- The table below shows the monthly average number of civilian staff employed in Central Government establishments during the four years 1951-52 to 1954-55. The figures exclude the staff employed in Railway and Indian embassies and missions abroad.

Year	Administrative and Executive.	Clerical	Skilled and semi-skilled	Unskilled	Total
1951-52	54,372	142,753	147,432	245,523	590,080
1952-53	56,820	150,335	147,186	259,045	613,386
1953-54	58,688	155,125	152,555	251,310	617,618
1954-55	55,063	164,809	157,725	251,346	628,943
(Average for for the four Years)	56,221	153,255	151,225	251,806	612,507

It may be noticed that the statistics relate to the first four years of the First Five Year Plan Period. During this period overall employment under the Central Government, rose steadily. The total average number of persons in employment increased from 590,080 in 1951-52 to 628,943 in 1954-55, a rise of approximately 7 per cent. This is in some measure indicative of the increased administrative responsibilities undertaken by the Central Government in regard to the implementation of the various schemes under the Plan. Classified by broad groups, the increase in the staff employed was as below:-

	Actual Increase	Percentage Increase
Administrative and Executive.	691	1.3
Clerical.	22,056	15.4
Skilled and Semiskilled.	10,293	7.0
Unskilled.	5,823	2.4
Total.	38,863	6.6

The largest percentage increase was in the group 'Clerical' and the next largest in the group 'Skilled and Semi-skilled'.

(Review of the Work done by the Directorate-General of Resettlement and Employment during the Month of June 1955; issued by the Ministry of Labour, Government of India).

73

83. Vocational Training.

India - August 1955.

Labour Ministry's Training Schemes: Progress during June 1955.

Training of Craftsmen.- According to the review of the working of the Directorate-General of Resettlement and Employment for the month of June 1955, the number of trainees on the roll of various training institutes and centres on 30 June 1955, was 9,408. There were 7,804 trainees in the technical trades and the remaining in vocational trades. Ninetytwo additional seats in the technical trades under the said Scheme were sanctioned at the industrial training centre, Orissa School of Engineering, Cuttack, during the month under report, thus, raising the total seating capacity under the craftsmen training scheme to 10,284 as at the end of 30 June 1955. In addition, 32 seats in the trade 'Overseers' were also sanctioned at the industrial training centre, Benaras Hindu University, Benaras with effect from 1 August 1955.

Training of displaced persons.- The total number of displaced persons undergoing training as at the end of June 1955 was 2,126 of whom 1,784 were in technical trades. The remaining were undergoing training in vocational trades.

Apprenticeship training for displaced persons.- Four hundred and eighty-six displaced persons were undergoing training as apprentices in industrial undertakings and establishments in Uttar Pradesh and West Bengal against 1,400 seats sanctioned. They were recruited and posted direct to the undertakings and establishments concerned.

Training of women.- A total of 453 women were undergoing training at the end of the month under report at the three women's training institutes in New Delhi, Dehra Dun and Madras. In addition 15 women at the industrial training institute, Kakinada, 59 at the industrial training institute, Almora, 27 at the industrial training institute, Alambag, Lucknow and 4 at industrial training centre, Orissa poor cottage industries, Cuttack, were also undergoing training alongside men.

Training of supervisors and instructors.- In the 15th regular session which commenced from 16 May 1955, 101 supervisors and instructors were receiving training at the end of the month under report. The results of the XIV session which concluded on 30 April 1955, were declared. Out of 94 supervisors and instructors who appeared, 79 were declared successful including one supervisor and instructor who passed with credit. The percentage of pass was 84.

74

Training of women craft instructors.- Under the scheme for the training of women craft instructors introduced at the industrial training institute for women, New Delhi with effect from 1 May 1955, twentyone women instructor-trainees were receiving training against a sanctioned capacity of 20, at the end of ~~the~~ June 1955.

Training of school going children in hobby centre, Allahabad.- One hundred and four trainees were undergoing training at the end of the month under report at hobby centre, attached to the industrial training institute, Allahabad, as against 53 ~~xxx~~ last month. These boys were taking keen interest in their training.

Apprenticeship training of handloom weaving of cotton and woollen fabrics.- It has been decided that after the completion of the course of 12 months training, the trainees in the trade of Handloom Weaving should be given a further in-Plant training for a period not exceeding 6 months, in suitable hand-loom factories where artistic products are produced and or ~~xxx~~ better designs are evolved. While undergoing training stipend at the rate of 25 rupees per month will be admissible to all those trainees who undergo their apprenticeship training in industrial undertakings.

(Review of the Work done by the Directorate-General of Resettlement and Employment during the Month of June 1955; issued by the Ministry of Labour, Government of India).

'L'

72

CHAPTER 9. SOCIAL SECURITY.

INDIA - AUGUST 1955.

91. Pre-legislation Measures.

IV. Unemployment Benefits.

An Integrated Unemployment Insurance Scheme:
Manpower Working Group's Suggestion.

A Central unemployment insurance scheme to be integrated with the existing social security schemes - the employees' State Insurance scheme and the provident fund scheme - has been suggested by the working group on unemployment insurance constituted by the Government of India last year.

The group which consisted of representatives of the Ministry of Labour, Finance and Commerce and Industry and the Planning Commission has recommended that all these three schemes should be under one unified Central administration with provision for decentralisation of necessary administrative functions. For this purpose, all these should, as far as possible, be made co-terminus.

The group has suggested that the scheme should apply only to persons who are already employed and not to those who are seeking employment. It should cover in the first instance persons whose total monthly remuneration does not exceed 400 rupees and who are engaged in factories using power and employing 20 or more persons, mines and shops and commercial establishments covered by the Shops and Commercial Establishments Acts.

There should be provision in the scheme for its extension to plantations and other categories of workers later. But it cannot be applied to employees in seasonal factories, appreciation, domestic servants, casual workers and agricultural labourers.

The group has suggested that cash benefits to be paid under the scheme should be about 50 per cent of the wages (including dearness allowance and overtime allowances) for a period of 13 weeks in a year subject to compliance with certain conditions regarding waiting period, qualifications, etc.

76

In addition to cash benefits, steps should be taken by Government to provide employment exchange facilities and training centres.

As regards the cost of the scheme, the group observes that it is difficult to estimate the incidence of unemployment and calculate the cost in view of lack of past experience and necessary data. The cost might be roughly estimated at 3 per cent of the total wage bill. This should be met by contributions from the employers at the rate of 2 per cent of the wage bill and from the employees at 1 per cent of the wage bill.

The contribution of the State should be limited to the provisions of employment exchange facilities as also the cost of administering the cash benefits.

The group has recommended ~~that~~ that the lay-off benefits provided under the Industrial Disputes (Amendment) Act of 1953 would have to cease. Retrenchment benefits might be continued on a voluntary basis by any employer.

(The Hindustan Times, 30 July 1955).

'L'

77

92. Legislation.

India - August 1955.

VI. Compensation in case of Employment Injury
or Occupational Disease.

Workmen's Compensation (Amendment) Bill, 1955.

Mrs Renu Chakaravarti, Member of Parliament (Communist - West Bengal), ~~introduced~~ introduced in the Lok Sabha on 5 August 1955 a Bill to amend the Workmen's Compensation Act, 1923. The Statement of Objects and Reasons says the principle on which compensation is awarded under the Workmen's Compensation Act, 1923 to a workman caused by accident arising out of and in the course of his employment is determined on the basis of the loss of earning capacity of the injured workman.

The injured workman does not get any wages for the period from the date of accident to the date up to which compensation is awarded. Further, under the principal Act the employer is not liable to pay compensation for any injury which does not result in total or partial ~~disability~~ ^{disability} of the workman for a period exceeding seven days.

The amendment seeks to make the employer responsible for payment of wages to the injured workman till his compensation claims are settled and also for medical expenses for the period of the workman's treatment in hospital. It also seeks to pay wages for an injured workman from the date of accident to the date on which the injured workman has been declared medically fit to rejoin duty.

(Gazette of India, Extraordinary, Part II,
Section 2, 5 August 1955, pp. 331-332).

'L'

78

Workmen's Compensation (Bombay Amendment) Bill, 1955:
Scope of the Act to be enlarged and Quantum
of Compensation to be raised.

The Government of Bombay published on 18 August 1955 the text of the Workmen's Compensation (Bombay Amendment) Bill, 1955, proposed to be introduced in the Legislative Assembly of the State. The Statement of Objects and Reasons of the Bill declares that experience has shown that the present provisions of the Workmen's Compensation Act, 1923, are not adequate to secure to the workmen covered by it expeditious payment of compensation payable to them under the Act. The quantum of compensation payable under the Act is low compared to existing standards, and ~~needs~~ needs to be raised. The Bill seeks to remove these and other deficiencies in the Act so as to make it more effective in its purpose. It also seeks to enlarge the scope of the Act to cover additional categories of workmen. Important clauses of the Bill are explained below:-

Under an amendment to section 3 it is proposed to reduce the waiting period from seven days to three days.

Amendment to section 4 provided that if the disablement lasts less than four weeks, no compensation shall be payable in respect of the first three days ~~as in the English Act.~~ The other amendments in this clause are consequential to the amendment of Schedule IV to the Act.

By amendment to section 8, provision is made for nomination by the worker in favour of one or more dependants who would be entitled to receive compensation in the event of his death in accordance with such nomination. If no nomination subsists compensation would be payable to the dependants in such manner as the Commissioner may decide as is the case at present.

The provisions of section 10A are extended to cover non-fatal cases. All accidents fatal or non-fatal are made notifiable to the Inspector appointed under the Act, and thereafter to the Commissioner. The provision is intended to enable Inspectors and the Commissioner to investigate claims suo moto in suitable cases so that delays may be reduced and the possibility of cases going by default owing to the ignorance of the workers, avoided. Since it is proposed that the employer, and not the workman, should notify all accidents to the Inspector, the provisions regarding serving of notice by the workman on the employer in section 10, has been deleted.

79

By a new section 18A, provision is made for appointment of Inspectors under the Act who will have authority to investigate the claims of workmen and make applications on their behalf without authorisation.

By a new section 22AA, the Commissioner is empowered to require the employer disclaiming liability to compensation to deposit such sum as the Commissioner specifies and in cases where an employer fails to make such deposit, provision is made for the award of an additional amount equal to the interest on the amount of compensation ultimately awarded by the Commissioner, from the date of occurrence of the accident up to the date of the award of compensation.

Schedule II.- Personal accidents have no relation to the number of persons employed in a place. The minimum limit regarding the number of persons employed wherever laid down in Schedule II has been removed so as to bring a large number of persons within the scope of the Act. Clerical staff in factories is also brought within the purview of the Act. The Schedule has also been amended to cover other categories of workers, e.g., those employed in the manufacture, repairs or maintenance of aircraft or employed otherwise than in a clerical capacity in the construction operation or maintenance of tube wells.

Schedule IV.- The rates of compensation laid down in Schedule IV have been brought into line as far as possible with the provisions of the Employees' State Insurance Act. This will generally result in increasing the quantum of compensation payable under the Act. In the case of permanent total disablement or temporary disablement the distinction made between a minor workman and an adult in regard to the quantum of compensation payable has been done away with. The quantum of compensation payable in case of death of a minor, which is at present 200 rupees, has been increased substantially and is fixed at 4/7th of the amount of compensation payable in case of permanent total disablement.

For the existing Schedule IV the following is to be ~~next~~ substituted:

80

"SCHEDULE IV.
(See Section 4)
Compensation payable in certain cases.

Monthly wages of the workman	Amount of Compensation for			Half monthly payments as compensation for temporary disablement of workman.
	death of minor.	death of adult.	Permanent total disablement of workman.	
	Rs.	Rs.	Rs.	Rs. A. P.
Below 26 rupees	630	783	1,103	6 8 0
26 rupees, less than 38 rupees.	900	1,125	1,575	9 8 0
39 rupees but less than 52 rupees.....	1,260	1,575	2,505	13 4 0
42 rupees but less than 78 rupees....	1,800	2,250	3,150	19 12 0
78 rupees but less than 104 rupees....	2,520	3,150	4,410	26 4 0
104 rupees but less than 156 rupees.....	3,600	4,500	6,300	37 2 0
156 rupees but less than 208 rupees.....	5,040	6,300	8,820	52 3 0
208 rupees or above.....	7,200	9,000	12,600	75 0 0

Other amendments are:-

(a) loss of a leg at, below or above the knee is proposed to be treated as permanent total disablement and compensated accordingly;

(b) in the case of injury resulting in loss of any teeth or limb, the employer is made liable to provide, in addition to the amount of compensation payable, artificial teeth or limb or other artificial aid, as the case may be, to the workman sustaining such injury;

(c) permanent total loss of voice is proposed to be treated at 50 percent loss of earning capacity;

(d) the percentage of loss of earning capacity in injuries involving loss of one phalanx of thumb has been increased and percentages of loss of earning capacity in injuries involving ~~was~~ loss of one phalanx of the index and other fingers have been newly prescribed.

The other amendments proposed are of a minor or consequential nature.

(The Bombay Government Gazette, Part V,
18 August 1955, pp. 263-273).

81

93. Application.

India - August 1955.

Employees' State Insurance Scheme extended to
Certain Areas in West Bengal.

In exercise of the powers conferred under the Employees' State Insurance Act, 1948, the Central Government has appointed 14 August 1955 as the date on which the provisions of chapter IV (except sections 44 and 45 thereof which have already been brought into force) chapter V and chapter VI (except sub-section (1) of section 76 and sections 77 ~~xxx~~ to 79 and 81 thereof which have already been brought into force) of the said Act shall come into force in the following areas of the State of West Bengal, namely:

- (1) Area within the limits of the Calcutta Municipal Corporation and Tollyganj Municipality.
- (2) The revenue district of Howrah excluding the area within the jurisdiction of Syampore Police Station in ~~xxxxx~~ Uluberā Sub-division.

The Scheme was inaugurated ~~by~~ formally at Calcutta on 15 August 1955 by Dr. B. C. Roy, Chief Minister of West Bengal. The scheme will benefit 225,000 workers in the area.

(Notification SRO 1770 dated 10 August 1955; Gazette of India, Extraordinary, Part II, Section 3, 13 August 1955, page 1819; The Amrita Bazar Patrika, 16 August 1955).

82

CHAPTER 12. INDUSTRIAL COMMITTEES.

INDIA - AUGUST 1955.

121. Special Information.

Working Conditions in the Chemical Industry
in India during 1953.

The Labour Bureau of the Government of India issued a questionnaire in June 1953 to 64 selected units in the industry of chemicals and chemical products excluding match and lac (including shellac) factories. Of the 64 units addressed 44 supplied the requisite data. An article based on the replies received is published in the Indian Labour Gazette, Vol. XII, No. 12, June 1955. Available data from other sources, such as the returns under the Factories Act, Payment of Wages Act and the Trade Unions Act have also been utilised wherever appropriate.

Employment.- The following table shows the distribution of the workers employed by the 44 units by State and sex:-

State	No. of Units.	Number of workers employed in May 1953					Percentage of Col. 6 to Col. 4.
		1952	Total	Men	Women	Children	
1	2	3	4	5	6	7	8
Bombay.	-- 18	2,194	2,059	1,874	185	-	9.0
Bihar.	-- 1	180	222	222	-	-	-
Madhya Pradesh.	1	30	50	40	10	-	20.0
Madras.	-- 8	333	310	258	50	2	16.1
Punjab.	-- 2	18	28	28	-	-	-
Uttar Pradesh.	1	18	16	16	-	-	-
West Bengal.	7	1,204	1,119	946	173	-	15.5
Hyderabad.	-- 1	53	17	6	11	-	64.7
Mysore.	-- 2	50	100	100	-	-	-
Rajasthan.	-- 1	-	250	137	113	-	45.2
Saurashtra.	-- 2	1,211	1,329	1,036	293	-	22.0
Total.	44	5,291	5,500	4,663	835	2	15.2

Taken on the whole, women workers formed only 15.2 per cent of the total workers. Practically no children were employed. Only one unit in Bihar employed a small number of labourers on contract.

Temporary workers

Time-rated workers predominated, forming 97.1 per cent of the total. Only six smaller units had piece-rated workers. Of these three employed ^{only} on piece-rates.

Temporary workers formed only 17.6 per cent of the total.

Length of service.- Twenty-four per cent of the workers had been in service for over ten years, while 43.1 per cent for 5-10 years. Comparatively speaking, the percentage of workers with longer service was higher in the bigger units. Workers with service of five years or more formed 76.6 per cent of the total in bigger units, while this percentage in the smaller units was only 47.4.

Labour turnover.- Labour turnover was a little over 20 per cent. In some of the smaller establishments, labour turnover was greater than the employment. Of 951 discharged workers, the four bigger units accounted for 642, and another three units employing 347 workers for 223.

Absenteeism.- The average rate of absenteeism for 12 months ending April 1953 was 10.7 in the case of smaller units and 16.0 in bigger units. In one of the bigger units in Saurashtra the average rate was as high as 31.8. This unit has stated that this high figure was due to their liberal scale of leave. Although some other units have more or less the same standard of leave as the Saurashtra unit they do not show such high figures of absenteeism.

Recruitment and training.- In all the units recruitment was usually made directly by the departmental heads. In only one ~~large~~ large unit employing 806 workers skilled and semi-skilled posts in the company were filled up through public advertisement, and also by utilising the services of employment exchanges.

Wages and earnings.- Information regarding wages and allowances of the least skilled workers is available in respect of 42 units. Of them 15 gave consolidated wage, while the remaining 27 had separate wages and dearness allowance. The average basic wage and dearness allowance paid to the least skilled workers in 27 units is given in the table below:

State	No. of units.	Average				Total	
		Basic Wage		Dearness allowance			
		(In March 1953)					
		Rs.	As.	Rs.	As.	Rs.	As.
Bombay	-- 12	28	13	39	8	68	5
Madras	-- 5	33	0	18	6*	51	6
West Bengal	-- 5	39	2	21	6	60	8
Uttar Pradesh	-- 1	16	0	16	0	32	0
Mysore, Saurashtra and Bihar	-- 4	25	6	23	6	48	12

* Does not include Dearness allowance for one unit.

According to the data received under the Payment of Wages Act, the average monthly earnings of workers in the industry group 'Chemical and chemical Products' during 1951, 1952 and 1953 were 72 rupees 3 annas, 81 rupees 2 annas and 86 rupees 8 annas respectively. The average earnings of workers in the various States in 1953 were as follows:-

	Rs.		Rs.
(i) Assam	-- 112.0	(vii) Uttar Pradesh	-- 75.3
(ii) Bombay	-- 107.5	(viii) Madras	-- 53.1
(iii) Bihar	-- 96.7	(ix) Punjab	-- 47.3
(iv) West Bengal	-- 89.3	(x) Andhra	-- 36.8
(v) Ajmer	-- 87.8	(xi) Madhya Pradesh	-- 27.2
(vi) Delhi	-- 80.2	(xii) Orissa	-- 24.3

Bonus.- Annual bonuses of one kind or the other were given in 24 out of 44 units. The rate of bonus generally varied from one to two months' basic wage in the year, however, annual bonus at the rate of 3 months' basic wage was given in one unit. Two units also gave attendance bonus. In one workers who attended on all the working days in a month were given one day's wages as attendance bonus and in the other this allowance was 1 rupee.

Hours of work, Shifts, etc.- The daily and weekly hours of work were 8 and 48, respectively in 39 units. In the remaining units the daily hours varied from 7 1/2 to 8 3/4 and weekly hours of work generally, from 45 to 46 1/2. The spread-over of daily working hours was between 8 and 9 in most of the units, with an interval of one hour for rest.

85

Of the 43 units supplying information in this respect, 33 worked only one shift, 3 two shifts and 5 three shifts. One unit had 6 shifts - 4 for process workers, one for women workers and one general shift. In the remaining unit, the various departments had different number of shifts. There were three shifts for process workers, 2 for workers in transportation department and one for other departments.

The units worked night shifts i.e. shifts closing after the evening hours or working till early next morning in these units, the working hours were generally between the hours of 16.00 to 24.00 and from 00.00 to 08.00 hours. Two units gave night shift allowance to the workers.

Holidays and leave with pay. - Weekly holidays with pay was given in eleven out of 44 units, though in some of the units this facility was available only for permanent workers. Twenty seven units gave festival holidays, the number of holidays was 1 in two units, between 5 to 10 in nine units, between 10 to 15 ~~xxxxxx~~ days in ten units, 16 days in one and 20 days in another unit. Details regarding the number of holidays are not available in the case of the remaining four units. Casual leave was given to workers in 11 units, the number of days leave per year so granted varying from 7 to 12. Eleven of the units gave sick leave, the period varying from 5 to 12 days in a year in all the units excepting one. In this unit sick leave was permissible upto 15 days per year with half pay and half dearness allowance. Regarding earned leave, most of the units conformed to the provisions laid down in the Factories Act, namely one day for every 20 days worked. In two units earned leave was given at the rate of one day for every 12 days worked. This benefit was, however, restricted in one unit only to permanent workers.

Accidents. - Data on accidents during 12 months ending April 1953 are available in respect of only 11 units employing 4,256 workers. In these units, there were in all 143 accidents of which 123 were minor, 15 serious and 5 fatal. The following table gives the data collected under the Factories Act regarding the number of accidents in the industry group "Chemical and chemical products" and in all factory industries for the sake of comparison. The figures in the brackets show the rate of accidents per 1,000 workers employed.

	1952			1953		
	Fatal	Non-fatal	Total	Fatal	Non-fatal	Total
Chemical and chemical products.	15 (00.20)	2,015 (27.38)	2,030 (27.58)	11 (00.14)	2,056 (26.82)	2,067 (26.96)
All Manufacturing industries.	246 (00.10)	81,645 (33.41)	81,891 (33.51)	237 (00.10)	83,160 (34.60)	83,397 (34.70)

The rate of accident, which is determined mainly by that for the non-fatal group, is distinctly lower in the chemical industry than the over-all rate in the manufacturing industries.

Industrial Relations: Trade Unions.- According to the data relating to the number of trade unions, their membership, finances etc. in the industry group 'chemicals and chemical products' collected under the Indian Trade Union Act, 1926 for the year 1952-53, there were in March 1953, 89 unions, with a total membership of 36,815 covering over half the number of workers in the industry. Of the 36,815 members, only 4.2 per cent were women. In ~~xxxxxx~~ the unions in Part 'B' States women formed 10.5 per cent of the total, as against 3.8 in Part 'A' States. The over-all average membership per union was 414, it was highest in Bihar namely 871 followed by Bombay with an average of 643.

The total income and expenditure of these unions during the year 1952-53, were 115,142 rupees and 90,160 rupees and the average income and expenditure per union being 1,294 rupees and 1,013 rupees respectively. The unions in Bihar had the highest average income and expenditure namely 2,640 rupees and 2,320 rupees respectively. The unions in Bombay recorded averages of 2,017 rupees and 1,191 rupees respectively.

Of the total income of 115,142 rupees, as much as 81.7 per cent came from contributions from members. The proportion of contributions in Part 'B' States was distinctly less than that in Part 'A' States, but incomes from donations and miscellaneous sources in the case of latter were distinctly higher. As regards expenditure, salaries and establishment charges accounted for 42.2 per cent of the total, the proportion being less for Part 'B' States. Trade disputes, which accounted for more than 1/10 of the total expenditure was the next important single item of expenditure.

Industrial disputes.- The statistics of work stoppages, mandays lost etc. due to industrial disputes are given below:-

61

Year	Number of						
	Disputes		Workers involved		Man-days lost		
	(a)	(b)	(a)	(b)	(a)	(b)	
1951	--	1,071	25	691,321	6,213	3,818,928	61,587
1952	--	963	16	809,242	5,442	3,336,961	84,496
1953	--	772	15	466,607	5,791	3,382,608	10,729
1954	--	840	23	477,138	10,713	3,372,630	175,281

Note:- (a) - All industries.
 (b) - Chemicals and dyes.

Industrial relations machinery.- Only four units, one each in Bombay, West Bengal, Saurashtra and Bihar (including 3 bigger units) had labour officers. Works Committees were in existence in 7 units - two each in Bombay and West Bengal, and one each in Bihar, Saurashtra and Rajasthan. Of these seven committees, three were in the bigger units. These committees were stated to be working satisfactorily in five units. In the sixth unit the committee's work was not considered to be upto expectations. Information regarding the working of the committee in the seventh unit is not available. Standing orders existed in 13 units. Of these the standing orders of 10 had been certified by the appropriate authorities.

Housing.- Housing accommodation to workers was provided by 16 out of 44 units. On the whole, 13.6 per cent of the workers in the units covered were given housing accommodation. In three important States employing large number of workers viz., Bombay, West Bengal and Saurashtra, the percentage of workers housed was 9.6, 24.4 and 5.0 respectively. Information regarding the rent charged etc. is available for 14 units. Ten of them provided rent-free quarters. In the other four units the rent charged was 10 per cent of the pay, in one unit, annas twelve per month in a second unit 2 rupees 8 annas ~~xxx~~ to 6 rupees, in the third, and from 4 rupees to 9 rupees in the fourth unit. Excepting one unit in Rajasthan, all the units have reported that the houses of workmen were pucca and were provided with sanitary arrangements. In Rajasthan unit the accommodation consisted of huts.

Medical facilities.- Apart from the provision of first-aid obligatory under the Factories Act, 17 out of 44 units provided medical facilities to their workers. Of these, 12 units provided free medical treatment. In these units, medicines manufactured by the firm were available to the workers either free of cost or at a reduced rate. Five units maintained dispensaries or hospitals. Of these, three big units had fully-equipped hospitals - one each in Bombay, West Bengal and Saurashtra. The first unit which employed 806 workers had one full-time medical assistant to look after the industrial hygiene work, 2 part-time doctors - one male and the other female, one part-time dentist,

86

one part-time eye specialist, 2 nurses and 2 compounders. This unit had also made arrangements for the treatment of workers suffering from tuberculosis. In the second unit in West Bengal employing 688 workers, up-to-date medical facilities of a high standard were available. In this unit there was one ward of 5 beds for indoor patients with a well-equipped dispensary. It had one doctor, one compounder and a dresser. In this unit, medical facilities were extended also to the families of the workers. If a worker was unable to attend personally, the factory doctor made a free visit, if he lived within a radius of half a mile from the factory. Arrangements for skiagraphy at company's cost also existed in the unit. In the third unit arrangements were made with an Ayurvedic hospital for free indoor and outdoor treatment of workers.

Welfare.- Out of 44 units, 12 had canteens and the management generally provided building, furniture, light and water for their use. In one of these canteens in a bigger unit, food was sold at subsidised rates. In this unit the management also provided a radio set and a radiogram. Facilities for recreation of workers were provided by ten units; however, these facilities were only limited in scope except in a few cases. The management generally provided equipment and space for games and supplied newspapers. Only one big unit in Bombay had a well-organised sports club, with a library attached to it. In another unit film shows were organised periodically. Rest shelters were provided by ten units; in some cases, these shelters were not exclusive, but were located in the canteens. Creches existed in three units, which employed 127, 46 and 293 women workers. In two units which had more than 50 women, creches did not exist. One of them has stated that arrangements were being made to start a creche. Grain shops existed in five units, three of them being in the bigger units. Maternity benefit claims in 101 cases were paid during 12 months ended April 1953 by four units employing in all 545 women workers. The total and average amount of compensation paid came to 3,208 rupees and 31.7 rupees respectively.

Provident Fund.- Fourteen out of 44 units employing 4,218 workers (which is 76.7 per cent of the total workers included in the survey) had made provision for future, which generally consisted of contributory provident fund or gratuity. All the big four units had both the systems. One unit employing only 11 workers gave a lump sum of money upto 100 rupees as a reward for faithful service.

89

Of the remaining thirteen units, 9 had both the contributory provident fund and gratuity schemes and the other four only provident fund. Workers who were either permanent or who had put in a qualifying service extending over a period of 6 months to one year were eligible to become members of provident fund. The workers' contribution to the fund was $6 \frac{1}{4}$ per cent of basic wages in seven units, $8 \frac{1}{3}$ per cent in four units, and 10 per cent in two units - the employers contributing an equal amount. In one of these units, the contribution to provident fund was calculated on the total of basic wages plus dearness allowance, with effect from July 1953. In nine out of 13 units supplying information on the number of workers covered by the provident fund schemes, 2,751 out of a total of 3,272 workers were members of the fund.

As regard gratuity, only those who had completed a certain number of years' service were eligible. The rate of gratuity varied from 10 days' basic wages to $\frac{3}{4}$ month's for every completed year of service subject to a maximum of 12 to 15 months' wages.

(Working conditions in the Chemical Industries in India during 1950 was reviewed at pages 63-68 of the report of this Office for December 1951).

'L'

90

Meeting of Ad Hoc Committee on Building and
Construction Industry, New Delhi, 3-4 August
1955: Constitution of Regular Industrial
Committee recommended.

An ad hoc session of the Industrial Committee on Building and Construction Industry was held at New Delhi on 3 and 4 August 1955. The meeting was attended by representatives of Central and State Governments, contractors and workers. Mr. V.K.R. Menon, Director of this Office, attended the meeting by special invitation. The Labour Minister, Mr. Khandubhai Desai, presided.

Agenda.- The agenda of the meeting was as follows:-

1. Conditions of work in the building and construction Industry.
2. Fair wage clause and labour regulations in contracts, of work of Central and State Governments.
3. Special amenities for women employed in the Building and Construction Industry.
4. Adoption of the Advisory Guide.
5. Enforcement of labour standards in the building and construction industry.
6. I.L.O. Convention (No.62) concerning safety Provisions (Building), 1937.
7. Prohibition of white lead in painting; and Protection of Women and Children against lead poisoning. (I.L.O. Convention No.13 and Recommendation No.4).

Item I. Conditions of work in the Building and Construction Industry.- A memorandum on this subject, prepared by the Labour Ministry, points out that according to the Census of 1951 the number of workers engaged in the building and construction industry was about 1100,000 including independent workers. As against this figure the total number of workers employed in factories in 1951 was about 2,500,000. Due to the large number of construction works since undertaken under the Five Year Plan, for example, river valley projects, housing programmes and other construction works associated with industrial projects, the number of workers employed in the industry has gone up considerably.

91

In the Second Five Year Plan it is likely that about 13,500 million rupees, i.e., 24 per cent of the total outlay, may be allocated for the construction of houses, shops, schools etc. There will also be a considerable expansion of construction activities in connection with the other projects. Employment in the construction industry is mostly ~~seasonal~~ seasonal in character, a large part of labour being casual and unskilled. There is the little organisation among them. Another important feature of the construction industry is that the bulk of labour is engaged by contractors. The extent of contract labour in the Central Public Works Department was 69 per cent in 1952 and that in the Public Works Department in Madras about 99 per cent; in Orissa the percentage was 86; in Mysore 80 and in Delhi about 100.

The nature of work in the industry is arduous and at ~~times~~ times ~~risky~~ risky. The worker has to work in the open and face the inclemencies of weather. The nature of the work calls for certain safety measures like suitable scaffolds, ladders, proper fencing of work platforms, gangways and stairways and steps for preventing danger from electrical equipment.

The memorandum adds that though the number of workers employed in the construction industry is very large and the risks to which they are exposed are many it has not been possible, hitherto to bring the conditions of their employment under any statutory regulation. One difficulty in the enforcement of statutory regulation is the dispersed nature of the industry and the seasonal character of employment. However, the Workmen's Compensation Act, 1923 applies to workers employed in construction, repair or demolition of buildings, dams and embankments of a height of 20 feet and above, roads, bridges, tunnels, wharves, quays, seawalls, etc. The Minimum Wage Act, 1948, also ~~applies~~ applies inter alia to stone breaking, stone crushing, road construction and building operations, and regulates wages, hours of work and overtime rates in respect of these employments. The normal hours of work for an adult as fixed under the Act are 9 per day and 48 per week. When a worker works in any of these employments for more than nine hours any day or for more than 48 hours in any week he is entitled to wages at double the ordinary rate. There is also provision for a weekly holiday.

The question of extending the Payment of Wages Act, 1936, to this industry is under consideration.

92

The memorandum goes on to say that so far as workers employed in works in the public sector are concerned, labour clauses in the contract form of the Central Public Works Department, afford a measure of protection in respect of wages, welfare, safety and other conditions of work. The Fair Wage Clause ensures payment of a fair wage by the contractors and the sub-contractors. The Contractors' Labour Regulations framed from time to time contain provisions in respect of payment of wages, wage periods, deductions from wages, recovery of wages not paid, maintenance of wage slips publication of the scale of wages and other terms of employment etc. There is provision ~~for~~ for maternity leave. Further, the contractor is required to supply necessary plant, tools, appliances, ladders, cordage tackle, and scaffolding that are necessary for the execution of the works. The Model Rules in the contract form provide for first-aid, supply of drinking water, provision of washing and bathing places, latrines and urinals, rest shelters, creches and canteens.

The contract form of the Military Engineer's Service contains clauses regarding payment of wages and provisions of basic ~~amenities~~ amenities like accommodation, sanitation, supply of water etc. The Railway Administration has also under consideration draft regulations in this regard. A number of State Governments have also incorporated similar labour clauses in the contract forms of their Public Works Departments and some others are likely to do so. The Port Trust of Madras, Cochin and Kandla have made provisions for welfare amenities and there are regulations governing employment of labour under the Port Trusts of Madras and Cochin. Suitable provision ~~has~~ has been made for workers employed at the Tungabhadra Works in respect of first-aid, supply of drinking water, provision of washing and bathing places, rest shelters, creches etc. The contract form of the Damodar Valley Corporation also contains certain labour clauses.

The memorandum suggests that the Committee may wish to consider the desirability of recommending that legislation should be undertaken for laying down minimum standards in respect of safety, health, welfare, and wages and the payment of wages also other general conditions of work in the building and construction industry, indication being given, as far as possible, of the specific matters which should be so covered and their extent.

Item II. Fair wage clause and labour regulations in contracts of work of Central and State Governments.
 The memorandum on this subject points out that the bulk of labour in the building and construction industry is engaged by contractors. It was with a view to protecting such contract labour that the "Fair Wage Clause" and the "Contractor's Labour Regulations" were introduced in the Central Public Works Department contract form during 1946.

The main provisions in the contract form relate to conditions of work, wages, and safety. Model rules have accordingly been framed and standards laid down in respect of basic amenities that have to be provided to building and construction labour.

The amenities and welfare provisions contained in these Model Rules relate broadly to facilities for "first aid, supply of drinking water, provision of washing and bathing places, latrines and urinals separately for men and women, rest shelters, creches and canteens.

The memorandum adds that the General Conditions of contract of the Military Engineer Services have been revised and amplified in respect of the Fair Wage Clause and Contractors' Labour Regulations on more or less the same lines as those of the Central Public Works Department.

~~XXXXXXXXXXXX~~ The general conditions of work in the building and construction industry were discussed at the 14th Session of the Standing Labour Committee held at Madras in August 1954. The Committee agreed that State Governments should be given some time to consider the question of inclusion of the Fair Wage Clause, Labour Regulations and other provisions regarding welfare of workers in contract forms of the State Public Works Departments on the lines of those in the Central Public Works Department. The State Governments were accordingly requested in September 1954, to acquaint the Government of India with the progress made in this regard. It would appear from the replies received that some State Governments e.g., Madras, Madhya Pradesh, P.E.P.S.U., Punjab, Hyderabad, Vindhya Pradesh, Manipur and Tripura have already incorporated the Fair Wage Clauses and Contractor's Labour Regulations in ~~their~~ their contract forms. Some others e.g., Orissa, Andhra, Bombay, Madhya Bharat, Bihar, Rajasthan and Madhya Pradesh have also agreed to do so.

Memorandum

The ~~points~~ points out that there is an I.L.O. Convention (No. 94) concerning Labour Clauses in Public Contracts applicable to contracts under a public authority involving expenditure of funds by a public authority and employment of workers by contractors. The memorandum goes on to say that the requirements of the Convention regarding wages, maintenance of registers and records, display of ~~XXXXXXXXXXXX~~ notices and provision of health, safety, and welfare ~~XXXXXXXX~~

94.

measures are generally satisfied by the labour clauses incorporated in the contract forms of the Central Public Works Department and Military Engineer Services. Incorporation of similar clauses in the contract forms of other public authorities which have building and construction programmes ~~and~~ under way at different levels and effective enforcement of such provisions would be the obvious first step towards the ratification of this Convention.

Item III. Special amenities for women.- The memorandum on this subject says that women constitute a considerable proportion of the labour employed in the building and construction industry. According to the Census of 1951, women constituted 12.7 percent of a total of 1.1 million of self-supporting persons, engaged in the building and construction industry. The largest percentage of women are employed in Central India, East India, North-West India and South India show the next higher percentages. Numerically, the South India region employs the largest number of women. So far as the public works are concerned women form 19.8 per cent of the total labour employed in the Central Public Works Departments, 42.7 per cent of the labour in the Public Works Department in Madras, 37.8 percent in Mysore and 26.1 percent in Delhi. In the river valley projects of Hirakud, Tungabhadra and Manimuthar women ~~constitute~~ constitute a large percentage of the total labour force. ~~XXXXXXXX~~

A recent survey carried out by the Labour Bureau has revealed that the working and living conditions of labour in the building and construction industry need considerable improvement. In regard to the provision of rest shelters, washing facilities, sanitary arrangements, etc., not much has so far been done while the arrangements regarding drinking water and protective equipment leave much room for improvement. Housing conditions of building workers are also generally poor and welfare facilities, except in some of the major dam projects, are almost non-existent.

The memorandum further says that apart from amenities of a general nature it is necessary that special amenities in the shape of (i) creches, (ii) separate sanitary arrangements, (iii) separate rest shelters and (iv) maternity benefits should also be provided for women workers employed in this industry.

The memorandum states that the Conditions of Contracts of the Central Public Works Department contain maternity benefit rules for female workers employed by contractors. Maternity leave not exceeding 8 weeks - (4 weeks preceding and 4 weeks following the day of delivery) - in case of delivery and 3 weeks in case of miscarriage is provided for. Leave pay during maternity leave is to be at the rate of the woman's average daily earnings of the full days worked during the preceding three months or at the rate of 12 annas a day whichever is greater. Leave pay in case of miscarriage is to be at the rate of average daily earnings of the full days worked during the preceding three months. However, no maternity leave benefit is admissible unless a woman has been employed for a total period of not less than six months immediately preceding the date on which she proceeds on leave.

There is, however, no provision for separate shelters for rest for meals for women workers. It adds that if the existing provisions in the Model Rules as well as the Conditions of Contracts of the Central Public Works Department are made generally applicable to all construction works in the public as well as in the private sectors and provision is also made in respect of separate shelters for women, the basic needs of women workers will, to a large extent, be satisfied.

Item IV. Adoption of advisory guide in regard to welfare of workers. - The memorandum on this subject says that in case of the resolutions adopted at its third session in Geneva in February 1951 the I.L.O. Committee on Building, Civil Engineering and Public Works recommended that the employees should provide for building and construction workers suitable welfare facilities at or near the work site. The Committee also prescribed in the resolution appropriate standards in this regard.

The Resolution was examined by Government in the light of existing amenities and in the context of the feasibility of statutory provision of such facilities. The suggestions of the State Government, Ministries concerned, the employers' and workers' organisations and representatives of employers and workers who had attended the session of the Committee were invited with a view to implementing the Resolution. In the light of the suggestions, an "Advisory Guide" was prepared in which welfare facilities were ~~classified~~ classified into basic facilities which should be provided in all works irrespective of their size and duration and other facilities which should be provided under certain conditions.

The memorandum points out that some State Governments, e.g., Madras, Madhya Pradesh, P.E.P.S.U., Punjab, Hyderabad, Vindhya Pradesh, Manipur and Tripura have incorporated the Fair Wage Clause and Contractors' Labour Regulations in their contract forms. Some others, eg e.g., Orissa, Andhra, Bombay, Madhya Bharat, Bihar, Rajasthan and Madhya Pradesh have also agreed to do so. It suggests the Committee may like to recommend (i) that the conditions of work etc. of workers engaged in the building and construction industry should be covered by separate legislation which the Labour Ministry should undertake as early as possible and (ii) that pending legislative provisions on the subject, the standards laid down in the Advisory Guide should be implemented by the Central and State Governments, and other public authorities in respect of all works carried out by them or under their control.

Item V. Enforcement of Labour Standards. - The memorandum on this subject says, that certain labour standards for building and construction workers under the Central Public Works Department are contained in the Fair Wage Clause and the Contractor's Labour Regulations in the contract form of the Central Public Works Department and the Model Rules formed for the purpose. The standards prescribed in the Fair Wage Clause and Contractors' ~~Regulations~~ Labour Regulations mainly relate to wage regulation, maintenance of registers, display of notices and submission of returns, etc. The standards laid down in the Model Rules pertain to protection of health and sanitary arrangements for workers employed by the Central Public Works Department or its contractors.

The contract form of the Central Public Works Department contains penal provisions for breach of some of the labour clauses in the form of deductions from Contractors' bills, and imposition of fines. These penal sanctions appear to be confined only to making good any loss suffered by a worker and any default in the submission of accurate fortnightly labour returns.

According to the annual report of the Chief Labour Commissioner on the working of the Fair Wage Clause and Contractors' Labour Regulations in the Central Public Works Department for the year 1953, the amenities provided to building and construction workers were on the whole far from satisfactory.

The position is much worse in the private sector of the industry in the absence of any statutory regulations.

97

The memorandum adds that there appears to be need for suitable legislation to regulate conditions of labour in the building and construction industry. Until such time as legislative action is undertaken, steps may be taken to incorporate the Fair Wage Clause, Contractors' Labour Regulations and Model Rules in the contract forms of all public authorities and the machinery for enforcement of the regulations may be expanded where such is already in existence, and suitable machinery created where it is not in existence.

Item VI. I.L. Convention (62) concerning safety provisions (Building) 1937.- The memorandum on this subject points out that ~~the~~ at its second session held in Bombay on the 12 May 1955, the Committee on Conventions considered this Convention and recommended that it should be placed on the agenda of the Ad Hoc Tripartite Committee on Building and Construction Industry with a view to deciding what action should be taken in respect of the various provisions contained in the Convention.

Item VII. Prohibition of white lead in painting and protection of women and children against lead poisoning.- The memorandum on this item says that I.L. Convention No. 13 and Recommendation No. 14 were also considered by the Committee on Conventions at its second session during May 1955. That Committee recommended inter alia that the provisions of these instruments should be brought to the notice of all concerned, especially the building industry, drawing attention to the hazards involved in lead painting and inviting their opinion with regard to the extent to which protection could be given and the manner in which they proposed to give such protection.

It adds that lead poisoning, including poisoning by any preparation or compound of lead or their sequelae, lead tetra-ethyl poisoning, etc. are notifiable diseases under Section 89 and 90 of the Factories Act and the State Governments are empowered to order enquiries into the causes of a notified disease by a competent person. Even though there is considerable painting work done in the building industry, there are at present hardly any regulations concerning the use of white lead and protective measures for safeguarding women and children in this respect.

918

The memorandum suggests that the committee might like to recommend the incorporation of the provisions of the Convention No.13 and Recommendation No.4 in the contract forms of the Central and State ~~Government~~ Public Works Departments in the first instance, and suggest ways and means of ensuring the due observance of the measures in the private sector of the building industry.

Chairman's address: Plea for workers' welfare.-
Mr. Khandubhai Desai, in ~~his~~ his address asked ~~the~~ contractors to change their attitude towards workers employed in the building and construction industry. He said that the problem of these workers had become important now as the country was evolving a socialistic pattern of society on democratic lines.

Mr. Desai added that more than 10,000 million rupees had been spent during the ~~five~~ last five years on the construction of dams, roads, railway lines and other structures. These activities were bound to increase with the industrialisation of the country during the second Five Year Plan period. An increasingly large number of workers would be employed in the industry and "we cannot afford to neglect them".

The needs of labour in the construction industry, the Minister said, had so far been neglected although a model scheme as regards the working conditions had been formulated by the Works, Housing and Supply Ministry. The scheme had not been accepted by all States.

Mr. Desai said that the Government favoured a voluntary change in the attitude of the employers and did not easily resort to legislation unless it became inevitable. "But the Government cannot let the employees in such a vital industry be neglected and may have to resort to statutory legislation".

He asked the delegates to the meeting to lay down a code of conduct for contractors as well as for labour so that a fair wage for fair work could be guaranteed.

Decisions: Item I. Conditions of Work.- There was a general discussion. The workers' representatives felt strongly that there should be legislation during the period of the second Plan covering certain essential aspects, such as, safety, health and welfare. Pending enactment of such legislation, Government should try and secure the incorporation and implementation of the Fair Wage Clause and all other connected Regulations and Rules in the Central Public Works Department Contract Forms on the widest possible scale, particularly in respect of works under Government and public bodies.

99

The Employers' representatives, however, considered that provision of such amenities through contract agreements should first be tried and legislation may be enacted later, if necessary.

Some State Governments indicated that in their opinion legislation was not opportune at present.

Item II. Fair Wage Clause.- The Committee unanimously agreed that (i) the Fair Wage Clause, (ii) the Labour Regulations, (iii) the Model Rules and (iv) the other relevant labour provisions existing in the Central Public Works Department Contract Forms should be incorporated (and enforced) in their contracts by the various agencies of the Central Government, including the Railways and the Military Engineer Services, the State Governments, the Local Authorities, including Port Trusts, Corporations, Multi-purpose project authorities, and other such large employers of labour in the building and construction industry in the public sector.

The detailed examination of the Fair Wage Clause, the Labour Regulations, the Model Rules and other labour clauses was then taken up for consideration. These clauses in the Central Public Works Department Contract Forms were agreed upon subject to the certain observations.

Item III. Special amenities for women.- The Committee recommended provision of separate rest shelters for women workers. It was recommended that creches with at least one hut and one dai to look after the children of women workers to be provided in respect of even works in which the number of women workers is more than 25 but less than 50. As regards maternity benefit the Committee suggested that maternity benefit provisions for ~~XXXX~~ women workers should be incorporated in fact contract forms of the Central Ministries, State Governments, Local authorities, Port Trusts, etc., on the same lines as has been done in the Central Public Works Department Contract Form.

Item V. Enforcement of labour standards.- With a view to making the enforcement machinery more effective the Committee recommended that (a) the existing machinery should be expanded and (b) adequate enforcement machinery where it does not exist, should be created. Officers of appropriate level should be designated and charged with the responsibility of enforcement of the Labour Regulations.

Item VI. I.L.Convention No.62.- The Committee has of the view that the principles covered by the I.L.O.Convention concerning safety measures should be accepted and enforced by the Central and State Governments, Local Bodies and other public bodies by incorporating the provisions in the contract forms. Eventually, after necessary experience has been gained of the applicability of the principles and their implications in relation to the conditions operating in the country, central legislation should be undertaken on the subject.

Item VII. I.L.Convention No.13 and Recommendation No.4.- A similar procedure to the one recommended in regard to I.L.Convention No.62 was suggested for this item also.

Other matters.- With a view to maintaining continuity in work and for ensuring that the various problems concerning the building and construction industry were dealt with adequately the Committee suggested that there should be a regular Industrial Committee and a small Standing Committee (of the Industrial Committee) which could meet more frequently.

(The Statesman, 4 August 1955;
Copies of Memorandum submitted to the
Committee received from the Labour Ministry).

'L'

RECORD OF PRINCIPAL DECISIONS ON LABOUR AND ALLIED SUBJECTS.

INDIA - AUGUST 1955.

Chapter 12. Industrial Committees.

Meeting of Ad Hoc Committee on Building and Construction Industry, New Delhi, 3 and 4 August 1955.

"An Ad Hoc session of the Industrial Committee on Building and Construction Industry was held at New Delhi on 3 and 4 August 1955. Among others the following conclusions were reached at the Meeting:-

(i) Incorporation of the Fair Wage Clause, Contractors' Labour Regulations and Model Rules and other labour provisions of the Central Public Works Department contract forms in the Contract forms of the various agencies of the Central Government including the Railways and the Military Engineer Service, the State Governments, Local Authorities Port Trusts, Corporations, Multi-purpose project authorities and other such large employers of labour in the building and construction industry in the public sector.

(ii) Maintenance of an Employment Card for each worker in addition to the Wage Slip.

(iii) Deletion of Paragraph 6(3) of the Contractors' Labour Regulations which empowers an Executive Engineer to grant ~~xxxx~~ exemption from the maintenance of Wage Registers and Wage Slips in respect of works on which less than 100 persons are employed.

(iv) Provision of separate rest shelters for women workers.

(v) Creche with at least one hut and one dai to look after the children of women workers to be provided in respect of even works in which the number of women workers is more than 25 but less than 50.

(vi) Provision regarding Maternity Benefits for women workers should be incorporated in the Contract forms of the Central Ministries, State Government, Local authorities, Port Trusts etc., on the same lines as has been done in Clause 19-F of the Central Public Works Department Contract Form.

102

(vii) Tripartite Site-Committees should be formed in the case of works of sizable nature.

(viii) The provisions of the I.L.O. Convention (No.62) concerning Safety Provisions (Building) 1937 should be incorporated in the Contract forms of the Central Ministries, State Governments, local authorities, Port Trusts etc and enforced.

(ix) With a view to making the enforcement machinery more effective (a) the existing machinery should be expanded and (b) adequate enforcement machinery where it does not exist, should be created. Officers of appropriate level should be designated and charged with the responsibility of enforcement of the labour regulations.

(x) With a view to maintaining continuity in work and for ensuring that the various problems concerning the building and construction industry were dealt with adequately there should be a regular Industrial Committee and a small Standing Committee (of the Industrial Committee) which could meet more frequently.¹

'L'

1 Government of India: Ministry of Labour
(Confidential) Note for Circulation to the
Indian Missions Abroad for the Month ending
the 21 August 1955, pp. 2-3.

103

LIST OF PRINCIPAL LAWS PROMULGATED DURING THE
PERIOD COVERED BY THE REPORT FOR AUGUST, 1955.

INDIA - AUGUST 1955.

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

- (1) Ajmer Bhoodan Yagna Act, 1955 (VI of 1955).
(Gazette of India, Extraordinary, Part II,
Section II, 9 August 1955, pp. 355-362).
- (2) Rajasthan Jagir Decisions and Proceedings
(Validation) Ordinance, 1955. (Rajasthan
Gazette, Part IVB, 24 July 1955, pp. 14-17).
- (3) Assam Khadi and Village Industries Board Act, 1955,
(XVI of 1955). (Assam Gazette, Part IV,
27 July 1955, pp. 49-54).

'L'

BIBLIOGRAPHY.

INDIA - AUGUST 1955.

Chapter 1. International Labour Organisation.

- *(a) Report on the Administration of Mysore for the Year 1953-54, Parts I and II. Printed by the Director of Printing, Stationery and Publications at the Government Press, 1955. pp.244.
- *(b) Madras State Administration Report 1952-53. Part II. Printed by the Superintendent, Government Press, Madras, Price Rs.4/4/-, pp.213.

Chapter 4. Problems peculiar to certain Branches of the National Economy.

- *(a) Annual Report on the Working of Co-operative Societies in Bihar for the year 1952-53. Printed by the Superintendent, Government Printing Bihar, Patna, 1955. Price Rs.6/-, pp.263.
- *(b) Cottage Industries: Report on the Working of the Boards set up by the Government of India, 1954-55. Ministry of Commerce and Industry, 1955. pp.89. (One copy sent to Geneva as per this Office Minute No.D.1/1144/55 dated 18 August 1955).

Chapter 6. General Rights of Workers.

- * Annual Report on the Working of the Payment of Wages Act, 1936 in the State of Uttar Pradesh for the Year 1952. Allahabad. Superintendent, Printing and Stationery, U.P., 1954. Price Rs.3/2/-, pp.69.

Chapter 9. Social Security.

- * Report on the Working of the Workmen's Compensation Act 1923 as amended by the Workmen's Compensation Act 1951, in Burma for the Year 1953. Rangoon. Superintendent, Union Government Printing and Stationery, Burma. Price 70 Pyas. pp.9.

'L'

* Publications received in this Office.