25 SEP 1554 Canthal wage Ecand For Sugan Inlustry of Labour & Employment Government of India, Civil Lines, Kasia Road,

No.3727/WB-G(97)

Dated, September 11, 1559.

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2 2 5 5 0 1959

The Additional Under Secretary to Government of Rihar, Labour Department, Patna.

Subject : heCommenDarions For IntEnLa melicF-Ghasific, flow

Sir,

I am directed to refer to your letter No. 111/D-1-14015/59L, dated the 4th September, 1959 on the above subject and have to say that it seems that a few mills have mis-understood the clarifications issued by the Board regarding the eligibility of seasonal workmen for interim increments during their employment in off season.

The Sugauli Dugar Works (Frivate) Ltd. had raised a similar point vide their letter dated the 4th September (copy enclosed) as now done by Hibar Sugar Works, -achrukhi, District Saran, copy of whose letter was enclosed with your letter in reply. A copy of letter No. 337/WB-F(38) dated 10.9.59, addressed to Sugarli Sugar Works (Frivate) Ltd. clarifying the position is being enclosed for your perusal.

It will be clear from this that a seasonal workman whose relationship with his employer subsists will continue to be eligible for interim relief for a off seasonal employment.

Yours faithfully,

(H.M. Misra)

Copy forwards for information to :-

- 1. The Secretary, Indian Sugar Mills Association, India Exchange Building, Calcutta 1.
- 2. The Secretary to Govt., Labour Department, U.P., Lucknow.
- 3. The Dy. Secretary to Govt. of India, Ministry of Labour & Employment, New Delhi.
- 4. Pihar Sugar Workers' Union, Pachrukhi, Dist. Saran
- 5. The United Frade Union Congress, 249, Bow Bazar Street, 1st Floor, Calcutta.
- .6. All India Prade Union Congress, 4 Ashok hoad, New Delhi.
  - 7. Hind Mazdoor Sabha, Servants of India Societics Home, Bombay.
- 8. Indian National Sugar Mill Workers' Federation, Shahanshah Manzil, Golaganj. Lucknowl.

- 9. United Chini Mill Mardoor Jederation, Kanpur.
- 10. Indian National Trade Union Congress, 17 Janpath, New Delhi.
- 11. Secretary to all State Governments except U.F.
- 12. Hind Chini Will "azdoor Federation, Lucknow.
- 13. All members of the Board.

H.M. MISH.

COPY OF LETTER NO. NIL DATED ATH SEPTEMBER, 1959, FROM THE GENERAL MANAGER OF BURAULI HUGAR MORKS PRIVATE LIMITED P.O. SUGAULI CHAMPARAN (BIHAR).
ADDRESSED TO THE SECRETARY, INDIAN SUGAR MILLS ASSOCIATION, BIHAR BRANCH, DRAFER ROAD, PAINA.

# Interim relief renommendation - clarification -

We refer you to your sircular No.1/195 of 1959 dated the 21st July,1959 of the above subject and our letter No.1.34/59-60/9 of the 25th August,1959. In your letter No.5334 dated the 31st August,1959 you have not fully clarified the point mentioned in our letter under reference.

According to your letter of the 31st ultimo if any seasonal workmen is engaged for a certain period during the off season, he will not be allowed the interim relief which came into force from 1.1.1959. Since the content of your letter under reference is not very clear we site an example for your reference and seek your opinion to avoid confusion.

Suppose A was working in the season 1958-59 as a seasonal employee and he remained on duty till the last date of crushing i.e. 22nd May 1959. He received the benefit of interim relief as mer recommendation of the Central Wage Board for Sugar Industry from 1st January, 1959 till 22nd May. 1959 and thus he received payment of Rs.58/- per month till date of h his last employment. Now he has been taken in on work during the off season for some period to work in the factory. The point is this whether his employment will be considered a fresh appointment and whether he will get a salary of Rs.55/- (the salary which he was getting before the introduction of interim relief) or he will get Rs.58/- per month includir the Interim relief recommended by the Central Wage Board for Sugar Industry If according to you he will be paid a monthly salary at the rate of Rs. 55/ for the period of his employment during the off season then how his retaining allowance will be calculated and whether his employment during the coming crushing season (1959-60) will be termed as re-employment and shall be akin to fresh recruitment. Under the circumstances shall the seasonal employees be deprived of the benefit of interim relief which they already got from 1.1.1959 to 22.2.59. Further, can the seasonal employee be forced to work during the off season on the salary which he was getting prior to introduction of Interim relief?

Thanking you and awaiting your considered opinion and clear clarification on the above point to avoid confusion.

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COPY OF LETTER NO.3374/WB-F(38)-DATED-LOTH SEPTEMBER, 1959, FROM SET H.M. MISRA, SECRETARY CENTRAL WAGE BOARD FOR SUGAR INDUSTRY CIVIL LINES KASIA ROAD, GORAKHFUR, ADDRESSED TO THE CENTRAL MANAGER, THE SUGAR WORKS PRIVATE LTD. P.O SUGAULI, DIST. CHAMPARAN (SILAR)

SUBJECT: INTERIM RELIEF RECOMMENDATIONS - CLARIFICATION

Please refer to your Letter dated the 4th September,1959 addressed to the Secretary, Indian Sugar Mills Association. Billiar Branch Fraser Road, Fatna, a copy of which was forwarded to me for clarification I am directed to inform you as follows:

In the instance cited by you, 'A' was working in the season 1959 as a "seasonal employee". There is a distinction between a 'tempo -rary employee' and a 'seasonal employee'. The relationship of employer employee continues in the case of a seasonal employee. He gets the retaining allowance and he has a right to be re-employed at the next erushing season. So when he is re-employed furling the off season for some period to work in the factory, he is entitled to receive a salary not lower than what he h was getting on the 22nd May. 1059 when the last season closed. It is not a case of fresh capleyment as it would have been had it been the case of a "emporary employee". His employment in the coming crushing season (1952-60) is not re-employment or a kin to fresh recruitment. He will be entitled to continue to receive the interim relief which he got from the last January, 1965 to the 22nd May, 1959.

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## COST OF PRODUCTION IN SUGAR INDUSTRY

The following is the break-up of the controlled price as given by Shri A.P.Jain, Union Food Minister in the Lok Sabha on 26-8-58.

	1				Rs. nh	)			
1.	Cane price	316	40.4%		14.55	per	maund.		- 4
2.	Taxes - excise Duty, Cess & Codperative Societies' Commission		36.5%	y -	13.14	It	tt		
3.	Manufacturing cost	w	17.6%		6.34	11	11		
1.	Export Loss		1.4%		0.50	11	11		
5.	Rehabilitation		1.4%		0.50	II		ıbject	
6.	Gross Profit		2.75		0.97	11	" jar	ncome-	er-
	X		100,0		36.00		te	ax at	5150

# Items not included by AITUC in computing Minimum wages

Collect worker which a short ways,

# I Food

1'. Ghee

2. Spices & condiments

## II Clothing

# A Warm Gloths

1. Coat (M)

2. Jercy (M)

3. Shawl(F)

' 4. Coat (C)

5. Jercy (c)

# Ikk B. Bedding

. 1. Matters

' 2. Quilts

# C. Stitching

Low changes were taken below market rates.

# Items not included by Employees in computing minimum wages

# I Food

## A. Not insluded

1. Wastage

2. Fish, Meat, Fruits and eggs

3. Spices & Condiments

4. Ghee

# B. Low Allowance

1. Rice (Wheat)

2. Milk

3. Sugar (Gur)

More weightage to leafy weg.

# II Clothing

- (a) No warm cloths
- (b) No Stitching charges
- (c) No coat & cap

  31 Yds. Dhoti charges

2×8 Row. & Low

STATEMENT SHOWING THE RECOMMENDATIONS OF THE PAY COMMISSION AND GOVERNMENT'S DECISIONS THEREON

Government desire are given - 1600 types)

#### Pay Commission's recommendation

Government's Decision

- 1. With the present magnitude of unemployment and underemployment in the country and the low levels of income, the present minimum of Rs.75, which compares (avourably with the rate in organised private industry, is sufficient to attract recruits of right type. While the it is necessary to keep inflationary pressures in check, a modest increase in minimum remuneration is called for in the interest of contentment of the staff. The minimum remuneration should be increased from Rs.75 to Rs.80 p.m.
- 2. Dearness allowance should continue as a separate element for employees whose salaries are below Rs. 300 p.m. and should be at the following rates:—

Basic pay below Rs.150 ... Rs.10
Basic pay of Rs.150 or
above but below Rs.300 Rs.20

There should be marginal adjustments for employees drawing a basic pay of Rs. 300 or above but upto Rs. 320.

- 3. The entire remuneration of the higher paid employees should be in the form of salary with no separate dearness allowance.
- 4. The Commission have recommended typical scales of pay for all services and posts.
- 5. House Rent Allowance: Present classification of localities on basis of population should continue and the 'revised rates of house rent allowance should be as follows:—

	Class of cities				
	'A'	'B'	'C'		
•	Rs	Rs.	Rs.		
Below Rs.75 Rs.75 and above	10	7.50	5		
but below Rs. 100 Rs. 100 and above	15	10.00	7.50		
but below Rs. 200	20	15.00	7.50 for those drawing below		
Rs. 200 and above	10 % of	7½ % of	Rs. 150		
113. 200 and above	pay	12 % 01 pay	Nil		

Where application of these rates results in reduction of house rent allowance being drawn at present, the reduction may be spread over three years or so. Accepted.

Accepted.

Accepted.

These are being examined by Government and will be adopted with such modifications as may be found necessary.

Accepted with the following modifications in respect of 'A' class cities:

The rate of house rent allowance. will be 15 % of pay subject to a minimum of Rs.20 for the pay range Rs.100-499 and  $12\frac{1}{2}$  % of pay for the pay range Rs.500 to Rs.999.

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- 7. Employees whose place of duty, though outside, is in the proximity of a qualified city, and who, of necessity, reside within the city, may be given the house rest allowance admissible in that city.
- 8. The present basis, and general scheme of the city compensatory allowance do not call for revision; but the rates should be as follows:—

	Class of cities					
¥ .	1A1	'B'	'C'			
Se le	Rs.	Rs.	Rs.			
Eelow Rs.150	10 % of pay subject to a minimum of Rs. 7.50 and a maximum of Rs. 12.50.	5 % of Nil pay sub- ject to a minimum of Rs.5 and a ma- ximum of Rs.10 for all persons drawing be- low Rs.500 p. m.				
Rs. 150 and above but be-low Rs. 300 'Rs. 300 and above	8 % of pay subject to a minimum of Rs. 12. 50 and a maximum of Rs. 17. 50 6 % of pay subject to a maximum of Rs. 75.					

Where the application of the proposed rates would result in reduction of the amount being drawn at present, the reduction may be spread over three years or so.

- 9. Working hours of office staff are on the low side and an increase would be justified, but an attempt should 'first be made to obtain better output within the present hours. The present 5½-day week should be replaced by alternate weeks of 5 and 6 days.
- 10. The number of public holdays should be reduced to 16 where they exceed that number.
- 11. Casual leave should be reduced to 12 days in a year for office staff.
- 12. The age of superannuation should be 58 years for all classes of public servants including those for whom the retirement are at present is 10. but years

Accepted.

Accepted subject to the following modification in respect of 'A' class cities:

The rate of compensatory allowance for the pay range Rs. 150 and above will be 8 % of pay subject to a minimum of Rs. 12.50 and a maximum of Rs. 75.

One Saturday in the month should be a full holiday, and on all the other Saturdays the normal hours of work should be observed.

Accepted.

Accepted.

There should be no change in the existing position regarding the age

- 14. The rate of gratuity should be changed so as to make the maximum amount available on completion of 30 years' qualifying service.
- 15. Temporary service when followed by permanency, whether in the same or any other post, should count in full for pension.
- 16. Leave taken out of India should count for pension to the same extent as leave taken in India.
- 17. When the total period of qualifying service exceeds completed years by more than six months, an additional benefit of half a year's pension may be allowed for the purpose of determining the quantum of pension.
- 18. (1) Officiating, special and personal pay may continue to count in full in cases in which it so counts at present.
  - (2) In other cases, officiating, special and personal pay drawn during the last three years of service should be taken into account at the following scales:—
    - (i) Officiating pay (i.e., the difference between substantive pay and the pay actually drawn in a higher officiating appointment) or pay drawn in a non-substantive capacity should count to the extent of half in every case; and
    - (ii) special pay or personal pay should count (a) in full if the post to which it was attached was held in a substantive capacity, and (b) to the extent of half in all other cases, including special pays drawn in tenure posts.
- 19. Categories of staff who are at present required to subscribe to a provident fund at the rate of 8-1/3% of their pay or will be required to subscribe at that rate even after being brought on to the pension scheme should continue to subscribe at that rate, and all other employees should subscribe at least

scientific and technical personnel, but extension for the rest should be an exception rather than the rule and would have to be justified strictly on grounds of public interest.

Accepted. The rate of earning gratuity will be increased accordingly from 9/20ths of a month's emoluments to 10/20ths of a month's emoluments for each completed year of qualifying service.

Accepted.

Accepted.

Accepted subject to the following modifications:-

- (1) The additional benefit will be allowed even when the total period of qualifying service exceeds completed years by exactly six months; and
- (2) the benefit will also be allowed in respect of gratuity.
- (1) Personal pay will count in full if it was granted to compensate for loss in substantive pay or if the post in which it was drawn was held in a substantive capacity. In all other cases, personal pay will count to the extent of half.
- (2) Officiating pay will count to the extent of half in every case.
- (3) Special pay will not count in any circumstances.

A scheme of compulsory subscription to the general provident fund should be introduced—the rate being 6 nP. per rupoe for employees other than those who are already required to contri-

- 20. The initial pay of an employee who is brought over to the vervised scale of pay should be fixed on a "point-to-point" basis, subject to the conditions: (a) that refixation should not result in a reduction of emoluments; and (b) the additional emoluments should not exceed certain specified ceiling limits.
- 21. Employees affected by the revision of scales should, irrespective of the change over, be allowed to draw their annual increment on the dates on which they would have 'drawn the increment if there was no revision.
- 22. In the process of rationalisation it is unavoidable that though there is a general improvement in the rates of remuneration, there would be a few cases in which the new rate would be unfavourable to small groups of staff. The remedy in such cases is to allow the existing employees to retain their present rates of remuneration.
- 23. The revised scales of pay and dearness allowance should be given effect to from 1-7-1959.

Accepted.

Accepted.

Accepted.

The date of effect for pay, dearness allowance, house rent and compensatory allowances should be 1st November, 1959, but in respect of actual service rendered during the period 1st July, 1959 to 31st October, 1959, Government will make an ex-gratia contribution of a suitable amount. This amount will be worked out on the basis of the revised rates of pay and allowances and credited in due course to the provident fund accounts of the employees.

STATEMENT BY THE FINANCE MINISTER IN THE LOK SABHA ON MONDAY, THE 30TH NOVEMBER, 1959, REGARDING THE RECOMMENDATIONS OF THE PAY COMMISSION.

With your permission, Sir, I rise to make a brief statement about the recommendations of the Commission of Enquiry on Emoluments and Conditions of Service of Central Government Employees, otherwise referred to as the Pay Commission.

- 2. As the House is aware, a Commission under the Chairmanship of Shri Justice Jagan-nadhadas, Judge of the Supreme Court, was set up in August 1957 to examine the principles which should go ern the structure of emoluments and conditions of service of the Central Government employees and recommend such changes as might be considered desirable. The Commission submitted towards the end of 1957 an Interim Report on which Government issued orders in December 1957. The final Report of the Commission was received towards the end of August 1959 and the Government have now considered and taken decisions on some of the major recommendations contained in the Report. I have laid on the Table of the House a statement showing these recommendations and Government's decisions thereon. Copies of the Report of the Commission together with copies of summaries of the main recommendations are being sent to the Library of the House for the use of Hon'ble Members. A resolution embodying the decisions of Government is being issued separately.
- 3. One of the major recommendations of the Commission is that the minimum remuneration of a Central Government employee which is at present Rs. 75 should be increased to Rs. 80 per month. Another important recommendation is to merge with the basic pay the full rates of Mearness allowance as they existed prior to the grant of interim relief in 1957. A third important recommendation is to split the minimum remuneration of Rs. 80/- into a basic pay of Rs. 70 related to the cost of living index of 100 for 1949 and a separate dearness allowance of Rs. 10 related to the average cost of living index for the year 1958. This rate of Rs. 10 will be applied to salaries below Rs. 150 and thereafter there will be a dearness allowance of Rs. 20 per month for salaries upto Rs, 300 per month with marginal adjustments upto a total of Rs, 320/-. The basic minimum pay of a Central Government employee will thus become Rs. 70 per month instead of the present Rs. 50, (made up of a pay of Rs. 30 and a dearness pay of Rs. 20) and similarly there will be a substantial increase in pay in the higher ranges, which will count as emoluments for calculating retirement benefits. Government have accepted all these recommendations as well as some other improvements suggested by the Commission in the matter of retirement benefits. Government have also accepted with some improvements the Commission's recommendations in respect of House Rent and Compensatory Allowances in the costlier localities.
- 4. The various improvements in pay and allowances will cost about Rs. 16 crores per annum and will have effect from the 1st November, 1959. For service rendered during the period 1st July, 1959 to 31st October, 1959, the amounts will be worked out on the basis of the revised rates of pay and allowances and credited to the provident fund accounts of the employees as an ex gratia contribution by Government. In addition, the increased pensionary benefits resulting from the Government's decisions will also cost a substantial amount which will be of the order of about Rs. 2 crores per annum. The additional commitments on account of pay and allowances and pensionary charges will increase progressively over a period of years and the effect on Government finances will, therefore, in the long run, be considerably more than the minimum recurring cost of Rs. 18 crores per annum.

The House will appreciate that, in the present state of national economy, when the execution of the various development plans is of primary importance, this involves a serious burden on the available resources. It is Government's intention to take certain measures to mitigate the affect of this additional burden and to avert any possible inflationary tendencies that may result from the increase in remuneration. Government have accepted the Commission's recommen-

dation to make subscription to a general provident fund compulsory for all employees. Those who are already required to subscribe at the higher rate of 8-1/3% of pay to a contributory or non-contributory provident fund will be required to continue to subscribe at that higher rate, and the others will be required to subscribe at least 6% of their pay to a general provident fund. Government also intend to rationalise the existing procedures, particularly, in executive and operational agencies which are responsible for a large proportion of public expenditure. The results of the works and methods studies already carried out lead me to hope that substantial economies can be achieved which will, to some extent, keep in check the mounting costs of administration. It is expected that some of the staff will become surplus following the proposed rationalisation and simplification of procedures and improvement of existing methods. It is Government's intention that the surplus personnel should be absorbed in future vacancies and not retrenched from their existing employments.

- 5. The Commission have recommended an increase in the age of superannuation to 58 for those who are now governed by the superannuation rule of 55. In the case of categories who are cligible to serve upto the age of 60, the Commission's recommendation is to bring down the age of 58 for future recruits while allowing the existing persons to continue upto 60. Government have carefully considered this matter and come to the conclusion that on balance it would be advisable to maintain the status quo and to make no changes in the existing superannuation age limits. In taking this decision, Government have been influenced by two considerations, viz.
  - (1) the adverse effect which raising the retirement age would have on the employment opportunities available to educated young men and women in the immediate future on account of the continuance in service for three more years of persons who will otherwise retire from service;

and

(2) the adverse consequences of the retention of inefficient persons beyond theage of 55.

These considerations acquire added importance because of the likelihood of surplus personnel resulting from improved work-methods, since the process of their absorption will be delayed in the event of the superannuation age being raised by 3 years. It is Government's intention that grant of extension of service should continue to be governed by the existing orders, viz., extension is to be given freely to scientific and technical personnel, but extension for the rest would be an exception rather than the rule and would have to be justified strictly on grounds of public interest.

- 6. Government have also taken a decision on the Commission's recommendation about holidays, casual leave and hours of work of staff in administrative offices of the Central Government. It is proposed to reduce the number of holidays from 23 to 16 in a year, casual leave from 15 to 12 and to make one Saturday in a month a full holiday. On the other Saturdays of the month, however, the hours of work will be the same as on other working days. With the improvements in the minimum remuneration and in retirement benefits, Government are confident that public opinion will support these small increases in working hours and join with Government in calling upon workers in all Government services for the maximum and uninterrupted output and increased production.
- 7. In addition to the recommendations on which decisions have already been taken by Government, the Commission have made a number of other recommendations on various matters concerning the conditions of service of Central Government employees. These recommendations are being examined by Government and decisions will be taken as early as possible.
- 8. I should like to take this opportunity of placing on record Government's deep appreciation of the invaluable work done by the Commission in dealing with this complicated matter and presenting a lucid and illuminating Report on the various issues involved.

INVEST WISELY RAJKST INDIAN POSTS AND ... LOCK ENGE LY FORMARD FOR YELL CACY FOR OUR FORSAKEN CAUSE SELLING A DEEPTLE PRINCIPLES 18 NER B BY S. COMB PAY SHEELS 18 MODI LAL BREAKUR SHASTATS COLLEGE STATE ENT AT THE OFER ARES IN A T MORKERS ON SOT OF THAT SHE SUSTIFFICATION FOR GRANT HE SOT C. BI- TOR GENERAL P AND T BEFF ITY OF BUT GASEL AS LAID IS IN LIBERT RULES MAKE ANDER SIEBAI GRANTELE TO SETAL FAY 4. ONE VEARS TRAINING SEFORE . EARLY INCREMENTAL TEST ONLY EGR. GUR CHERE BETH LED MEMORANDUM FOLLOWS PRAY YOUR INTERVENTION SEEK JUSTICE WHE . PARLIAMENT DISCUSSES THIS QUESTIES ... C/S TELEGRAP ISTS TONLAS OTO

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B. D. Khanduri

Nasirabad (Rajasthan)

Dated 4th December 19 59

Pleador High Court

Dear Com. Dange,

Just yesterday few 'typist!' who are Government servathts here and at Ajmer after linkwaddinkawar discussing the matter sent their few representatives to yet to me and asked me to communicate/their reaction to my temmission report to de needful.

they found nothing regarding themselves in the Report. Their all hopes were doomed like anything. No need to stress the fact before you that what a highly skilled job it is and how much mental and physical strain it involves. To quote a portion of the U.P.I. report published in London dated 4th. May 1950 "A pressure of 13 ozs. is required for typing a single letter 'K' and that normally a typist will move about 10 Tons of load per day on an average", will wear the testimony of the above fact.

Kindly see that questions are raised regarding this matter in the Parliament during the discussion on the said Report.

I am also sending a letter to Coms. Jopalan and Ajoy Gosh in this connexion.

Kindly do needful.

Thanking you.

With greetings,

Comradely your,

(B. D. Khanduri)

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Evidence Before Sugar Wage Board

AITUC DEMANDS Rs.110 AS MINIMUM WAGE

The representatives of the AITUC strongly advocated their claim of Rs.110 as consolidated minimum wages per month for workers employed in the sugar factories, on the basis of prices prevailing in 1957-58, in their oral evidence before the Sugar Wage Board on September 16 and 17 in New Delhi. Com.K.G.Sriwastava, Secretary, Com.Satish Loomba, Secretary, Com.Ram Asrey and Com.M.K.Pandhe appeared before the Wage Board on behalf of the AITUC.

Com.K.G.Sriwastava explained how the AITUC has calculated Rs.110 as the irreducible minimum which the employers should pay to the workers. In this calculation, AITUC has strictly followed the norms prescribed by the 15th Indian Labour Conference held in Delhi.

He pointed out that this minimum wage is a bare subsistence wage and any wage paid below this amount would be a starvation wage. He contended that the question of capacity to pay does not arise in the calculation of the subsistence wage which fact is admitted by the employers in their memorandum to the Wage Board.

AITUC representatives demanded Rs.160 as fair wage to the wawworkers and observed that steps should be taken to reach this wage level gradually.

The Sugar Mill Owners Association in its memorandum to the Wage Board calculated that the minimum requirements of the workers in sugar industry can be met in Rs.58 per month!

AITUC representatives pointed out how the employers have not observed the norms laid down by the tripartite decisions and how they have based their calculations on fantastically low

prices for which no commodities are available in the market.

Even the members of the Wage Board expressed their doubts regarding the reliability of the data supplied by the employers.

On the other hand, AITUC representatives showed by supplying exhaustive facts how the AITUC claim was the modest and even the members of the Wage Board could not refute any of the claims put forward by the AITUC.

It was further argued by the AITUC representatives that there cannot be any comparison between the claims of workers employed in India's second largest manufacturing industry and the miserably abject conditions of an agricultural labourer who remains unemployed most of the year. It was suggested that efforts should be made to improve the conditions of agricultural labour but not by flepressing the wages of the workers in the sugar industry.

The difference between the AITUC's and employers' calculation can be seen from the following table:

	Employers!	AITUC		
Food	49.50	84.77		
Clothing	4.50	8.80		
Miscellaheous	13.50	23.50		

The AI FUC brought down its claim to Rs.110 as the irreducible minimum below which no worker should be paid while the employers deducted all the other so-called amenities from their calculation and brought down the figure to Rs.58 only.

It was argued on behalf of the employers that if they have to pay Rs.110 as minimum wage, many factories will have to be closed down as they feel; the heavy weight of the taxes, export losses, rehabilitation needs, etc. The AITUC representatives had placed a large amount of data to prove that the employers can earn a reasonable amount of profit even after paying Rs.110 as minimum wage to workers.

For example, it is a well-known fact that the sugar mill owners have amassed huge profits during the second world war and post-war periods. Various Committees of the Government of India have brought to light, a number of scandels. Under such circumstances, these millowners are not justified in charging 50 nP per maund as rehabilitation costs. Similarly, sugar workers should not be denied their rightful wages by allotting 50nP per maund as export loss on sugar while the country as a whole is benefitting from the foreign exchange earned by the industry. Further, other avenues also can be found out by modifying the present cost structure in the sugar industry if the Wage Board is keen on granting Rs.110 as a minimum wage, without increasing the present price of sugar.

At the end, the ATTUC representatives pleaded for retaining allowance to all the workers, better housing facilities, gratuity, recognition of trade unions by ballot and standardisation of wages.

#### SOVIET TU LEADERS VISIT ALTUC OFFICE

Com.Aivasyan, President, Armenian Republican Trades
Council (USSR) and Com.Vadim Chulitsky from the International
Department of the All-Union Central Council of Trade Unions, USSR
(AUCCTU) visited the ALTUC Office on September 22. The Soviet
TU leaders had a talk with Com.K.G.Sriwastava, Secretary, ALTUC.

The Soviet delegates were returning from Colombo en route to Moscow, after participating in the Conference of the Ceylon Trade Union Federation.

#### AITUC GREETS LUNIK II

In the midnight on September 14, the second Soviet space rocket - Lunkk II, made the first cosmic flight to another heavenly body. The whole world received this happy news with overwhelming ovation.

The AIFUC expresses its joy over this outstanding achievement of Soviet science and engineering and sends its warm greetings to millions of workers, technicians and written scientific workers whose tremendous efforts have brought this unbelievable feat into reality.

#### A CORRECTION

In our issue of September 5, on page 11, under the caption "Victory for Darjeeling Plantation Workers", it has put been wrongly xxxxxxxxxxxxxxx "Darjeeling Distt. Chai Kamgn Mazdoor Sangh" whereas the name of the union is "Darjeeling Dist. Chia Kaman Mazdoor Union".

Secondly, as regards the interim wage increase, the increase of two annas was given to the plantation workers of Dooars and Terai and not to the workers of the Darjeeling hill area.

We regret the error.

Editor, P.U.R.

## FIRST MEETING OF THE MADRAS STATE E&I COMMITTEE

The first meeting of the Madras State Evaluation and Implementation Committee NEXXXIII was held on September 12. The Committee discussed the procedure to be followed for dealing with the complaints regarding breach of the Code of Discipline, cases of non-implementation of awards, agreements, etc.

It was agreed that the Chairman of the Committee should constitute ad hoc bodies regionwise and decide what should be done and decisions may be communicated to the members.

On the question of taking preventive action before major strikes take place, Com.T.R.Ganesan, General Secretary, Tamilnad Committee of the AIFOC, brought to the notice of the Committee how the Labour Department remained silent in the case of Kundah National Project workers who served 14 days' notice and struck work accordingly. He unged that the delay by the Labour Department could be curtailed so that that itself will be a preventive action in many cases.

On the appeals pending in the High Court and the Supreme Court, it was agreed that an <u>ad hoc</u> tripartite body may be constituted for Coimbatore region, to decide and suggest which appeals should be directed to be withdrawn. It was also decided to undertake case studies of Binny Engineering and the Harvey Mill strikes.

In the end, a decision was taken than the Labour Commissioner should attempt to bring about out of court settlement in the appeal relating tox the reinstatement of two workers of the Woodbrian Estate Ltd., Nilgiris.

## The Employers replies

- 1; They do not favour any wage increase. In fact they say that in the case of sugar industry the employers have been wise and paid enough to have introduced the same wage-norms which taken were unanimously laid down by the 15th I.L.C.
- 2. Secondly, they want markate/have even agreed for a further wage-rise had the industry been in a position to do so. They feel that the tax-burden, Exportlosses, rehabilitation needs hold their hands.
- 3. Thirdly, according to them the wage-rise can be brought about by reduction in existing labour force which they feel is excessive and surplus even on present machinery.

This makes the task if the AITUC easy. Easy, because, they does not seems to be much difference in the desirability if the wage-claims of the workers.

The problem in essence is to find resources - avenues from where the wager wage-increase demanded can be affected.

Secondly, effort is to be made to find a common ground between the employers and us with regard to the norms laid down by the I.L.C.

	Employers	AITUC	difference
Food	49.50	84.77	35.27
Clothing	4.50	8.80	4.30
Miscellaneous	13.50	23.50	10.00
	67.50	117.07	489×57 49•57

# Pay Commission

me following points brought & notice:

- ) a) The top salary in fort is NOT 3000/ JUDGES & Governors get more + perquisites & facilities
  - disnot exceed. If there are only about 300 persons getty 3000 let it go on record there are about 15 5500 s (13 governors of Prime minister / Reserve Bankfor?)

    There are about 15 5500 s (13 governors of Prime minister / Reserve Bankfor?)

    and at least 90-100 Judges Judges. Over and above there is g course the President.
  - 2) Justice Das 8 Prof Danstwallah have Understandably been partial to
    Vacations in Courts and Schools Even the Atomic Energy Dept's Try School
    grants a 3 month vacation cach year. Ini action by a Scientific Dept

    present world circumstances need no comment. It is not known
    in present world circumstances need no comment. It is not known
    that the second works in Saturday, I si Perhaps it is because

We have now becords to the PM)

found out how to make Atom Bombes

even though National policy militates

against production. If the our boys

work without vacation they might very

possibly come out with Domethy new

Which again might have to wrapped by

National policy curb.

from



with the crowth in the number of employees since 1947, this report has also grown in pages. From the point of view of principles enunciated and/or accepted, this report can be called the most retrograde report that the TU movement has seen since independence.

The report has miserably failed to bring in uniformity in the pay scales of Central Government employees or even for the workers doin, the same job in the various departments. It has found apologies at some places to maintain the differences, while at others kex discretion has been allowed to the Government to maintain it, if they so desire.

Generally there is an attempt, if not exactly to maintain status que, to have least changes.

The Commission has come to the conclusion that Government cannot be a model employer in the sense that they pay higher wages and saloules (here it means rocking need-based minimum wa e) than other good employers for comparable work and be ahead of other such employers on the provision of 'generous' conditions of service and fringe benefits (Which means, in the present context, following the recommendations of the IIO, the Indian Labour Conferences and other decisions of the Government which they prescribe for private employers, and in some cases, a progressive approach in practice). According to the Commission, this will amount to "extravagance" and the "community would be required to pay a price which the efficiency of the public service did not domand and which should not, in fairness, be asked of the Community." A welfare state will build socialistic pattern of society not by practising what it preaches but by speeches and sermons only.

Shri G.L.Nanda, Union Einister for Labour and Employment and Planning, in his inaugural speech at the 15th Indian Labour Conference on July 11, 1957

The most anxiously awaited report of the Pay Commission has been published. On some of the recommendations, the decisions of the Government have been announced in a general way. Some others are still under consideration of the Government of India. Then even in respect of those decisions by which the Government have announced their acceptance, modification or otherwise, details have to be worked out and unless this is done, an employee will not be able to know exactly where he stands. The experience of the last Pay Commission is before us, where the Government were able to deprive workers of full boughts eit or b. c anding or adding new scales of pay or imposing conditions on its implementation. Some of the recommendations like free education to dependents of low-paid employees, increase in D.A. commensurate with increase in cost of living index, otc., were never implemented, while others like the P.T.O. concession. 20 days casual leave, etc., were withdrawn shortly after implementation.

The arbitrary manner in which the grades and trades were fixed at departmental level created not only lack of uniformity but plenty of anomalies. Last but not the is least, the abnormal delay in correctly fixing pay in the scales of pay recommended by the first Pay Commission, i.e., fully implemential the recommendations as accepted by the Government of India, This can be best judged from the fact that even today, after 10 years, there are thousands of employees whose pay has not been properly fixed, arr are not paid, or if fixed, the audit authorities are at pains discovering 'recoveries' for the amount paid years are and enough.

money as well as in real torms, workers' earnings and their standard of living are too low. I adhere to this view."

Further, he said that "As regards wage policy, I am not proposing a wage freeze. . " and then referring to the resolution on wage policy during the second five year plan, he added: "The unanimous report of the Committee on Fair Wages has presented certain useful concepts in dealing with the question of wages. The principles laid down in the report will naturally furnish a basis for the decision of the wage-fixing authorities. But need is being felt for more precise guidance which, while providing for a variety of circumstances, may create a more sure and scientific ground for fixation of wages than available now."

And on the basis of this document, the resolution on wase policy during second five year plan, which laid down the norms for 'need-based' wages, was adopted. The Union Government, the State Governments (whose representatives were present in the meeting and participated in the discussion), employers and workers were all party to it. It has been quoted several times before tribunals and wage boards and was referred to in the questionnaire issued by the Pay Commission itself. All along, it has been an understanding specially in the market working class world that the Government - Central as well as State - as also the employers are, though not legally, but in matter of fact were bound, as parties to the tripartite agreement, by the decision on minimum wage norms.

It is surprising that the Government of India have come out of their obligation in this respect. As the Report states, the Finance Ministry of the Government of India maintains that "these are only "recommendations of the Indian Labour Conference which is tripartite in character" and "Government have, at no time, committed themselves to

As is well-known, one of the important components for calculating the 'need-based' minimum wage, as per the resolution wage policy in second five year plan, is the determination of minimum food requirements on the basis of a net intake of calories as recommended by Dr. Akroyd. For an average Indian adult of moderate activity, Dr. Akroyd specified a net exteric intake of 2700 calories.

The Commission has not accepted this and, instead, have worked out a diet of their own on the basis of "smaller body size of Indians" and the Indian climate, with the help of doctors of the Nutrition Research Laboratories of Hyderabad and others. According to Commission's findings, at Delhi rates, such a diet would cost in December 1958 at the rate of 56 nP or Rs.52 per month for a family of three adult consumption units. It is stated that the calorific value of this diet is a little over 2600.

We give below the dist recommended by the Fair Wages Committee's report as also the one recommended by this Commission. Besides the fact that this diet will not be available in the open market even in Delhi for 52 nP as has been & accepted by the Commission, we are sure that the calorific value of the diet is not 2600.

And this is the main basis on which the Commission has recommended Rs.20 as minimum wage at cost of living index of 115 (1949 = 100).

The Commission has used the usual bogy of wage-pricespiral and the Central Government employees versus the
rest of the population when they say: "We have already
mentioned the virtual unanimity among comptent witnesses
on the likelihood of an upcreep of prices and all the material
before us enjoins an attitude of caution and suggests the

social policy to ensure a balanced diet to a particular was section of the community at the cost of vast number whose diet is even more unbalanced and deficient than that of the particular section (government employees)" (p.66).

The Varadachariar Commission had recommended a maximum salary of Rs.2,000 only, though the Covernment did not accept it. This Commission says that "we have come to the conclusion that we should not be justified in suggesting a reduction of the salaries at the present prescribed for the highest grades of officers." Though it mentions that disparity between the lowest and highest salaries in U.K. is about 1:15, in the USA 1:5, in that Canada 1:6, in Australia 1:13.6 and in Japan 1:47, in India it will be retained as between Rs.70 and Rs.10,000 (President's salary) and Rs.4000 (ICS and other officers' salary).

This Commission has given up the principle of full compensation of dearness according to rise in cost of living index, which, though not implemented everywhere, was accepted as a sound principle. In textiles and banks, this is being implemented. The first Pay Commission had accepted the principle and made recommendations accordingly, though it was not implemented by the Government of India and they granted only ad hoc increases in D.A. from time to time, depending upon workers agitation. Not only that, the Commission pointed out that low-paid employees (upto basic salary of Rs.46.25) got "more than full compensation".

And thus it comes to the conclusion that D.A. should remain a separate item and be paid on a slab system with a upto minimum of Rs.10, for those getting basic salary at Rs.300. the case of If the cost of living index rises, comployees getting pay upto Rs.1,000 may be considered by the Government.

Opposing automatic adjustment of DA

inflation favours some classes of the population and penalises others, and among the latter are salary earners unable to secure an increase in remuneration sufficient to maintain the real value of their income." However it goes on to say that "inflation is a most arbitrary method of distributing burdens, for it does not take account of the capacity of differ at groups in the population to bear the burden and we cannot accept that at least some of the social consequences of inflation must be left undisturbed, without judgin whether they are fair and ". (emphasis mine)

Thus the Commission wants the Central Government employees to work increased working hours, give increased output, effect compulsory saving in the form of general provident fund and also suffer due to the policy of deficit financing, employees a deliberate Government measure creating inflation intentionally. Is it something different from a policy of not only wage-freeze but wage-cut, at the will of the Government, without telling it so on the face of it.

Even when there is rise in prices to the extent of 10 points of the base level index, employees have to weit for 12 months to become eligible to raise the demand for increase in D.A. Then, may be, on the appointment of another Commission or Committee (which will take its own time), the Government after weighing "the social and economic consequences" may grant or deny the increase in a particular situation.

And this is against the \*long-term character of Government employment, the remuneration of Government servants should not change frequently, and that Government servants should be prepared to take the consequences of a small or short term rise in prices, which may often be fortuitous, as

With the Rule 5 of Security Rules and the power of the Government to remove any employee from service without even assigning any reason, the vast discretionary powers vested in the officials - all being frequently used - and with the lakes of employees still either temporary, casual or work-charged, what is the 'security of their employees which Government employees possess and others do not?

Even with the security of emoluments and even service, this naked policy of making them suffer at least for 12 months and more against rise in prices of essential commodities is highly condemnable.

The Commission did not want inflationary tendencies to grow as a result of cash increase in wages of government employees but surprisingly enough, has turned down the proposals put forth by the employees' organisation for providing foodstuffs and other necessities of life at controlled rates, when prices go up. Nor has the Commission a word to suggest to the Government that it should check rise in prices.

Out of 17,73,570 Government employees, seven lekhs got the pay scale of Rs.70—1—85 plus Rs.10 D.A. as against a pay packet of Rs.75 they have been drawing at present. Out of this increase of Rs.5, he has to pay compulsorily provident fund at 3-1/3% of his pay, contribution to Health Scheme which will be about Rs.1.50, and if allotted Government accommodation, then extra rent to the extent of Rs.2.25 (Rs.5.25 minus Rs.3.00). If he is on contributory provident fund scheme, the contribution will increase as from a basic salary of Rs.30 to Rs.70 at 6-1/4% or 8-1/3%. This is a possibility that large number of employees in this category may take back home smaller pay packet when the cost of living index, since the Pay Commission was appointed, has risen from

In the case of skilled categories, though particular trades have not been fitted in the proposed pay scales, it is evident that in some cases, their maximum has gone down. This is something to be fought with the departmental heads to an extent.

Large number of clerks in administrative offices and the Secretariat are the worst sufferers. Increase in working hours on Saturdays, reduction in casual and earned leave and public holidays, has brought their real wages, in fact, down. The differentiation between lower and upper division clerks has been maintained though it is a fact that in many offices, in practice, there are many lower division clerks doing the job of upper division clerks. While the clerks of industrial undertakings will have to work and avail of public holidays on a leaser scale along with industrial employees, their pay scale is the same as in administrative offices.

Industrial workers (along with them now non-industrial staff working with them also) or workshop staff is still to suffer for being on productive job, in the matter of casual and earned leave and increase in working hours without any compensation for the same.

Railway workers have suffered a big setback in their P.T.O. passes being reduced from six to only two and of that only one for home town.

Restriction on house-rent allowance being permitted with the provise of place of duty or residence being within the limits of Municipal Corporation has been removed in the revised scales, which are slightly better. For new entrants in reilways and class IV staff who were having free government accommodation, the facility has been withdrawn.

Demands for field service liability, all-India service

Chowkidars and watchmen and such other categories who remain on duty for 24 hours, the Commission has refused to fix hours of duty but recommended "wherever it is feasible to limit hours of duty... by a rationalised use of the existing staff." Chowkidars on 'active' duty have been recommended weekly rest — others may km get once in a fortnight. Thus the recommendation of the ILO for which our Government is a party has been defied all these years, regardin fixation of hours of duty and weekly off has been thrown to the winds.

Public holidays have been curtailed from 23 to 16 for office staff. For industrial workers also, it is not to exceed 16 in an year. If it is brought in line with the office staff with a slight increase (from 14 and 15 in Defence and Railways), it will remove a longstanding grievance of differentiation.

About casual leave, there are different categories availing different number and some not at all. The Commission has not tried for uniformity. It has left to the Railway administration to decide for itself the number of casual and other leave and public holidays. Office staff has its casual leave reduced from 15 to 12, while industrial workers from none to five goes upto seven in a year. Sundays and other public holidays intervening the casual leave will be ignored as against the present practice of counting them as casual leave.

Similarly, earned leave is reduced for all categories except for those with a service of over 15 years. Now leave will be earned on the basis of x years of service. In certain cases when hospital leave was not being given, it has been extended to the limit of 3 months on full pay and six months on half pay in a period of three years.

Women industrial wardene will stee act and

Age of superannuation was recommended at 53 years, which the Government have rejected and maintained 55 years.

Retrenchment benefits have been liberalised with temporary service counting towards pension. Pension scheme is to be introduced for all non-industrial and industrial workers and existing workers are given option to elect either provident fund or pension. A scheme of gratuity and compulsory general provident fund along with pension is to be introduced.

A system of contribution of a part of the expenses of medical benefic by the employees has been recommended as against free medical aid at present.

### SECURITY OF SERVICE

The report brings out a horrid picture of hundreds of thousands being kept in the category of temporary employees in Government services. The number of temporary employees in railways is 1,79,908 or 18.04%, and in other services 4.16.383 or 53.69%, as on 30.6.57. Almost all of them have put in more than one year's service and a good percentage have 5 to 10 years' service. Among them 47,301 have a service record of over 10 years. This is besides the thousands employed ax as work-charged staff on the construction works or casual employees who have been working for years and even decades deprived of normal service conditions. The worst condition is in Defence Department where 68.48% of the civilian employees are temporary as against only 31.52% being permanent, as if the whole structure, where divilians have been working for decades and even generations, is all yet on casual basis. The Government as the biggest employer has set a very poor standard of denying even security of service to its employees.

The Commission has recommended that in workshops, all

hequired and thus fix the margin of temporary posts.

It has been suggested that in order to revise certain orders of permanency in various departments, a Committee should be set up and to ensure that the revised orders of the Government are given effect to within six months to a year. We have experience that even Committee's take an year or even some time more.

Work-charged staff has been recommended to be brought level on the same house as others. Government have been asked not to keep workers on casual basis for long.

Thus on the question of security of service, except in the case of supervisory, highly-skilled and skilled categories (which has not yet been accepted by the Government), there is no concrete recommendation as against the demand of the workers that all those who have worked continuously for one year should be made permanent.

Even a minimum percentage of permanent employees has not been recommended by the Commission.

## T.U.RIGHTS AND CONDUCT RULES

All the obnixious provision of the Government Servants'
Conduct Rules made by the alien Government to keep its hold
on our country and maintain Government employees as a
separate loyal class have been recommended to be retained
by the Commission. The concept of 24-hour government servant,
not full and complete right of association and speech,
demonstration or strike, has been justified. Restriction
on TU rights of Government employees except the one of
remaining member of an unrecognised trade union will remain.

Though at several places, the Commission has extensively referred to the conditions in countries like U.K., etc., in this respect, it has refused to give industrial and certain other workers political rights even as in those countries on

political affiliations and activities and their public duties, wholly apart and that the public would accept that such a separation could be and in fact, being made" and because "these conditions are not fulfilled in India at the present moment."

If this be the strict conditions, many a minister would be in danger of losing his job or the right to be a member of a political party.

the Commission has recommended liberalisation of the provision of recognition of trade unions and staff associations, though no concrete proposals have been made.

For settlement of disputes between the Government and its employees, it has recommended Standing Negotiating Machinery at various levels - the type that are in existence in railways, defence and P&T department. One good feature of the recommendation is for introduction of compulsory arbitration, though in a limited way for pay and allowances, weekly hours of work and leave (individual cases excluded) only. Another worth mentioning item is association of Union Labour Ministry in matters concerning staff relations. The tendency for the past several years has been that decisions of Tripartite Indian Labour Conferences or other decisions or suggestions of the Labour Ministry not only were not given weight in some of the employing ministries but opposed. Thus the labour policy of the Government of India had remained for only the Labour Ministry and neither in Public Sector nor in Private Sector, it was implemented effectively and as a whole.

As has been mentioned above, the Government have accepted only some of the MANUAR recommendations regarding pay and allowances, D.A., house-rent and city compensatory allowance, working hours, holidays, leave, retirement

orders and then only one will be able to actually find out where he stands.

It has been recommended that the Record pay in the new pay scales will be fixed on point to point basis. This is good but what has been given above have been withdrawn by putting restriction that in no case should the additional emoluments payable as a result of re-fixation exceed a minimum of Rs.5 and a maximum of Rs.50 between certain pay ranges.

The revised scales of parand D.A. have been recommended to be given effect from July 1, 1959. The Government have modified it by giving the arrears from 1.7.59 to 31.10.59 as an ex-gratia contribution of a <u>suitable amount</u>, and credited in due course to the Provident Fund account of the employees. Employees will get cash benefit with effect from 1.11.59.

Thus on the whole, the recommendations of the report as accepted by the Government will give a slight and most inadequate increase in emoluments to a section of employees and a comparatively better retirement benefits. Certain sections of employees will, on the whole, stand to loose, and still others will not get the much-deserved and needed increase in emoluments.

It is an irony of fate that though the Commission has recommended association of Ministry of Labour in staff relations, it has rejected the decisions of 15th Indian Labour Conference regarding need-based minimum wage and accepted the Finance Ministry's version that the Government is not a party for the execution of the unanimously agreed tripartite agreements. Not only that, it has followed, on the policy of increases in wages only with the increase in production, instead of giving all workers their due as a result of increase in national wealth, national increase

Botter retirement benefits are welcome as they are but cannot be a substitute for meeting the high cost of living today.

It will take some time till the full decisions are known in black and white and in detail before a correct assessment can be made and our attitude towards the report of the decision as a whole crystalizes.

Even then a movement for the following should be started immediately:

- 1. In fixing the grades and trades at the department level, representatives of trade unions should be associated and consulted.
- 2. Government should modify that recommendations on D.A. and link it with the cost of living index as against the present too dilatory recommendation.
- 3. Recommendation should not be applied in such a manner as to deprive the full advantages.
- 4. Efforts to be made to bring uniformity in pay scales for the same type of work in different departments.
- 5. Recommendations of the Commission to work only on alternate Saturdays in office to be accepted and the modification made by the Government be withdrawn.
- 6. All those employees who have completed three years of service should be made permanent, right through and in future, after one year's service, employees should be made permanent.
- 7. It is incorrect to reduce P.T.O. passes of railway workers, when uniformity in the service conditions and pay scales was of all government employees is not being recommended.
- 8. Principle of compulsory arbitration in regard to disputes between the trade unions of the government employees and the Government be accepted forthwith as also the association of Labour Ministry in staff relations.