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Industrial and Labour Development in January 1955.

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

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## CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - JANUARY 1955.

### 11. Political Situation and Administrative Action.

Central Cabinet reshuffled: Mr. G.B. Pant appointed Home Minister.

During December 1954 and January 1955 a number of changes of portfolios in the Central Council of Ministers were announced. The changes were made not only due to the death of Mr. Rafi Ahmed Kidwai, the former Food Minister, but because of the desire of the Prime Minister to be relieved from his numerous duties. Notable among the changes announced is the inclusion of Mr. Govind Ballabh Pant, Chief Minister of Uttar Pradesh, in the Union Cabinet. Mr. Pant takes over the Home Ministry while Dr. K.N. Katju the former Home Minister is transferred from the Home Ministry to Defence, a portfolio ~~from~~ ~~khaxHxxx~~ hitherto held by the Prime Minister. Mr. A.P. Jain, Minister for Rehabilitation has been appointed Food Minister. Other Ministers promoted and appointed have been designated as follows: Dr. Syed Mahmud, Minister in the Ministry of External Affairs; Mr. H.V. Pataskar, Minister in the Ministry of Law; Mr. K.D. Malaviya, Minister in the Ministry of Natural Resources and Scientific Research; Mr. M.C. Shah, Minister of Revenue and Civil Expenditure; Mr. A.C. Guha, Minister of Revenue and Defence Expenditure; and Mr. Mehr Chand Khanna, Minister of Rehabilitation. All these six new Ministers hold Cabinet rank but are not members of the Cabinet.

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Uttar Pradesh Cabinet reshuffled: Portfolio of Social Welfare created.

Following the appointment of Pandit Govind Ballabh Pant, Chief Minister, as a Minister in the Union Cabinet, Dr. Sampurnanand, was elected leader of the majority Congress Party and a new Cabinet headed by him was sworn in on 8 December 1954. The only new comer is Mr. Jugal Kishore, Vice-Chancellor of Lucknow University for the last three years, to whom has been entrusted the newly created portfolio ~~of~~ of Social Welfare and Labour. Mr. Mohanlal Gautam, who was a Minister in the previous Cabinet, does not find a place in the new Cabinet.

(National Herald, 29 December 1954).

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Former French Settlements renamed Pondicherry State.

The former French Settlements in India have been renamed the "State of Pondicherry" according to an order published in the Gazette of India, Extraordinary. The "State of Pondicherry" will include Pondicherry, Karaikal, Mahe and Yanam.

(The Statesman, 2 January 1955).

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12. Activities of External Services.India - January 1955.Participation in Conferences, Meetings, etc.

The Director attended the seventh annual convention of the Indian National Trade Union Congress held at Nagpur on 1 and 2 January 1955. Mr. Menon made a short speech at the opening day's session in Hindi, an English translation of which has been sent as annexure to this report (12.1).

During his visit to Madras in the second week of the month, Mr. Menon addressed the Seminar on "Teaching about the United Nations" held at Madras on 11 January 1955 under the auspices of the University of Madras. The subject of the talk was the work of the International Labour Organisation. The text of the speech has been sent ~~as annexure~~ to Geneva under this ~~report (12.2)~~. *Office Memo No. 1.3/98/55 dated 20 January 1955.*

Other activities:

Mr. R. Rao, Assistant Director-General of the I.L.O. was in New Delhi from 20 to 26 January 1955. During his visit, Mr. Rao, met senior officials of the Ministry of Labour and Planning Commission.

Mr. V.V. Dravid, Minister for Labour, Madhya Bharat, among others, visited the Office during the month.

Missions:

During the first 17 days of the month, Mr. V.K.R. Menon, Director of this Office accompanied by Professor Hy Fish and the Director of the National Productivity Centre, Mr. N.S. Mankikar, visited Nagpur, Bombay and Madras, to hold discussions with Government, employers' and workers' representatives in the State of Madhya Pradesh, Bombay and Madras respectively, on the work of the National Productivity Centre. The meeting at Nagpur took place on 3 January 1955, at Bombay on 6 January and at Madras 8 January. The Labour Minister of each of the State Governments presided over the meetings and the discussions served a very effective purpose.



14. Conventions and Recommendations.

India - January 1955.

India ratifies I.L.O. Convention concerning  
Minimum Wage-Fixing Machinery, 1928 (No.26).

The Government of India has informed the International Labour Office, Geneva, that India has ratified the International Labour Convention No.26, concerning minimum wage fixing machinery, adopted by the International Labour Conference at its eleventh session held in 1928. This ratification was registered at Geneva on 10 January 1955.

The Convention provides for the creation or maintenance of machinery ~~employment in certain~~ ~~trades~~ whereby minimum wages can be fixed for workers employed in certain trades. It also provides that a worker who has been paid wages less than the minimum wage in force for him shall be entitled to recover the amount by which he has been underpaid, subject to limitation of time as determined by national laws or regulations.

In the absence of any machinery to fix minimum wages at that time, it was not possible for India to ratify the Convention. The Minimum Wages Act, 1948, providing for fixation of minimum wages in scheduled employments has since been enacted.

The Convention was placed for consideration before the first meeting of the tripartite committee on Conventions held at Madras in August 1954. The Committee recommended that in view of the existing provisions with regard to the fixation of minimum wages, the Convention should be ratified by the Government immediately. This proposal was adopted by the Standing Labour Committee which met in Madras on 11 and 12 August 1954.

India has so far ratified 22 Conventions including two Conventions whose ratifications were subsequently denounced. With the present ratification, the total number of International Labour Conventions in force in India is 20.

(Letter No. RS-173(2)/54 dated 14 January 1955, from the Deputy Secretary to the Government of India, Ministry of Labour to the Director-General, I.L.O., Geneva )

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Action on I.L. Recommendations adopted at  
1953 Session: Statement placed before  
the Parliament.

The texts of the Recommendation No. 96 concerning the minimum age of admission to work underground in coal mines and Recommendation No. 97 concerning the protection of the health of workers in places of employment, adopted by the International Labour Conference at its 36th Session held in June 1953 were placed before the Parliament of India in September 1953. A Statement indicating the action taken or proposed to be taken by the Government of India on these two Recommendations was also placed before the Parliament on 23 December 1954. A brief summary of the Statement is given below.

Recommendation No. 96 (Minimum Age of Admission to Work Underground in Coal Mines).-  
The main provisions of the Recommendation are the following:- (a) Young persons under 16 years of age should not be employed underground in coal mines. (b) Young persons between 16 and 18 years should be employed underground in coal mines only for purposes of apprenticeship or vocational training or under conditions determined by the competent authority and under systematic supervision.

The present position in law and practice in India in respect of these provisions is as follows:-

- (a) The minimum age of admission to employment in coal mines according to the Mines Act, 1952, is 15 years. Adolescents between 15 and 18 years are, however, required to be medically examined and certified fit to work as adults before they can be employed underground. In practice, the number of such persons employed underground is small.
- (b) The Mines Act, 1952, provides for systematic medical examination of adolescents between 15 and 18 years employed underground and the certifying surgeons have the power to specify the conditions under which they may be so employed as also to exercise supervision over adolescents employed in work which is likely to cause injury to their health.

In the Rules to be framed under the Mines Act, Government of India proposes to provide further that no adolescent should be employed in any place where dust constitutes a hazard to health, in any operation involving risk of injury from any part of a moving machine, in any work which is unduly arduous, or, alone in any place remote from other work people. The Government of India also proposes to amend the Mines Act so as to raise the minimum age of admission to employment underground so that the requirements of the Recommendation may be complied with.

Recommendation No.97 (Protection of the Health of Workers in Places of Employment).  
 This Recommendation outlines the measures that should be taken for preventing, reducing or eliminating risks to health of workers arising out of employment; emphasises the need for medical examination, both before and during employment; prescribes the procedure to be followed in the matter of notification of occupational diseases; and, stresses the need for the provisions of first-aid facilities in places of employment.

The Recommendation covers all places of employment, whether factories, mines, or shops and commercial establishments. In India, the Factories Act, 1948, contains adequate provisions for safeguarding the health and safety of workers. The Mines Act, 1952, also contains specific provisions relating to first-aid and notification of occupational diseases. In addition, Section 86 of the Act provides that the health and safety provisions of the Factories Act may be extended to mines. Necessary rules under the Mines Act are being finalised.

So far as shops and commercial establishments and other places of employment are concerned, there is as yet no Central law dealing with working conditions. The State Acts also concern themselves mainly with hours of work, rest periods and holidays. In view of the small size of most of these establishments it is doubtful if they will be able to meet the requirements of the I.L.O. Recommendation. However, the question of enacting a Central Act relating to shops, etc., is under consideration and the provisions of the Recommendation will be taken into account in framing the sections relating to health and safety.

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The Recommendation lays particular stress on consultation between the labour inspectorate, or <sup>any</sup> other authority concerned with the protection of the health of workers, and the employers' and workers' organisations concerned. The need for such consultation has already been recognised by Government and the question of tripartite agreements relating to the standard of compliance with the provisions of the Factories Act was discussed at the twelfth session of the Standing Labour Committee held in November 1950 and the second session of the Industrial Committee on Cement held in March 1954. The Cement Committee has recommended the setting up of Central and State Tripartite Technical Committees to draw up agreements with regard inter-alia to ~~suppression~~ suppression and control of dust, measures for the protection of workers exposed to dust, and fencing and safeguarding of machinery. The Committee on Conventions and the Standing Labour Committee, at its fourteenth session held in August 1954, has also recommended that such Tripartite Committees should be set up in respect of all major industries wherein the workers were exposed to special health hazards and that Government should take steps to secure the enforcement of such agreements as may be arrived at by these Committees by making, if necessary, further provisions in the law. In cases where the Committees are not able to reach agreement with regard to standards, Government should themselves prescribe suitable standards and secure enforcement in a similar manner.

The recommendations of the national tripartite bodies are receiving consideration.

(Copy of letter LCR-71(16) dated 31 December 1954 from the Deputy Secretary to the Government of India, Ministry of Labour, to the Director-General, I.L.O. and Statement for Parliament received in this Office ).

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24. Non-Governmental Organisations (International, Regional and National) Other than Employers' and Workers' Trade Organisations.

India - January 1955.

60th Session of Indian National Congress, Avadi, 21-23 January 1955: Resolution on Socialistic Pattern of Society adopted.

The sixtieth annual session of the Indian National Congress was held at Avadi, Madras, on 21, 22 and 23 January 1955. Mr. U.N. Dhebar, who had earlier been elected as President, presided.

The Congress, which is the oldest and the major political organisation in India, has formed the Governments at the Centre and in 22 States out of ~~12~~ 28 ~~32~~ Constituent States of the Union of India.

The session was attended by delegates from all the States of India including the Prime Minister, Mr. Jawaharlal Nehru, and many Ministers of the Central and State Governments. Among the distinguished visitors to the session was Marshal J.B. Tito, President of Yugoslavia.

President's address. - During the course of his presidential address, Mr. Dhebar, referred to the country's achievements in the sphere of foreign and economic affairs particularly the success of the first Five-Year Plan. The experience of the first effort of planning on a wide scale in a democratic set-up, Mr. Dhebar said, "has convinced us (1) that a vast country like India cannot hope to secure orderly development unless there is a central agency, charged with the responsibility of mobilising its resources under central direction; (2) that granted a spirit of 'give-and-take' not only can we plan for the whole country but can also fulfil the targets without introducing any element of regimentation, either at administrative level or in our economy; (3) that the progress which we have made in such a short time fortifies our confidence and trust in our capacity to carry the country through the socio-economic changes, vast though they are - successfully".

The President stated that what had been done so far was financial planning. "In the circumstances in which we were placed, we could not have done more than building upon the data that existed with us and the resources then in sight ... What we now aim at is real physical planning. The difference between the financial planning and the physical planning is this that, whereas in the former case we had to go by the data in existence, irrespective of the consideration of our needs, in the latter case our needs will be on basis of the second Five-Year Plan".

Mr. Dhebar laid particular stress on the large-scale expansion of cottage and small-scale industries for the solution of the problem of unemployment. He said: "The employment aspect demands highest priority and, while adjustment can be made in the direction of developing common production programmes for the small-scale and cottage industries, in relation to the large scale industries, reservation of spheres can only mean absolute priority to the small scale and cottage industries in these fields". Other avenues of employment could be found in soil conservation, afforestation, major and minor irrigation works and road construction. Along with this programme basic and key industries should receive closer attention so that production of producer goods could be expanded.

Mr. Dhebar defined economic and social equality as the social objective of the Congress. He condemned caste ~~hatred~~ as an evil that bred arrogance at the individual level, rivalry at the social level and divisions at the national level. He also urged members of Congress to work against fissiparous tendencies born of local patriotism and made a plea for the emancipation of women and backward classes.

Decisions: 1) Socialistic pattern of society.  
The Congress adopted the following resolution on 'Socialistic pattern of society':

"In order to realise the object of the Congress as laid down in Article I of the Congress Constitution and to further the objectives stated in the Preamble and Directive Principles of State Policy of the Constitution of India, planning should take place with a view to the establishment of a socialistic pattern of society, where the principal means of production are under social ownership or control, production is progressively speeded up and there is equitable distribution of the national wealth".

Mr. Nehru, who moved the resolution, said that "everything that we ~~xxxx~~ now do, should be governed by the ideal of socialist society". Now that freedom was won the main work was to build up India. The country's first Five Year Plan was cautious because "we did not say more than that we could do", but even in these three years some of the targets had been fulfilled and more than fulfilled. That showed the country's strength. Now the country was on the eve of the Second Five Year Plan and "it became necessary for us now to see in what manner the Five-Year Plan should be made up, how we should utilise the resources in the best possible manner. We have said that we want a Welfare State. Good, but remember that although the Welfare State is an essential part of the socialist pattern, the Welfare State by itself is not a complete socialist pattern. You may possibly have a Welfare State without a socialist State. We want both for a variety of reasons. Therefore, it is necessary for the Congress now to state clearly that our planning in future should be in terms of a socialist pattern of society and that we should work to that end from now. We cannot establish it for many years. It is because the problem is so big". Mr. Nehru said the word socialism had come from the West. In Europe the word was connected with class war, and many other events "but it is not necessary we should go through the troubles of Europe to achieve our brand of socialist pattern. Indeed it would be foolish for us to go through troubles and copy the methods of others".

Concluding he said: "I put this resolution because I think it represents the hopes and aspirations of the Indian people and much more than that. It is a pledge which you and I take - not only a pledge but a challenge to the future that we are determined to conquer"<sup>1</sup>.

ii) Economic policy. The Congress also passed a resolution on "Economic Policy", which stated as follows:

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<sup>1</sup> At the meeting of the steering committee of the session, which considered the resolutions to be placed before the plenary session on 19 January 1955, Mr. Abul Kalam Azad, Union Education Minister explained why the term "socialistic pattern of society" and not socialism as generally understood in the doctrinaire sense had been deliberately used in the resolution. He said India did not want to ~~the~~ tie herself to any particular dogma or doctrine and wanted to build up a society befitting her own genius and requirements. The country wanted to steer clear of the two extremes of capitalism and socialism, since it believed that there can be a third way, a fourth way also.

1. "The Congress records its satisfaction at the improvement made in the general economic situation in the country and the progressive achievement of many of the targets laid down in the Five-Year Plan, which have often exceeded expectation. In particular, the Congress is gratified at the great improvement in the food situation in the country and the progress made in the river valley schemes which have become symbols not only of great conceptions but also of great achievement. The Congress also records its gratification at the advance made in the Community Projects and the National Extension Service which already cover over eighty thousand villages and fifty million people. This great undertaking will bring about basic changes in the entire structure and functioning of rural India. This progress has been made not only because of the work of the trained personnel, but is due also to the public response and co-operation which those schemes have evoked.

2. "The progress made thus far has laid a substantial foundation for all round advance of the people of India. This is evident from the social awakening throughout the country and the great interest taken in the Five-Year Plan. The time has now come for a substantial advance on the economic and social plans with the definite objective of increasing production greatly, raising standards of living, and having progressively fuller employment so as to lead to full employment within a period of ten years. The national aim is a welfare State and a socialist economy. This can only be achieved by a considerable increase in national income and much greater volume of goods and services and employment. Economic policy must therefore aim at plenty and equitable distribution.

3. "The second Five-Year Plan must keep these objectives in view and should be based on the physical needs of the people, which should be mainly provided for by production within the country. This necessitates the building up of heavy industry, including machine making industry, as well as a wide extension of small-scale and cottage industries. The success of the plan depends not only upon careful estimates and planning and proper directions being given, but also on the full co-operation of the people. Planning should, therefore, be based on the widest consultation of the people.

4. "In view of the declared objective being a socialist pattern of society, the State will necessarily play a vital part in planning and development. In particular, it will



- (i) initiate and operate large scale schemes providing services such as power, transport, etc.;
- (ii) have overall control of resources, social purposes and trends, and essential balances in economy;
- (iii) check and prevent evils of anarchic industrial development by the maintenance of strategic controls, prevention of private trusts and controls, maintenance of standards of labour and production;
- (iv) plan the economy of the nation in its basic and broad aspects.

5. "The First Five-Year Plan was based on a public sector and a private sector. The public sector must play a progressively greater part, more particularly, in the establishment of basic industries.

"The private sector or the non-State and voluntary enterprises will, however, continue to have importance. Such enterprises include co-operatives and small scale industries. In the present conditions in India, such non-State enterprises are necessary for adding considerably to production and employment. There can thus be a speedier and fuller achievement of our objective, provided that the functioning of the private sector is in terms of the National Plan. The private sector has thus a definite place in our economy at present and should be encouraged to play its part within the broad strategic controls of the plan.

6. "India is faced today by a great challenge. Not only the urge of the people to progress, but also the compulsion of circumstances necessitate rapid advance so as to bring about far-reaching social, economic and industrial changes. The challenge is to bring these about speedily and effectively by peaceful and democratic processes. In view of the progress already made and the strong foundations laid down, the Congress is confident that the people of India will meet this challenge and fulfil the great hopes placed on them".

Mr. Nehru who spoke on this resolution also pointed out that the main significance of the resolution was the emphasis laid on planning "based on the physical needs of the people" - words which he would describe as "important and governing". The First Plan was based on the information they had at their disposal and on the schemes actually in progress. Half of the schemes in the First Plan were more or less the continuance of what previously existed and the rest included new schemes. The Plan was based on the finances available and the priority given to various schemes, "but that is not planning in the real sense of the word". The conception of planning

was not to think of the money they had and divide it up for various schemes. It should be based on the physical needs of the people of India, who needed food, clothing, housing, education, health services and employment. The Prime Minister emphasised that they were not thinking in terms of finance but only in terms of the needs of the people today and also calculate the needs of the population five years hence, taking into account not only the increasing population but the increasing rate of consumption.

The Prime Minister also emphasised that besides mass production there should also be mass consumption. It was, therefore, the responsibility of the Government to arrange for both production as well as consumption. The money should, therefore, be pumped through wages and otherwise so as to provide the necessary purchasing power to absorb the increased production. All these things, Mr. Nehru pointed out, involved the task of collecting statistics, making sample surveys and doing many other things which were really jobs for experts.

(iii) Rural reform The Congress adopted a resolution on agrarian reform and rural credit the text of which is given below:

"The Congress welcomes the emphasis and attention which the development of rural economy has received in the First-Five-Year Plan. As a result of a number of measures taken by the Government, there is a gratifying increase in agricultural production. But the manpower and physical resources of the villages are still not being put to full use and employment and standards of living of the rural community still remain far below optimum levels. The major cause of this unsatisfactory situation is the dearth of funds for the production and marketing requirements of agriculture as well as rural industries. The facilities for rural credit must, therefore, be greatly enlarged for short, medium and long term investment. This requires reorganisation of co-operative credit and its development on a much larger scale than has been done so far. In the present circumstances, the success of this programme depends on a more active and extensive participation by the state itself in a co-operative enterprise. The announcement by the Government to nationalise the Imperial Bank is a welcome move in this context.

2. "During recent months there has been an abrupt and heavy fall in the prices of a number of agricultural commodities in several areas. Government should take all possible steps to secure reasonable stability on the price-level and to sustain the purchasing power of the people in the rural areas in the interests of general well-being and maximum production.

3. "The Congress welcomes the decision of the Government to accelerate the pace of land reforms and to implement the recommendations of the Planning Commission in this connection by means of a phased programme. The Congress expects that the States will give special attention to this programme and take every possible step for its speedy completion".

The Congress also adopted resolutions: (i) urging measures for the welfare of women and children; (ii) supporting Mr. Vinobha Bhave's 'land-gift' (Bhoodan) movement; and (iii) calling for reform of primary and secondary education and introduction of basic education<sup>1</sup>.



Eighth Annual Session of the All-India Commerce Conference, Jaipur, 30 December 1954 - 1 January 1955.

The eighth annual session of the All-India Commerce Conference was held at Jaipur from 30 December 1954 to 1 January 1955. Mr. A.C. Guha, Minister for Revenue and Defence Expenditure, inaugurated the Conference.

Satisfactory progress of Five Year Plan:  
Mr. Guha's address.— In the course of his inaugural address, Mr. Guha said that the target set in the First Five Year Plan for increase in national income had already been achieved in the third year of the Plan. Drawing particular attention to the

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<sup>1</sup> 60th Indian National Congress, Satyamurtinagar, Avadi. Resolutions, pp.12. (The Hindu, Madras, 20-24 January 1955).

progress made in the implementation of the Five-Year Plan against the background of the serious problems with which the country was faced immediately after independence, he said that there was an ~~important~~ important reason why the progress of the Plan should be emphasised. India had been attempting to achieve economic progress in a democratic set-up, but even then the progress India had made during the first three years of the Five-Year Plan compared favourably with that made in Russia during its first five-year plan. Mr. Guha said: "There (in Russia) the production of basic necessities like food and cloth fell during the first plan. We have achieved more and without any loss of human life or dignity that is associated with totalitarianism".

Mr. Guha said: "We have overcome the food shortage for the time being at least. Rationing has ended, controls over movements of food grains are all but gone, imports have been reduced almost to a trickle, and prices have come down. Behind this lies the increase in food production by more than 20 per cent during the last three years. The progress made so far, has, of course, to be sustained.

"We have to provide for our increasing population, and to provide for them a much better standard of nutrition. The river valley schemes expected ~~to~~ to be completed soon would ensure a lasting solution of the problem of food and other agricultural commodities, e.g., jute, cotton, sugarcane, etc. What has been done and undertaken gives us hope and confidence in the future.

"The progress made by our industries is equally satisfactory. Our industrial production today is 40 per cent higher than in 1948. This record compares favourably with that of other countries. In the U.K. and the U.S.A. for instance, industrial production today is 30 per cent higher than in 1948. There has been a significant increase in the production of ordinary consumers' goods like cotton textiles - both mill-made and handloom. New industries like bicycles, various engineering products, fertilisers, locomotives, etc., have got going.

"In cement also we have done pretty well. But, there has not been a comparable advance in the iron and steel industry; we, however, expect to do very much better in the coming years for iron and steel also. The net result of this increased production is, that the target for national income set in the first Five-Year Plan has been already achieved in the third year of the Plan.

"With the increase in production, inflation has been eliminated and our foreign trade and payments have been restored to a sounder position. If we compare the movement of prices in different countries, we shall find that there is hardly any country in the world which has done better in keeping the cost of living down than ourselves. The cost of living in India today is only 3 to 4 per cent higher than in 1948. In the U.K. it has gone up by 38 per cent in the same period, in the U.S.A. by about 15 per cent, in Canada by 20 per cent, in Sweden by about 30 per cent. I have taken only those countries whose record in this sphere is good - for others like France, Japan, Indonesia or Brazil, the increase in the cost of living has been even greater. When India took to deficit financing, there was a general apprehension of rising indices; but there has not been practically any rise at all in spite of deficit financing.

"Our balance of payments has also begun to look up. As against the large deficits of 1948 and 1949, we had a surplus on current account in 1953 of 520 million rupees. What is even more important, we have been able to adopt a more liberal import and exchange policy and have also all but ~~repaid~~ repaid the money we borrowed from the International Monetary Fund. The Indian rupee is one of the strongest currencies in the world today".

The Minister emphasised that, even though much progress had been made, there was still a lot to do. "The job of finding adequate savings to promote capital formation without inflation, the task of promoting new and greater exports to pay for the ever-growing needs for imports, the provision of technical education and guidance to an ever-widening portion of our people, the reconciliation between capital progress and greater equality in opportunities - these are the tasks which are not solved once and for all. They have to be faced continuously and tackled in a changing world. None the less, the foundations are laid".

Referring to urban unemployment, which he characterised as not merely an economic evil but a social evil as well, he said that the situation was different in different parts of the country. Some of the surveys made recently in Travancore-Cochin, Calcutta, etc., showed that in some urban areas as many as 8 to 10 per cent of the employable people were employed.

"While I do not want to minimize the importance of urban employment, I think we should again have a proper perspective. Only 17 or 18 per cent of our people live in the urban areas. We must also take into consideration the needs of the vast majority of the people who live in our myriads of villages. There is considerable unemployment, or what is sometimes called disguised unemployment in the country-side. Our farmers and agricultural workers have no occupation for large parts of the year. Their incomes are much lower than those of their compatriots in cities.

"It is a very significant fact that agriculture which provides for 70 per cent of our people, accounting for only half of our national income. A great deal needs to be done before the rural people could be brought up to the economic standards of the city dwellers.

"It was with these facts in mind that the primary emphasis in the First Five-Year Plan was on agriculture. The provision of better seeds, fertilisers, irrigation, cottage industries as supplementary occupations, etc., will all add to the employment facilities and to income in rural areas. With only limited resources at our command, it is also natural that we could not expand satisfactorily in all directions. But, it would be a pity if the claims of our long-suffering peasantry were to go by default because of the more vocal claims of the urban areas.

"I must repeat that I am not minimizing the need for greater employment in the urban areas. But I think it is necessary to emphasise that for those unemployed in urban areas, the opportunity for employment and constructive work still lies mainly in our villages. It is a paradox that when millions of our countrymen are illiterate, medically ill-attended and lacking in all civilized amenities, it should be difficult for the few educated to find jobs.

"The rural areas urgently need educated men engaged in development works there. So I do not know why it should not be possible for the urban unemployed to find useful employment in rural development works. Perhaps we need a different orientation in our educational and social systems and a more energetic programme for ~~xxxxx~~ expanding social service.

"But we also need a new attitude on the part of the urban areas towards employment and towards the rural areas. For generations now the cities have lived on the villages. Perhaps it is time now that the urban areas begin to repay their debt to the villages. That way lies the answer both to the frustration of the unemployed in the urban areas and to the liberation of the dormant talents and energies of the millions in the countryside".

Full employment.- Dr. B.R. Misra, Head of the Department of Applied Economics and Commerce, Patna University, said that the most important problem facing the Indian economy was to provide full employment to the teeming millions of the country. Full employment was of profound significance to the economy of the country. It was of the highest importance for the preservation of democracy in India; it would provide the best economic security for the country and would have enormous psychological influence on the masses. Above all it would remotivate the arrested economic development of the country.

Dr. Misra said under the Five-Year Plan, full employment should be achieved in a democratic manner. He was opposed to the introduction of totalitarian methods to achieve the objective of full employment, as such methods were repugnant to the Indian tradition and instinct. The primary objective of the Indian tax policy should be to increase the volume of employment, so that the manpower resources of the country could be best utilised. The Government, he said, should follow a bold policy of deficit financing in order to maintain the level of a certain minimum economic activity in the country.

Dr. Misra strongly criticised the prohibition policy of the States of Madras and Bombay. Prohibition, he said, was a luxury which India could not afford. It was merely a conscience-easing process of its protagonists.

An important suggestion made by Dr. Misra was to start an all-India deposit insurance corporation, which would be charged with the responsibility of insuring deposits up to 10,000 rupees against bank failures. This would effectively mobilize small savings in the country and thus help the Five-Year Plan in its finance, he said.

Other suggestions made by him were:

- 1) As the Government was now undertaking commercial activities, it was necessary that the budget of the Government in the trading departments should be presented on the lines of trading accounts of corporations. In respect of trading ~~departments~~ departments, the functions of the Finance Department were those of a bank, while in respect of the administrative departments they were of a paymaster. The accounts of the trading departments should be divided into three parts: trading account; profit and loss account; and capital account.

2) The whole budgetary concept ~~of the~~ of the Government should be refashioned by the adoption of a budget based upon functions, activities and projects. Such an approach in the general character of the budget would focus attention upon the relative importance of the work to be done, or upon the service to be rendered, rather than upon the things to be acquired, such as personnel services, supplies, etc. It would be in the nature of what may be called a "Performance Budget".

Performance budgeting and accounting, Dr. Misra pointed out, would give a more comprehensive and reliable information to the members of the legislature and the public in making them understand what the Government was doing, how much it was doing it and what the costs were. Performance budgets would be supported by schedules, giving information of the budgeting activities of the Government in a more understandable and effective form.

Dr. Misra pointed out that the abolition of zamindari was merely a destructive process. It should be followed up by the appointment of a Central Land Commission, whose primary responsibility should be to evolve an all-India scheme of land use and management; crop planning; allocation of resources in different sectors of rural economy; rural wage policy; crop insurance and a technique for maintaining parity of prices between agricultural and manufactured goods. He suggested the creation of a Rural Economic Civil ~~Service~~ Service to implement the recommendations of the Central Land Commission.

Decentralisation urged. - Mr. S.N. Agarwal, General Secretary of the Indian National Congress, in his address to the Conference urged the Government of India to appoint a decentralisation Commission to examine cases of all industries before permitting the installation of new large-scale factories in the country. He said there should be no further expansion of large-scale consumer goods industries unless it was proved that decentralisation of these industries was not possible.

After stating that it was a constitutional obligation on the part of the Government to provide people with work which would enable them to earn their livelihood, Mr. Agarwal said the success of all economic planning would depend on the Government's ability to provide full employment to all people. It had frankly to be admitted that the first Five-Year Plan had not been able to achieve this objective.



Referring to the Finance Minister's assurance of finding jobs for 12,000,000 people by the end of the second Five-Year Plan, ~~then~~ he said that even if they were able to invest 50,000 million rupees, as at present proposed, the main question to be considered was "how shall we find these 12 million jobs".

Mr. Agarwal said: "The only solution lies in creating new avenues of employment to millions of people through a systematic organisation of small-scale, village and cottage industries both in the rural and urban areas".

He emphasised that in order to give a positive stimulus to small-scale industries it was necessary to evolve common production programme by demarcating the spheres of production for large-scale, small-scale and village industries. A mere scheme of subsidies and levy of excise duties on large-scale manufacturers would not do.

(The Hindustan Times, 30 December 1954 and 1 and 2 January 1955).

42nd Session of Indian Science Congress:  
Plea for Industrialisation: Presidential  
Address.

The 42nd session of the Indian Science Congress was inaugurated at Baroda on 4 January 1955, by Mr. Jawaharlal Nehru, Prime Minister. More than 4,000 delegates, including 59 foreign delegates attended the session.

In the course of his address, Mr. Nehru appealed for the co-operation of scientists, engineers and other technicians in the implementation of national plans. "It is a tremendous task. We are planning in a big way to improve the standard of living of 360 million people and to remove unemployment. The Planning Commission is attempting to do it. But our scientists, universities and scientific men, ~~wherever~~ wherever they may be, should take an intimate interest in the planning work. Unless they do that, they are not doing their function completely; nor ~~are~~ are we utilising them as well as we should".

The Prime Minister advised scientists not to bow down to Governmental or nationalist pressures. They should, he said, create an atmosphere of free inquiry which was so necessary for scientific development and to ensure that their activities and researches led to the good of the country and mankind generally.

Modernising industry: Presidential address.-

Dr. S.K. Mitra, who was the President of the Congress, in his address made a plea for full and well-planned industrialisation of the country by stages. He suggested planning of increased production through full utilisation of the various labour saving devices invented by science and through co-ordination of developments in the various sectors such as power production, consumer goods industries and agriculture and social services. Such a plan would ensure the most rapid progress of the country as a whole.

Dr. Mitra said that applications of the new scientific principles were almost immediately followed by technological developments which "give rise to industries creating wealth". A part of the wealth so created always found its way back to the organisations for research and the research activities thus intensified "lead to fresh scientific discoveries from which again flow new technological developments providing newer means of creating wealth". This was the process one was witnessing in the West - the rising spiral raising their people to giddy heights of prosperity.

Dr. Mitra ascribed the root cause of mass poverty to the fact that India had not utilised to the full extent, for increased production, the various labour-saving devices invented by the application of scientific principles. In order to achieve the comforts ~~and~~ amenities of life, one must work. The total amount of work needed ~~for~~ for increased production was beyond the capacity of man and animal power. The West employed for the purpose labour saving machineries driven by natural power. India was not doing that to the same extent.

"If India aspires to attain the status of a rich nation, she must adopt the policy of making the fullest use of her natural power resources and labour saving machinery, that is she must industrialise herself", Dr. Mitra said.

Referring to the difficulties in the way of pursuing a policy of industrialisation, he said, the industrialist, when asked to rationalise his production processes, complained ~~that~~ that it would lead to over-production and create unemployment. Such dilemmas arose because in the policy of industrialisation, emphasis was often put "on the wrong end". The progress of industrialisation must be orderly and not haphazard, if it is to

be fully effective. "The correct order of emphasis would be capital goods industry, production goods industry and consumer goods industry. If emphasis is laid on the last named ones first, the problems of over-production and employment are bound to arise", he said.

Dr. Mitra said that full industrialisation was not an easy task and that vast amounts of capital would be needed for its achievement. The rapid rise in ~~population~~ population would create further complication. According to some estimates, if population growth was not controlled, the capital investment must proceed at 20,000 million rupees per annum. Besides, even if capital was progressively built up and invested, the industrial transition would have to proceed according to a well thought-out plan.

Dr. Mitra said: "These developments required comprehensive, total planning and there must be peace both in international sphere and at home. There must be fullest understanding and co-operation between the employers and the employees. They must realise it is in their own interest that they should maintain peace, because success of the plan would bring wealth and prosperity to all."

To illustrate ~~the~~ how applications of new scientific discoveries contributed to general progress, Dr. Mitra quoted the example of the birth and growth of the twin sciences of radio and electronics.

(The Statesman, 5 January 1955).

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25. Wage-Earners' Organisations.

India - January 1955.

Seventh Annual Session of Indian National Trade Union Congress: Need of Austerity to Implement Second Five-Year Plan: Socialistic Pattern of Society supported.

The seventh annual session of the Indian National Trade Union Congress (I.N.T.U.C.) was held at Nagpur on 1 and 2 January 1955. Mr. S.R. Vasavada, President of the I.N.T.U.C. was in the chair. About 2,000 delegates representing nearly 1.5 million workers scattered in various industries throughout the country attended the session. The I.L.O. was represented by Mr. V.K.R. Menon. Mr. Khandubhai Desai, Union Labour Minister, Mr. Gulzarilal Nanda, Union Minister for Planning and Development, and Mr. R.S. Shukla, Chief Minister, Madhya Pradesh, attended the meeting by special invitation.

Messages wishing the Congress success were received from Central and State Ministers, including the Prime Minister, Mr. Jawaharlal Nehru. The meeting was inaugurated by Mr. U.N. Dhebar, President of the Indian National Congress, and was addressed, among others, by Mr. Gulzarilal Nanda.

The convention, among others, adopted resolutions on the new social order based on socialistic pattern, the second Five-Year Plan and consolidation of trade unions. The resolution on the new social order pledged the full support of I.N.T.U.C. to the Government in the execution of its

policy of establishing a socialistic pattern of society (vide pages 17-27 of the report of this Office for December 1954). The resolution on the second Five-Year Plan expressed the opinion that financing of the Plan should rest mainly on internal resources and people's support and suggested the adoption of an austerity programme and a vigorous drive for savings.

Mr. Dhebar's address.— Mr. U.N. Dhebar, in his inaugural address called upon working class to strengthen political democracy that had been established so as to achieve economic equality. Economic equality could not be achieved if political democracy was not strengthened through a systematic development of social democracy. The latter in turn depended for its stability on the internal strength of every ~~stability~~ individual.

Mr. Dhebar paid a tribute to the constructive work done by the I.N.T.U.C. during the last five years in the sphere of labour and said that though the sphere of activities of the Indian National Congress and the I.N.T.U.C. were different, fundamentally they had similar aims and objectives, namely establishment of a socialistic pattern of society in India.

Drawing attention ~~xx~~ to Mr. Nehru's declaration that a socialistic pattern of society was India's goal, Mr. Dhebar said the people should re-assure themselves now that there would be no deviation from the principle of truth and non-violence in the course they would adopt for the establishment of that socialistic society. The I.N.T.U.C. representing 1,500,000 workers of India, should take up the challenge of organising the labour and helping the Government in its efforts to reach that goal. He said the two fundamental aspects to be borne in mind by them in this connection were the social objectives of providing employment to the millions and removal of under-employment and the elimination of exploitation. The Government was striving through the Five-Year Plan and other development works to wipe out exploitation.

Economic equality was another avowed principle of the Congress. Co-operation of the workers and the industrialists and a constructive outlook alone could achieve this end. Mr. Dhebar appealed to the working class to give support to the Prime Minister in his efforts to evolve a new social order.

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Presidential address.- Mr. Vasavada, in his presidential address said that in the last annual session the Congress had come to the conclusion that although the first Five-Year Plan had, by and large, conferred considerable benefit to the country, it did not succeed in solving unemployment. Now that this too had been realised by the Government he hoped that effective measures to remove unemployment would be included in the second Five-Year Plan. As the majority of the people depended on agriculture and lived in villages, suffering from unemployment and under-employment, it was necessary to provide for them occupation in the rural areas to remove such unemployment. Mr. Vasavada said that these people would have to be trained in various industrial occupations, facilities would have to be provided for supply of raw materials, and the marketing of the products thereof should have to be arranged. The country would have to give protection to village products.

Dealing with the second Five-Year Plan, Mr. Vasavada said the immediate question which deserved consideration was, that the industrialisation of the country should be with a view to removing unemployment, bearing in mind the village economy. The capital required should be collected through savings schemes by creating enthusiasm among the people. The prices of agricultural products should be so adjusted as to secure adequate return to the peasantry. If the farmer's purchasing power increased, it would help in larger consumption of products of other industries.

Managing agencies.- Mr. Vasavada appealed to managing agents not to await for legislation but to reduce their remuneration to a reasonable amount in consistency with the national income of the country and forego the surplus. It is needless to add that voluntary sacrifice on their part will be highly appreciated by the country.

Wage commission.- Mr. Vasavada said that if workers and employers acted in collusion in distributing the gains of the production, much more wages could be paid as compared with today but such collusion amounted to "robbery". All efforts to increase their efficiency, maintain their health and achieve overall improvement in their economic condition would ultimately benefit the community at large. The economic condition of workers today could not be said to be satisfactory. Some of the industries did not pay workers enough wages even to enable them to feed and clothe their families. During the first decade efforts had been made in several industries to fill up the gap in the workers' earnings by a payment of bonus. Workers were, however, deprived of their bonus in the last three years on grounds of losses in the industry in a particular region or in an individual unit of the industry. The entire question of wages,

dearness allowance and bonus deserved a serious consideration. In his opinion, industry faced a grave danger in keeping the issue of workers' wages in cold storage. In the second Five-Year Plan it must be decided as to what share the workers can legitimately claim in the production. He suggested that a wage commission be appointed by the Government immediately to decide for the next five years the question of industrial workers' wages, dearness allowance and bonus.

Rationalisation.- Mr. Vasavada said that rationalisation was another important question which was enveloped in doubts and was lying unsolved for a long time. Eradication of unemployment was the most important task facing them. In this connection he asked the following questions: Would unemployment increase or decrease by installation of machines which required lesser number of workers? Did the industrialists desire to help or hinder workers in the task of removing country-wide unemployment? Was it their desire to lighten workers' burden or increase it? It should not be the aim of the industry to increase the profits of few industrialists or wages of few workers. He believed that if the working of the industry in a particular manner aggravates difficulties and did not solve the social problems, the method of that working should be thoroughly overhauled.

Industrial awards.- Mr. Vasavada complained of the abnormal delay in securing awards of tribunals and said that in some cases even negligence was shown in enforcing decisions. Different tribunals dealt with questions of wages, dearness allowance and bonus in their own way and appeals to the High Court or the Supreme Court had almost become an everyday affair. He even heard of threats of strikes and lockouts. He did not think this was due to lack of proper administrative machinery, but he definitely believed that there was a lack of clarity in the industrial policy of the Government. Chaotic conditions prevailed all round in spite of so many tribunals and laws due to absence of definiteness about industrial relations and lack of proper guidance regarding its maintenance. He hoped that the Government and the Planning Commission would seriously consider this very important matter and take immediate steps to remove the defects.

Mr. Vasavada said: "Steps should be taken immediately to allow provident fund on wages, inclusive of dearness allowance. The Employees' State Insurance Scheme is progressing gradually. It is now known to everybody that the workers are dissatisfied with the existing scheme. The demand to extend the scheme to include the families of insured persons, at least so far as medical attendance is concerned, has already been made by the I.N.T.U.C. Even though the Government

has recognised the justification of this demand, it is not known as to when the scheme will be amended.

Housing.- As regards housing, Mr. Vasavada said that although the Government was keen on giving as much help as possible for the housing of workers only a very small amount had been received by the workers who had begun to build their houses.

Industrial health.- Mr. Vasavada said that insufficient attention had been hitherto given to the problem of the health of industrial workers. The country's human wealth was destroyed due to neglect to provide sanitary houses for workers, ensure better conditions of work and supply them with nutritive food. He appealed to the Government to take suitable steps to maintain the workers' health.

Constructive work.- Mr. Vasavada said that he had advised all unions in the country to start constructive activities so that workers might be literate, honest, and take interest in the education and health of their women and children and contribute to domestic happiness.

"The workers", he said, "should also acquire complete knowledge about the industry and attend to their work efficiently and with responsibility. I have advised all State Governments to enact prohibition laws to save workers from drink habit and I have advised the unions to carry on necessary propaganda, so that workers themselves may make efforts to secure freedom from <sup>its</sup> clutches of the evil. I have exhorted the workers to save something and contribute their mite to the National Savings Loan. I have also recommended to them to purchase products of village industries so that those who are employed can render assistance to the unemployed living in the rural areas. It is on your behalf that I have talked about these matters to the workers throughout the country and I have hope you will lend your support to my appeal".

Relations with I.L.O.- Concluding Mr. Vasavada said that he was "happy to note that our relations have remained cordial and we have come closer to labour organisations in other countries and the I.L.O." Such contacts created a goodwill between those who meet and as a result of such meetings a spirit of non-interference was born which enabled different countries to secure progress, in their own way. Referring to the work of the I.L.O. India Branch, Mr. Vasavada said: "Shri Menon, now the Director of the I.L.O. Branch in India is one of our old friends. He keeps constant contact with us and his suggestions have been very helpful".



Mr. Nanda's address.- Mr. Gulzarilal Nanda, Union Minister for Planning and Development, addressing the session, said that the working class and the I.N.T.U.C. should prepare themselves for the discharge of the new responsibilities ~~for~~ that had befallen them following the declaration of policy in favour of establishment of a socialistic pattern of society, and the increasing participation of the working class in the management of industry. Mr. Nanda said that the new responsibilities called for hard work, strenuous effort and widespread sacrifices. The working class was immediately concerned with both the expansion of industrialisation and the growth of public sector, and for this purpose a strong labour movement had to be created. It should pave a wide base, he added, covering agricultural workers, middle class employees and all others who had to gain their livelihood by means of a wage or a salary. But simultaneously, there should be qualitative improvement and workers should grow in character and capacity and understand the obligations.

The Chief Minister of Madhya Pradesh, Mr. Ravi Shanker Shukla, in a brief speech said that in the socialist pattern of society which India had decided to form, the "task" of the workers was to increase production and it was the responsibility of the Government to see that the workers got a reasonable share.

Mr. V.K.R. Menon, conveying greeting to the conference said: "The ILO will receive not a small measure of strength from the stability, strength and solidarity of the trade union movement in India". The usefulness of the ILO, he added, would increase with the growing strength of the trade union movement in India.

General Secretary's Report.- The conference adopted the Annual Report (November 1953 to October 1954) presented by the General Secretary and containing a detailed account of development of the I.N.T.U.C., the activities of its various State branches and its work in the international sphere.

Presenting the report Mr. K.P. Tripathi, General Secretary said that the "progressive" recognition of the I.N.T.U.C.'s national character and its "growing effectiveness" in shaping national policies were the "remarkable" developments of the previous year for the I.N.T.U.C. Mr. Tripathi said that there were 1,067 affiliated unions in the I.N.T.U.C. with a membership of 1,374,730. The I.N.T.U.C., he said, had come to be generally recognised as the mouthpiece of the working class of the country.

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The report explained the stand taken by the I.N.T.U.C. on important problems like rationalisation, employment position, managing agency, housing and health insurance schemes and trade union unity.

The I.N.T.U.C., Mr. Tripathi said, came forward with a definite stand of opposing rationalisation of the ~~automatic~~<sup>textile</sup> machinery in the present circumstances of "growing unemployment". The matter was taken up by the I.N.T.U.C. leadership in the Congress Parliamentary Party which brought forth the famous dictum from the Prime Minister, that "first of all a pool of employment should be created and then rationalisation thought of", he added.

The I.N.T.U.C. solution of withholding automatic machinery for five years was in consonance with its advocacy of cottage industry in the existing situation. Though there was a shift in favour of cottage industries, he said, the proper implementation of the cottage industry programme would have to wait till the creation of a ~~separate~~ ministry for cottage industries.

Mr. Tripathi hoped that early steps would be taken to undertake a comprehensive social insurance scheme as incomplete schemes "have been known to torpedo the scheme itself". The non-extension of medical relief to the families of the workers under the present insurance scheme had made it "unpopular", he said.

Early in the year, I.N.T.U.C. gave a lead to the working class by calling upon it to demand higher wages rather than bonus, he said. Stable purchasing power of the nation could be built only on wages and not on shifting bonus, and it was in the national interest under the Five-Year Plan that the purchasing power could be expanded on a reliable basis, he added.

On the question of trade union unity, Mr. Tripathi said the I.N.T.U.C.'s experiment of achieving unity with the Hind Mazdoor Sabha in railways, ordnance factories and seamen had been held up. In spite of the top-level sincere desire for merger and continued efforts to complete it, there had been considerable trouble at the lower level.

Mr. Tripathi said unlike any other trade union organisation, the I.N.T.U.C. continued to be free from the "strings of any political party". This fact at first "vehemently denied" by other trade union organisations was now "progressively being admitted", he added.

Resolutions.— The conference adopted a number of resolutions dealing, inter alia, with the Parasia mine disaster, consolidation of trade unions, the new social order, the second Five-Year Plan, middle class employees, plantations, seamen and rationalisation in jute industry.

Mines disaster.- The resolution on the Parasia mines disaster in which 65 miners were killed ~~the~~ said that the disaster had brought to the fore the insecure and dangerous conditions in which miners had to work. While appreciating the Government's action in appointing a court of inquiry, the resolution demanded the appointment of a committee consisting of qualified technicians along with representatives of employers and employees to inspect mines in various States and recommend necessary safety measures.

Trade unions.- The resolution on "consolidation of trade unions" said union workers should learn the technique of the industry with which they were connected and work with a sense of responsibility, keeping national interest above sectional interests. To achieve that end the resolution asked the I.N.T.U.C. executive to take suitable measures including the opening of training classes for workers, maintenance of regular offices of unions, making unions financially self supporting, and imparting knowledge to workers, to enable them to participate in management of industries.

The new social order.- The resolution on the new social order stated that the adoption by the Government of India of the policy of establishing a socialist pattern of society was a landmark in the history of the peaceful revolution, following the attainment of independence, for full social and economic freedom through peaceful and democratic means. It implied in the present circumstances within the framework of the present mixed economy, with private sector functioning under more and more controls and regulations, a greater and speedier elimination of the vested interests and their subordination in the larger interests of the nation. Thus the State in a sense assumed the sacred trust of producing and supplying the essential and basic needs of the country.

The resolution also welcomed <sup>the</sup> decision to amend the Constitution, which revealed the determination of the Government to remove main impediments in the path of progressive realisation of this policy.

The Second Five-Year Plan.- The resolution on the second Five-Year Plan congratulated the people on the solution of the food problem, for increased production both in industry and agriculture and for the success of major and minor projects in the First Plan.

"If the Plan is to lead the nation towards its declared aim of a socialistic pattern of society", the resolution continued, "it should provide every one in the country, particularly in villages, with the means of a decent livelihood, adequate clothing, proper shelters, provision for drinking water, education and medical attention." For the proper

implementing of the Second Plan, the Congress urged upon the Government the adoption of the following programme:-

(1) Equitable distribution of wealth, removal of disparities of income and progressive elimination of the systems which result in concentration of wealth in the hands of a few by fixing a minimum and maximum of earnings of those who are connected with the industry both in the private and public sectors.

(2) Suitable land reforms, including legislation of donations under the bhoodan movement.

(3) Production and protection of village and small-scale industries.

(4) Rationalisation in the administration of ~~industries~~ industries and provision for effective participation of workers in the management as an incentive to higher and better production.

(5) Stabilisation of agricultural prices to safeguard the interests of the peasantry.

(6) Effective machinery for maintenance of industrial peace.

(7) Nationalisation of natural resources.

(8) Proper regulation of import and export policy with a view to promoting industry and employment.

(9) Overhauling of the present education system by introducing basic education.

Middle class employees.— The resolution on the subject of middle class employees said that the increasing participation of the middle class employees in the trade union movement of the country had been a source of satisfaction to the I.N.T.U.C. It had not only gone to enrich the movement as a whole but was supplying the much needed constructive leadership to it as is revealed in the growth and development of unions among the employees in railways, post and telegraph and in commercial establishments.

The I.N.T.U.C., however, felt the necessity of greater attention than hitherto given in the matter of development of sound trade unionism in the middle-class sector. Co-operation with the Indian National Congress and co-ordination particularly of the activities of such Congressmen as were eager to do work on this line was necessary and will prove helpful.

The I.N.T.U.C., therefore, directed units to approach in a spirit of service this great reservoir of power to mobilize and harness it for the peaceful revolution through which the country was passing.

Plantations.— The resolution on plantations expressed distress at the very hard conditions under which the workers employed in tea, coffee and rubber plantations were made to live and work and the fact that the provisions of the Plantation Labour Act had not yet been enforced even after the lapse of years. Conditions in cardamom estates in South India were more appalling still. The workers employed there so far had no adequate protection. On the other hand the resolution pointed out, all these industries had been earning profits at enormous rates, paying exorbitant dividends. The capital invested had been paid back several times over and the income earned by the managers, agents and others were out of proportion to the responsibilities shouldered by them.

"The I.N.T.U.C. is, therefore, convinced that there was absolutely no justification for denying to the workers their minimum dues and therefore, urges that steps be taken immediately to (i) secure and guarantee to the workers a fair wage and an adequate share on the income of the industries, (ii) enforce the provisions of the Plantation Labour Act, (iii) bring Cardamom Estates also in line with other estates in respect of conditions of living, employment and remuneration".

Seamen.— The resolution on this subject pointed out that seamen in India did not come within the purview of the labour laws of the country including the Industrial Disputes Act and were thus denied the benefit of any legal machinery for settlement and adjudication of their disputes.

It urged upon the Government to immediately appoint a tripartite advisory committee on a national level to deal and settle problems of seamen, including those of social security, arising from time to time.

Rationalisation in jute industry.— The resolution on this subject viewed with concern the recent developments in the jute industry and the proposed rationalisation moves which were likely to affect seriously the employment position of the workers in the industry. While recognising the need for rationalisation of the technique of production, including modernisation of machinery, the resolution pointed out that the introduction of any hasty or ill-conceived scheme of rationalisation, without any safeguards for labour, was likely to result in more harm than good to the industry itself. It said that the I.N.T.U.C. firmly believed that no scheme of rationalisation should be introduced which might result in unemployment of any workers, which did not

take into account the conditions of work and which did not give adequate share of gain to the workers. It was, therefore, necessary to make a thorough enquiry into existing conditions in this industry and the need, nature and extent of rationalisation, if any, assessed, before the industry can be allowed to carry out any scheme of rationalisation. The Congress, therefore, requested the Government to appoint an enquiry committee for the purpose and also to find out as to how rationalisation had been introduced till the present time.

Co-ordination of social security schemes.- This resolution said that a suggestion was made at the Congress "that a comprehensive scheme of social security can be introduced by utilising the amounts realised by contributions to the Provident Fund amounts ear-marked for gratuity and payments for holidays under the Factories Act and the Employees' State Insurance Scheme. The Congress requests the Government to examine as early as possible the feasibility of the scheme and revise the various schemes in light thereof with a view to provide more benefits to workers covered by the ~~xxxxxx~~ scheme".

Norms and standards for industrial matters.- The Congress expressed the opinion that industrial courts and tribunals have failed in regulating industrial relations, primarily due to too much reliance on technical procedure, case law and a ~~legal~~ legalistic approach to problems and lack of norms and standards to enable proper decision. "The Joint Consultative machinery set up by the Government to arrive at agreed decisions on industrial problems with a view to evolve agreed norms and standards has not yet brought forth substantial results. The Congress, however, feels that settlement of disputes with the help of agreed formulae and accepted norms and standards is the best method and will ensure peaceful progress of the industry and the workers. The Congress, therefore, desires to try its utmost to secure agreements and understandings through this channel of discussion across the table. The Government is requested to see that such agreed decisions may be issued as directives to all concerned and be followed by the authorities in preference to case law till such agreed decisions are incorporated in law. In the event of a deadlock, the Government should take its own decision after hearing both the parties with the help of competent persons for finalisation of norms and standards."

Other resolutions.- Other resolutions adopted related to company law reform, and inquiry into concerns undergoing loss.

Office bearers: G.D. Ambekar elected President.- Mr. G.D. Ambekar (Bombay) was ~~today~~ unanimously elected President of the Indian National Trade Union Congress for the coming year.

Mr. M. John, Mr. Ram Singh Verma, Mr. G. Ramanujam, Dr. (Mrs) Maitrayee Bose and, Mr. Kashinath Pande were elected Vice-Presidents and Mr. K.P. Tripathi re-elected General Secretary.

(The Indian Worker, dated 8 January 1955;  
The Hindustan Times, 2 and 3 January 1955;  
The National Herald, 3 January 1955 ).

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27. Salaried Employees' Organisations.

India - January 1955.

Post and Telegraph Workers' Unions realigned into Nine All-India Unions: National Federation of Post and Telegraph Employees formed.

Following negotiations between various postal and telegraph employees' unions, it was agreed to accept a scheme prepared by the Government authorities for the amalgamation of all the unions into nine all-India unions and to federate the newly formed unions with a 'National Federation of Post and Telegraph Employees'.

On 24 November 1954 a meeting of the Federal Councillors representing the nine re-aligned unions was held at New Delhi when it was resolved to form the National Federation of Post and Telegraph Employees. The meeting was attended by about 1,000 delegates representing nearly 250,000 workers, and inaugurated by Mr. Jagjivan Ram, Union Minister for Communications. The Councillors also adopted the constitution of the Federation.

The names of the office bearers of the Federation is given below:

President: Mr. V.G. Dalvi, Bombay.  
Vice-Presidents: Mrs. Nayama Haider, M.L.C., Patna,  
Mr. K.S. Pitkar, Bombay.  
Secretary General: Mr. Bhupendra Nath Ghosh,  
Supervisor, Parcel Export  
Department, General Post Office,  
Calcutta.  
Secretary: Mr. D.G. Nanotkar, Nagpur.  
Treasurer: Mr. Makhan Singh, New Delhi.  
Registered Address: The National Federation of  
Post and Telegraph Employees,  
9, Pusa Road, New Delhi.

The following are the names of the nine federating unions:

- (i) The All-India Postal Workers' Union - Class III.
- (ii) The All-India Postmen and Class IV Postal Workers' Union.
- (iii) The All-India R.M.S. Union Class III.
- (iv) The All-India R.M.S. Employees Union - Mailguards and Class IV.
- (v) The All-India Telegraph Traffic Employees Union - Class III.
- (vi) The All-India Telegraph Traffic Employees Union - Class IV.
- (vii) The All-India Telegraph Engineering Workers Union - Class III.
- (viii) The All-India Telegraph Engineering Employees Union - Linestaff and Class IV.



(ix) The All-India Administrative Offices  
Employees Union - Class III and IV.

(Bulletin No.1, issued by the National  
Federation of Post and Telegraph  
Employees).

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CHAPTER 3. ECONOMIC QUESTIONS.

INDIA - JANUARY 1955.

31. General Economic Situation.

Thirty-Seventh All-India Economic Conference  
meets at Agra: Presidential Address.

The thirty-seventh session of the All-India Economic Conference was inaugurated by Mr.K.M. Munshi, Governor, Uttar Pradesh, at Agra on 22 December 1954. Dr.R. Balakrishna, Reader in Economics, Madras University, was the President of the Session.

Inaugural address.- During the course of his inaugural address Mr. Munshi said that human welfare was and ought to be the ultimate test of all doctrines, whether economic, social, moral or spiritual. "Any concept of welfare based merely on the play of economic forces, is, therefore, lopsided. It is inadequate to achieve total welfare. Social, cultural and spiritual values have between them as much, if not a larger, share in the welfare of an individual, as also of a nation", he added.

With the attainment of India's independence, Mr.Munshi said, Indian economists were struggling with problems of a different order as compared to pre-independence period. At that time the leading economists were struggling with difficulties of adjusting the canons of political economy laid down for a rich and fast developing England to the problems of undeveloped India with its entirely different socio-psychological and spiritual heritage.

But since India had attained independence, this was no longer the case. Other problems were multifold. The need for relating economic thinking to the solution of concrete problems was great and the responsibility of the economists was all the greater, for by their studies and research they had to help in promoting the day-to-day development; and the responsibility was such that if it was not duly discharged, the national progress would be hindered. This ~~was~~ responsibility was all the more onerous because solution had to be found in the context of a welfare State.

Mr. Munshi said one of the economic problems which appeared almost insoluble to him was to discover to the satisfaction of the ardent champions of get-rich-quick welfare some principle by which doses of welfare dispensed by the State could be related to the pool of resources actually available for the purpose. The cost of welfare services often tended to exceed the available resources. It often diverted even those resources from activities which contributed to economic progress, retarding the total welfare of the community.

With such problems, Mr. Munshi said, is associated a far-reaching problem which has moral implications. The problem is how to evoke the maximum will to produce when every one is taught to look to the State, that is, to all others except to himself, to raise the standard of life; when at the same time, the structure of a paternalistic State tends to diminish human initiative and incentive on which human progress depends; and when coercion to extract work by regimented processes is excluded by the very nature of freedom to which we are unalterably pledged.

Presidential address.— In the course of his presidential address, Dr. Balakrishna said that the vision of an economist had gone beyond the frontiers of his own science. Traditional thought and action had given place to rationalised behaviour. Old concepts had acquired new connotations. Old fangled economic policy, characterised by narrow parochialism, had vanished in sheer despair against the modern notions of economic internationalism. The very vision of the economist in matters of policy had gone beyond the frontiers of his own science. The process of economic change was now recognised to be largely influenced by sociological and historical circumstances. A detached view of the economic pattern of the world would reveal the unique phenomenon of the process of change that was asserting itself and the struggle of the individual economies, of different degrees of development, to adjust themselves to this new pattern.

A non-recognition of this dynamism had been the cause of the frustration of many a country in its endeavour to exist. The secret of success consisted in facing the change squarely, in relinquishing the traditional attitude quickly, and in the determination to carve out a place for oneself in this new pattern of economic life. World economic unity was a necessary condition of progress. It was only being recorded now and not being given up in despair.

(The Hindustan Times, 23 and 24  
December 1954 )

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34. Economic Planning, Control and Development.

India - January 1955.

India's National Income Estimates for 1951-52:  
Rise of 4,600 Million Rupees over Previous Year.

India's national income in 1951-52 increased by 4,600 million rupees as compared with the previous year, according to a report by the Central Statistical Organisation\*.

It gives estimates of the national income and the related aggregated for the financial year 1951-52 with comparable figures for the previous years, 1948-49 to 1950-51.

The report says that the national income of India in 1951-52 was 99,900 million rupees showing an increase of 4,600 million rupees as compared with 1950-51. The per capita income at current prices thus works out to 274.5 rupees a rise of 3.5 per cent over 1950-51. In real terms or at constant prices, this rise in per capita income is, however, reduced to 2.2 per cent only.

The estimates indicate a small increase in income in the agricultural sector, but a large increase in factory establishments in 1951-52 over the figures for the previous year. Railways' contribution shows a rise as compared with a steady level in the three previous years. There has also been a rise in 'other commerce and transport'. Contributions made by the Government or the public authorities sector maintains a progressive increase.

The following tables gives the national income by industrial origin for the years 1948-49 to 1951-52:

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\* Estimates of National Income 1948-49 to 1951-52. September 1954. Issued by Central Statistical Organisation, Cabinet Secretariat, Government of India, pp. 13.

	1951-52	1950-51	1949-50	1948-49
<b>Agriculture</b>				
1. Agriculture, animal husbandry and ancillary activities.	-- 48.8	47.8	43.8	41.6
2. Forestry.	-- 0.7	0.7	0.7	0.6
3. Fishery.	-- 0.4	0.4	0.4	0.3
4. Total of agriculture.	-- 49.9	48.9	44.9	42.5
<b>Mining, manufacturing and hand-trades</b>				
5. Mining.	-- 0.9	0.7	0.6	0.6
6. Factory establishments.	-- 6.9	5.5	5.4	5.5
7. Small enterprises.	-- 9.5	9.1	9.0	8.7
8. Total of mining, manufacturing and hand-trades.	-- 17.3	15.3	15.0	14.8
<b>Commerce, transport and communication</b>				
9. Communication (post, telegraph and telephone).	-- 0.4	0.4	0.3	0.3
10. Railways.	-- 2.1	1.8	1.8	1.7
11. Organised banking and insurance.	0.8	0.7	0.6	0.5
12. Other commerce and transport.	-- 14.6	14.0	13.9	13.5
13. Total of commerce, transport and communication.	-- 17.9	16.9	16.6	16.0
<b>Other services</b>				
14. Professions and liberal arts.	-- 5.0	4.7	4.5	4.3
15. Government services (administration)	4.5	4.3	4.1	4.0
16. Domestic service.	-- 1.8	1.3	1.2	1.2
17. House property.	-- 4.1	4.1	4.0	3.9
18. Total of other services.	-- 15.0	14.4	13.8	13.4
19. Net domestic product at factor cost.	-- 100.1	95.5	90.3	86.7
20. Net earned income from abroad.	- 0.2	- 0.2	- 0.2	- 0.2
21. Net national output at factor cost = National Income.	-- 99.9	95.3	90.1	86.5

\*abja = 100 crores = 10<sup>9</sup>.

The table given below compares the movement of net national output at current and constant prices:-

	1951-52	1950-51	1949-50	1948-49
<b>Net output in Rs. abja.</b>				
at current prices.	-- 99.9	95.3	90.1	86.5
at 1948-49 prices.	-- 91.6	88.5	88.2	86.5
<b>Per capita net output in Rs.</b>				
at current prices.	-- 274.5	265.2	258.9	246.9
at 1948-49 prices.	-- 251.7	246.3	248.6	246.9

Compulsory Acquisition and Requisitioning  
of Property: Bill to amend Constitution  
introduced in Lok Sabha.

Mr. Jawaharlal Nehru, Prime Minister, introduced on 20 December 1954, a Bill to amend the Constitution, in respect of its provisions relating to right of property, i.e. articles 31, 31A and 305 and the Ninth Schedule to the Constitution.

The Statement of Objects and Reasons appended to the Bill explains that recent decisions of the Supreme Court have given a very wide meaning to clauses (1) and (2) of article 31. Despite the difference in the wording of the two clauses, they are regarded as dealing with the same subject. The deprivation of property referred to in clause (1) is to be construed in the widest sense as including any curtailment of a right to property. Even where it is caused by a purely regulatory provision of law and is not accompanied by an acquisition or taking possession of that or any other property right by the State, the law, in order to be valid according to these decisions, has to provide for compensation under clause (2) of the article. It is considered necessary, therefore, to re-state more precisely the State's power of compulsory acquisition and requisitioning of private property and distinguish it from cases where the operation of regulatory or prohibitory laws of the State results in "deprivation of property". This is sought to be done in clause 2 of the Bill.

The Statement recalls that the zamindari abolition laws which came first in India's programme of social welfare legislation were attacked by the interests affected mainly with reference to articles 14, 19 and 31, and that in order to put an end to the dilatory and wasteful litigation and place these laws above challenge in the courts, articles 31A and 31B and the Ninth Schedule were enacted by the Constitution (First Amendment) Act. Subsequent judicial decisions interpreting articles 14, 19 and 31 have raised serious difficulties in the way of the Union and the States putting through other and equally important social welfare legislation on the desired lines, e.g., the following:•

(i) While the abolition of zamindaris and intermediaries between the State and the tiller of the soil has been achieved for the most part, the next objectives in land reform are the fixing of limits to the extent of agricultural land that may be owned or occupied by any person, the disposal of any land held in excess of the prescribed maximum and further modification of the rights of land owners and tenants in agricultural holdings.

(ii) The proper planning of urban and rural areas require the beneficial utilisation of vacant and waste lands and the clearance of slum areas.

(iii) In the interests of national economy the State should have full control over the mineral and oil resources of the country, including in particular, the power to cancel or modify the terms and conditions of prospecting licences, mining leases and similar agreements. This is also necessary in relation to public utility undertakings which supply power, light or water to the public under licences granted by the State.

(iv) It is often necessary to take over under State Management for a temporary period a commercial or industrial undertaking or other property in public interest or in order to secure the better management of the undertaking or property. Laws providing for such temporary transference to State management should be permissible under the Constitution.

(v) The reforms in company law now under contemplation, like the progressive elimination of the managing agency system, provision for the compulsory amalgamation of two or more companies in the national interest, the transfer of an undertaking from one company to another, etc., require to be placed above challenge.

It is accordingly proposed in clause 3 of the Bill to extend the scope of article 31A so as to cover these categories of essential welfare legislation.

As a corollary to the proposed amendment of article 31A, it is proposed in clause 5 of the Bill to include in the Ninth Schedule to the Constitution two more State Acts and four Central Acts which fall within the scope of sub-clauses (d) and (f) of clause (1) of the revised article 31A. The effect will be their complete, retrospective validation under the provisions of article 31B.



A recent judgment of the Supreme Court in Saghir Ahmed Vs. the State of U.P. has raised the question whether an Act providing for a State monopoly in a particular trade or business conflicts with the freedom of trade and commerce guaranteed by article 301, but left the question undecided. Clause (6) of article 19 was amended by the Constitution (First Amendment) Act in order to take such State monopolies out of the purview of sub-clause (g) of clause (1) of that article, but no corresponding provision was made in Part XIII of the Constitution with reference to the opening words of article 301. It appears from the judgment of the Supreme Court that notwithstanding the clear authority of Parliament or of a State Legislature to introduce State monopoly in a particular sphere of trade or commerce, the law might have to be justified before the courts as being "in the public interest" under article 301 or as amounting to a "reasonable restriction" under article 304(b). It is considered that any such question ought to be left to the final decision of the Legislature. Clause 4 of the Bill accordingly proposes an amendment of article 305 to make this clear.

The Bill: Article 31. The Bill amends clause 2 of article 31 and inserts a new subsection 2A. The old and the new clauses are given below.

<u>Existing clause</u>	<u>Amendment proposed</u>
31.(1) No person shall be deprived of his property save by authority of law.	31.(1) No person shall be deprived of his property save by authority of law.
(2) No property, movable or immovable, including any interest, or in any company owning, any commercial or industrial undertaking, shall be taken possession of or acquired for public purposes under any law authorising the taking of such possession or acquisition, unless the law provides for compensation for the property taken possession of or acquired and either fixes the amount of the compensation, or specifies the principles on which, and the manner in which, the compensation is to be determined and given.	(2) No property shall be compulsorily acquired or requisitioned by the State save for a public purpose and save by authority of a law which provides for compensation for the property so acquired or requisitioned and either fixes the amount of the compensation or specifies the principles on which, and the manner in which, the compensation is to be determined and given.
	(2A). Where a law does not provide for the transfer of the ownership or right to possession of any property to the State, it shall not be deemed to provide for the compulsory acquisition or requisitioning of property by the State, notwithstanding that it deprives any person of his property.

Article 31A.- The changes proposed in clause 1 of article 31A are indicated below:-

Existing clause

Amendment proposed

31A.(1) Notwithstanding anything in the foregoing provisions of the Part, no law providing for the acquisition by the State of any estate or of any rights therein or for the extinguishment or modification of any such rights shall be deemed to be void on the ground that it is inconsistent with, or takes away or abridges any of the rights conferred by any provision of this Part:

Provided that where such law is a law made by the Legislature of a State, the provisions of this article shall not apply thereto unless such law, having been reserved for the consideration of the President, has received his assent.

31A.(1) Notwithstanding anything contained in article 13, no law providing for -  
(a) the acquisition by the State of any estate or of any rights therein, or  
(b) the extinguishment or modification of any rights in estates or in agricultural holdings, or  
(c) the maximum extent of agricultural land that may be owned or occupied by any person and the disposal of any agricultural land held in excess of such maximum, whether by transfer to the State or otherwise, or  
(d) the acquisition or requisitioning of any immovable property for the relief of rehabilitation of persons displaced from their original place of residence by reason of the setting up of the Dominions of India and Pakistan, or  
(e) the acquisition of requisitioning for a public purpose purpose of any land, buildings or huts declared in pursuance of law to constitute a slum or of any vacant or waste land, or  
(f) the taking over of the management of any property by the State for a limited period either in the public interest or in order to secure the proper management of the property, or  
(g) the transfer of any undertaking, wholly or in part, from one company to another or the amalgamation of two or more companies either in the public interest or in order to secure the proper management of the undertaking or of any of the companies, or  
(h) the extinguishment or modification of any rights of management ~~governing~~ directors, director managers or shareholders of companies, or

(i) the extinguishment or modification of any rights ~~accruing~~ accruing by virtue of any agreement, lease or licence for the purpose of searching for, or winning, any mineral or mineral oil, ~~for~~ or for the purpose of supplying power, light or water to the public, or the premature termination or cancellation of any such agreement, lease or licence,

Shall be deemed to be void on the ground ~~and~~ that it is inconsistent with, or takes away or abridges any of the rights conferred by, article 14, article 19 or article 31:

Provided that where such law is a law made by the Legislature of a State, the provisions of this article shall not apply thereto unless such law, having been reserved for the consideration of the President, has received his assent.

Clause 2 of the article is amended to bring agricultural holdings and rai-yats and under-raiyats under the purview of the article.

Other amendments relate to i) saving of existing laws and laws providing for State monopolies; and ii) addition of certain enactments to the ninth schedule to the Constitution which validates certain Acts.

(The Gazette of India, Extraordinary,  
Part II, Section 2, 20 December,  
1954, pp. 743-747 ).

State-Owned Cable Factory goes into Production.

On 26 December 1954, Dr. B.C. Roy, Chief Minister, West Bengal, formally opened the Hindustan Cables Factory at Rupnarainpur, 140 miles north-west of Calcutta. Owned and financed entirely by the Union Government, the factory, which cost 11 million rupees, is designed to meet the needs of India's communication network by producing in single shift operation 500 miles of cables valued at 10 million rupees. India's requirements at present are met entirely by imports worth 15 million rupees.

The factory has been built with the assistance of Messrs. Standard Telephones and Cables Ltd., a British firm.

(The Statesman, 27 December 1954).

Plenty of Scope for Private Sector:  
Government's Memorandum on Industrial  
Policy.

According to a memorandum on the Industrial Policy of the Government of India circulated to members of Parliament, "in the mixed economy postulated by the Industrial Policy Resolution of 1948, there is no real conflict of interests and the respective roles of the public and private sectors must be determined by the contribution that each can effectively make for a rapid development of the country's industries".

The only broad limitation on this, - and it is a limitation based entirely on the requirements of the public interest - the memorandum says, "is that the development of certain basic industries vital to the economic life of the country, and to a certain extent its security has to be reserved to the State, as the ultimate custodian, in a democratic set-up of the public interest. These basic industries have been set out in the resolution. The fact that this reservation has been made does not in any way mean that the private sector cannot be asked to co-operate or foreign interests allowed to participate in them so long as it is clear that the controlling interest is held by the State".

The memorandum adds: "The considerations which led to the enunciation of that policy have been explained in the resolution itself, and they still hold good. It is as vital today as it was in 1948 to direct Government's policy towards a continuous increase in production by all available means and to emphasise, in particular the need to augment the production of capital goods for satisfying the basic needs of industry and the promotion of the export trade of the country, which increases its earnings of foreign exchange. In order to keep pace with the expanding needs of a steadily rising population and to raise the per capita income, it is necessary to quicken the pace of industrialisation".

The memorandum states that even after the reservation of certain basic industries for the State there would still be a large field "open both to the private and to the public sector for development" and adds: "Indeed, if a larger measure of industrialisation is essential for raising living standards in future years, the scope available for expansion is almost unlimited. Given the requirements of the public interest in the sense set out in the Industrial Policy Resolution there is no reason why the development of the public <sup>sector</sup> should, in any way, restrain or restrict the development of the private sector or vice versa. A large part of the industrial field still continues to be open to private enterprise and initiative and it is Government's policy to encourage and assist such enterprise but where the establishment of an industry is considered imperative in the interest of the development of the country's economy it is obviously the duty of Government, if it could raise the necessary finance, to enter the field. This is inevitable if production has to be kept expanding".

Public sector in the Second Five-Year Plan.-

The memorandum observes that a more active role for the State is envisaged for the Second Five-Year Plan. Projects under consideration, which, if they eventuate, will have to be in the public sector, include the setting up of another steel plant with Russian co-operation, two more fertiliser factories of a size and capacity approximating to those of Sindri, besides expansion of Sindri's capacity by 40 per cent and the further development of the Visakhapatnam shipyard by building a dry dock as its adjunct. All these will have far-reaching effects on the economic development of different regions and the creation of new opportunities for employment in those regions.

The memorandum also mentions two recent steps taken for the promotion and development of industry - the setting up of National Industrial Development Corporation and the Industrial Credit and Investment Corporation.

Regional development.- Dealing with regional development, the memorandum says: "The object of industrialisation is to provide for the needs of the people and so offer increasing opportunities for employment. These opportunities should be available to people in all regions of the country. At the same time, industries can only grow or be established in areas which are economically suitable having regard to the availability of raw materials, fuel, power and transport. In pursuance of the policy statement of 1948, industries whose location must be governed by economic factors of all-India import, or which require considerable investment or a high degree of technical skill have been subjected to central planning and regulation under the Industries (Development and Regulation) Act. These economic factors cannot be ignored if wasting of resources and burdens on the national economy are to be avoided. Subject to these inevitable limitations it would be the object of planning to secure as ~~narrow~~ wide a dispersal of industries as possible."

Natural resources like ores or coal or forests have to be exploited where they occur. But by the provision of transport and power in areas which have hitherto remained industrially backward, it is possible to secure a greater degree of dispersal of industries. During the last five years a good deal has happened in this direction. In Assam noteworthy progress has been made in the silk rearing, tea and plywood industries. A paper mill, a sugar mill and a jute mill will shortly be established in that State. The Hirakud Project should enable the industrialisation of Orissa which is rich in mineral and forest resources. The new steel plant at Rourkela should attract several ancillary industries around it. A cement factory in the State is being expanded and the growth of the paper industry is limited only by the availability of bamboos in the region. A steel pipe factory has already been established and two new projects for making ferro-manganese have been sanctioned. A new aluminium factory which is going to be established will be next in importance only to the steel works. The concentration of the sugar industry in U.P. and in Bihar is already a matter of past history.

"The new sugar mills are expected to be put up in Bombay, Andhra and the South. Similarly there has been considerable regionalisation of the textile industry. Practically all new units in this industry have been established in the South and other regions of the country and not in Bombay or Ahmedabad. The extraction of oil from oilcakes has opened up industrial possibilities ~~in~~ in areas where groundnut is grown. Two new cement factories have been established in Rajasthan. The demand for cement is so great that there is scope for a new cement factory wherever limestone is available. The manufacture of ferromanganese will bring large-scale industry to areas in Madhya Pradesh and Karnatak. The projected development of lignite in the South of Madras offers immense possibilities of large-scale industrial development in the southern region. To meet the growing demand for steel, the iron ore of Madhya Pradesh must be exploited sooner or later. Salt and limestone in Saurashtra and the extreme south have inevitably made these regions suitable for putting up new soda ash factories".

Small-scale industries. Regarding small-scale industries, the memorandum recognised that there is a significant place for small-scale industries in this country side by side with large-scale industries. Small-scale industries require comparatively little capital investment. By using up-to-date techniques of production and power, they would be in a position to produce good articles cheaply. In the earlier stages, some amount of ~~protection~~ protection and preferential treatment is necessary for a number of these industries either by demarcating certain spheres for these industries or by way of ~~subsidies~~ subsidies. The demarcation can be either by reservation of further development in the industries to the small-scale or cottage units or a restriction of the production of the existing larger units. Both courses have been adopted in the case of cotton textiles. The question of the encouragement to be given to the handpounding of rice and village oil industry is being enquired into by expert committees and Government will take a decision on receiving their reports.

In the case of the leather industry, while no restriction is being placed on the existing production of articles, requests for the expansion of existing large-scale units are considered only after taking into account their effect on the cottage industry.

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Direct subsidies are also given in the case of certain village or cottage industry products. A rebate of three annas in the rupee is given on all sales of khadi and from three pice to two annas on sales of handloom cloth. Excise duties on cloth, soap, footwear and matches have been adjusted so as to give relief to small units.

A field ~~law~~ in which there is scope for more integration between the large and small-scale industries is in the development of small industries as ancillaries to large ones, e.g., for the manufacture of components and spare parts. In granting licences for manufacture to large-scale units this point is always kept in view. A Small Industries Corporation is also being set up by Government. This would help by acting as an intermediary between the small-scale unit and organised large-scale industry by giving financial and technical assistance for manufacture where necessary and even by taking contracts from large-scale ~~and~~ units for manufacture to be sub-contracted to small units.

The success of small-scale industries depends mainly on improving their techniques of production and management, increase in credit facilities and better organisation. It is in these directions that Government assistance is primarily given. The Central Government's assistance to small-scale industries has to be channelled largely through State Governments since it falls within their sphere and the administrative machinery had necessarily to be that of the State Government. But to supplement the efforts of State Governments and give them necessary guidance and assistance a number of bodies have been set up by Government such as the All-India Khadi and Village Industries Board, the All-India Handloom Board, the All-India Handicrafts Board, the Central Silk Board, the Coir Board, and the Small Scale Industries Board and regional institutes of technology for small industries, each dealing with specific sectors of these industries. In the case of some of these industries, especially khadi and village industries, schemes are also operated directly through the Board.

With the establishment of these ~~and~~ ad hoc bodies the Central Government's contribution to the development of small-scale industries has significantly increased. During the four years ending 1952-53, the total expenditure was only about 5 million rupees. In 1953-54 the Government sanctioned 56.4 million rupees and in 1954-55 the budget provision is more than 100 million rupees. Uptodate, the amount sanctioned by the Central Government in 1954-55 by way of loans and grants total nearly 80 million rupees. Out of this total about



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22.7 million rupees are for cost of training, technical equipment and organisation, 44.5 million rupees are in the way of loans either for organisation into co-operatives or for working capital and for purchase of equipment and the balance is in the form of subsidies and assistance for marketing depots, exhibitions.

Industrial co-operatives in which workers participate and share in the profits is a form of organisation which needs encouragement. A beginning has been made with two such co-operatives for the handloom industry in the Madras State. Among village industries khadi spinning and weaving has the greatest employment potential. For carrying out development in this sector, the Government have set up the All-India Khadi and Village Industries Board. The production of khadi had risen from 13.5 million rupees in 1952-53 to 20 million rupees in 1953-54. For 1954-55 the target of production is 45 million rupees and this will be further increased next year. Mention was made earlier of the rebate of three annas in the rupee on sales of khadi. Similar subsidies on production or sale are given on the schemes run by the All-India Khadi and Village Industries Board for other village industries like hand-pounding of rice, village ghani oil, cottage soap-making, hand-made paper. At the same time through the medium of the Board, centres are opened which would utilise improved equipment. These centres are run either directly by the Board or by local co-operatives and social organisations. The memorandum also makes mention of the steps taken by the Government in pursuance of the recommendations of the Ford Foundation Team report on the development of small-scale industries.

Unemployment. Regarding unemployment, the memorandum says: "Widespread interest is taken in the extent to which the implementation of the Development Plan and the increasing industrialisation of the country have helped to tackle the problem of unemployment. The implementation of the Plan has led to a significant increase in the opportunities for employment, particularly in those areas where the large irrigation and industrial projects are located. In spite of this there has been a certain amount of increase in unemployment particularly in the urban areas. There is, obviously, no short-cut to the solution of this problem but it is hoped that gradually as further development takes place with greater emphasis on industrialisation than in the first Plan, wider opportunities for employment will be provided. The development of large-scale industries alone will not solve the problems. The real remedy is to diversify the pattern of industry and to develop as much of medium and small-scale industries as possible.

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It is not merely industrialisation that would provide directly increased employment but the raising of the standard of living and availability of consumer goods in rural areas. The development of social ~~gana~~ services like education, public health, and so on would also, as time goes on, contribute to these ends and provide increased opportunities for employment. The problem of combating unemployment is constantly before Government and the larger investment which Government have in view for the next Five-Year Plan is expected to make a significant contribution towards its solution".

(The Hindu, 20 December 1954 ).

10 Million Dollar World Bank Loan to Industrial Credit and Investment Corporation.

The International Bank for Reconstruction and Development has approved a 10 million dollar loan to be granted to the Industrial Credit and Investment Corporation of India Ltd., a corporation being formed by private investors in India, the U.K. and the USA to assist growth of private industry in India (vide page 37 of the report of this Office for November 1954).

This will be the seventh loan made by the Bank for development projects in India and will bring the total lent to 126,700,000 dollars. The other loans are helping to develop electric power, agriculture, railways and iron and steel production.

Dr. A. Ramaswamy Mudaliar, Chairman of the Steering Committee of the Corporation ~~is~~ stated at Calcutta on 3 January 1955, that the Corporation was expected to be registered shortly under the Indian Companies Act.

(The Statesman, 23 December 1954;  
The Statesman, 4 January 1955 ).

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Central Control over Essential Commodities  
Extended: President issues Ordinance.

The President of India issued on 21 January 1955 an Ordinance providing for the continuance in force of the provisions of the Essential Supplies (Temporary Powers) Act, 1946, which is due to expire on 26 January 1955.

This follows the Central Government's failure to secure in time endorsement by the required number of State legislatures of the Constitution (Third Amendment) Bill passed by Parliament in its last session, (vide pp. 15-16 of the report of this Office for October 1954).

Certain Part 'A' and Part 'B' State Governments are understood to be arranging the issue of Ordinance to continue, to the extent necessary, the controls instituted under the Essential Supplies Act in respect of some of the commodities which will be within the jurisdiction of State Governments on the expiry of that Act.

Explaining the need for the Ordinance, a Press note issued by the Government of India states that the Essential Supplies Act 1946, will expire on 26 January 1955 as the legislative power given to the Centre under Article 369 of the Constitution in respect of some commodities will end on that date. The essential commodities to which this Act applies fall into two broad groups: (a) coal, textiles, iron and steel, paper, etc.; all of which are products of industries under Central control, and (b) foodstuffs, cattle fodder, etc., which are not products of such industries. As it was considered that in the public interests the Centre should continue to have the same powers as it had hitherto under Article 369 of the Constitution, a Bill providing for the necessary amendment of the Constitution was passed by both Houses of Parliament in September 1954.

Before the President's assent can be sought, it is necessary that at least nine State legislatures should ratify this Bill. So far only eight State legislatures have done so. As no other State legislature is likely to meet within the next few days, the Constitutional amendment cannot become effective before 26 January 1955.

Under Entry 33 of the Concurrent List and Entry 58 of the Union List, as they stand at present, Parliament has evernow the power to make laws for regulating trade and commerce in and the production, supply and distribution of the first group of commodities. Under Entry 42, Parliament has also the power to regulate inter-State trade and commerce in all commodities.

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As Parliament will not meet before 21 February and as it is essential to continue the provisions of the Act to the maximum extent possible, with existing powers, the necessity has arisen for the promulgation of the Ordinance.

(The Hindustan Times, 22 January 1955).

Emphases on Full Employment: Congress Party  
Committee's Recommendations on Constructive  
Work.

The Constructive Work Committee appointed by the Congress Working Committee recently has recommended that the economic ideology of the Congress and the principles underlying the Five-Year Plan should be "more radical and inspiring", with special emphasis on full employment, more production and greater social and economic equality through decentralised and small-scale industrialisation. "A full and clear picture of what is meant by 'socialised economy' should be worked out and implemented", the Committee says. The recommendations of the Committee, have been published in the latest issue of Congress Bulletin.

The Committee consisted of Dr. Kailashnath Katju, Mr. Lal Bahadur Shastri, Mr. Gulzarilal Nanda, Mr. Khandubhai K. Desai, Mr. M.O. Madhavan Nair, Mr. Manickyalal Verma, Mr. Deekinandan Narayan and Mr. S.N. Agarwal (Convener).

The Committee thinks that "an atmosphere of austerity and simplicity" should be created and has called upon the top leaders, especially Ministers and members of the legislatures, to take the initiative. It has recommended that the salaries of Ministers should be scaled down "so as to make them more consistent with our economic conditions".

The Committee has urged that Community Development Project advisory committees should be given more powers and their unanimous opinion should be given due weight. "A form of convention should grow up whereby the opinion of the advisory committees should be made operative and should not be turned down by the officers connected with the Project administration".

The Committee has also recommended the setting up of multipurpose co-operative societies in villages to undertake constructive work. "It would be in accordance with the declared policy of the Congress", says the Committee, "to establish a co-operative commonwealth in the country if the Congress organisation aimed at establishing multipurpose co-operative societies through suitable changes through the agency of single purpose societies in each village or group of villages".

Another recommendation is that instead of giving a long list of constructive works, it would be advisable to lay emphasis on one or two items at a time in order to focus special attention on them. The Committee has suggested that in each Congress session special emphasis be given to some forms of constructive work and Congressmen should be asked to organise these throughout the country.

(TheStatesman, 14 January 1955).

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36. Wages.

India - January 1955.

Minimum Rates of Wages fixed for 25 Scheduled  
Employments carried on by or under the Authority  
of Central Government.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Central Government has fixed the minimum rates of wages in respect of the following scheduled employments carried on by or under the authority of the Central Government.

1) Specified employees employed on road construction or in building operations or in the stone breaking or stone crushing by the All India Radio.

(Notification No. SRO 3652 dated 27-12-54, Gazette of India, Extraordinary, Part II, Section 3, 27 December 1954, pp. 2489-2492).

2) Specified employees employed on road construction or in building operations or in stone-breaking or stone crushing, in the Installation Centre, All India Radio, Poona. The all inclusive daily wages for casual labour vary from five annas for a plumber to one rupee twelve annas for mazdoor.

(Notification No. SRO 3653 dated 27 December 1954; the Gazette of India, Extraordinary, Part II, Section 3, 27 December 1954, pp. 2492-2493).

3) Specified employees employed by the Films Division, Bombay, under the Ministry of Information and Broadcasting on road construction or in building operations. The all-inclusive minimum daily wages vary from seven rupees for skilled mason to two rupees and eight annas for mazdoor.

(Notification SRO 3654 dated 27 December 1954; the Gazette of India, Extraordinary, Part II, Section 3, 27 December 1954, pp. 2493-2500).

4) Specified employees employed in the Cantonment Boards (32).

(Notification No. SRO 3655 dated 27 December 1954; the Gazette of India, Extraordinary, Part II, Section 3, 27 December 1954, pp. 2493-2500).

5) Specified employees employed on road construction and in building operations in the Western Railway. Different rates of wages have been fixed for the following classes of employees: skilled, semi-skilled, unskilled adult man, woman and boys and girls in different zones of the Railway.

(Notification No. 3656 dated 27 December 1954; the Gazette of India, Extraordinary, Part II, Section 3, 27 December 1954, pp. 2500-2504).

6) Specified employees employed on road construction or in building operations in the Integral Coach Factory, Perambur, Madras.

(Notification No. SRO 3657 dated 27 December 1954; the Gazette of India, Extraordinary, Part II, Section 3, 27 December 1954, pp. 2504-2505).

7) Specified employees employed on road construction or in building operations or in stone breaking or stone crushing by the Eastern Railway in the various Divisions or districts.

(Notification No. SRO 3658 dated 27 December 1954; the Gazette of India, Extraordinary, Part II, Section 3, 27 December 1954, pp. 2505-2511).

8) Specified categories of agricultural employees employed in employment carried on by or under the authority of the Ministry of Defence.

(Notification No. SRO 3659 dated 27 December 1954; the Gazette of India, Extraordinary, Part II, Section 3, 27 December 1954, pp. 2511-2532).

9) Specified employees employed on road construction or in building operations or in stone breaking or stone crushing by the Southern Railway.

(Notification No. SRO 3663 dated 20 December 1954; the Gazette of India, Extraordinary, Part II, Section 3, 29 December 1954; pp. 2571-73).

10) Specified employees employed by the Central Public Works Departments on road construction or in building operations or in stone breaking or stone crushing in the States of Bombay, Rajasthan and Ajmer.

(Notification No. SRO 3664 dated 21 December 1954; the Gazette of India, Extraordinary, Part II, Section 3, 29 December 1954, pp. 2573-74).

11) Specified employees employed on road construction or in building operations or in stone breaking or stone crushing on the North Eastern Railway passing through the States of Uttar Pradesh and Bihar. The all-inclusive daily rates of wages are two rupees and twelve annas for skilled employees and two rupees for semi-skilled employees.

(Notification No.SRO 3665 dated 21 December 1954; the Gazette of India,Extraordinary,Part II, Section 3, 29 December 1954,pp.2574-75).

12) Specified employees employed on road construction or in building operations or in stone breaking or stone crushing on the Northern Railway passing through portions of the State of Rajasthan.

(Notification No.SRO 3666 dated 21 December 1954; the Gazette of India,Extraordinary,Part II, Section 3, 29 December 1954, pp.3575-76).

13) Specified employees employed on road construction or in building operations carried on by or under the authority of the Cochin Port Administration.

(Notification No.SRO 3668 dated 29 December 1954; the Gazette of India,Extraordinary,Part II, Section 3, 29 December 1954,pp.2577-2579).

14) Specified employees employed under the local authority administering the port of Calcutta.

(Notification No.3669 ~~XXXX~~ and 3670 dated 29 December 1954; the Gazette of India, Extraordinary,Part II,Section 3, 29 December 1954, pp.2580-81).

15) Specified employees employed under the local authority administering the port of Bombay.

(Notification No.3671 dated 29 December 1954; the Gazette of India,Extraordinary,Part II, Section 3, 29 December 1954,pp.2581-2586).

16) Specified employees employed on road construction or in building operations or in stone breaking or stone crushing in the Hirakud Dam Project, Sambulpur, Orissa.

(Notification No.3673,dated 30 December 1954; the Gazette of India,Extraordinary,Part II, Section 3, 30 December 1954, pp.2589-92).

17) Specified employees employed on road construction or in building operations in the Central Water and Power Research Station,Khadakwasla.

(Notification No.3674 dated 30 December 1954; the Gazette of India,Extraordinary,Part II, Section 3, 30 December 1954,pp.2492-93).



18) Specified employees employed on road construction or in building operations or in stone breaking or stone crushing by or under the authority of the Ministry of Defence.

(Notification No.3675 dated 30 December 1954; the Gazette of India, Extraordinary, Part II, Section 3, 30 December 1954, pp.2593-95).

19) Specified employees employed by or under the authority administering ~~the~~ the port of Calcutta.

(Notification No.3676 and 3677 dated 30 December 1954; the Gazette of India, Extraordinary, Part II, Section 3, 30 December 1954, pp.2595-2600).

20) Specified employees employed under the local authority administering the port of Madras.

(Notification No.3678 and 3679 dated 30 December, 1954; the Gazette of India, Extraordinary, Part II, Section 3, 30 December 1954, pp. 2600-2602).

21) Specified ~~and~~ categories of agricultural employees employed in employments carried on by or under the authority of the Ministry of ~~Ag~~ Food and Agriculture.

(Notification No.3680 dated 30 December 1954; the Gazette of India, Extraordinary, Part II, Section 3, 30 December 1954, pp.2602-2604).

22) Specified categories of agricultural employees employed in employments carried on by or under the authority of the Ministry of Defence.

(Notification No.3681 dated 30 December 1954; the Gazette of India, Extraordinary, Part II, Section 3, 30 December 1954, pp.2604-2606).

23) Specified categories of employees employed by the Central Public Works Department on road construction or in building operations.

(Notification No.SRO 3599 dated 9 December 1954; the Gazette of India, Part II, Section 3, 18 December 1954, pp.2835-36).

24) Specified classes of employees employed by the Central Public Works Department t on road construction or building operations within the State of Delhi.

(Notification No.SRO 3600 dated 9 December 1954; the Gazette of India, Part II, Section 3, 18 December 1954, pp.2836-37).

25) Specified classes of employees employed by the Central Public Works Department on road construction or in building operations or in stone breaking or stone crushing in the States of Delhi, Bombay, Madras, West Bengal, Assam, Bihar, Punjab, Uttar Pradesh, Madhya Bharat, Madhya Pradesh, Travancore-Cochin and Hyderabad.

(Notification No.3601 dated 9 December 1954; the Gazette of India, Part II, Section 3, 18 December 1954, pp. 2837-2839 ).

Ajmer: Minimum Rates of Wages fixed for Employment in Public Motor Transport.

The Chief Commissioner of Ajmer has, in exercise of the powers conferred under the Minimum Wages Act, 1948, fixed with effect from 27 December 1954 the following minimum rates of wages payable to employees employed in public motor transport in the State.

- 
- A. Unskilled labourers, for example, Cleaners, Peons, Khalasies, Chowkidars, Watermen. -- Rs.42/- per month.
  - B. Conductors and Flying Checkers. Rs.52/- per month.
  - C. Drivers. -- Rs.75/- per month.
  - D. Clerks. -- Rs.65/- per month.
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Every employee employed in the public motor transport employment and paid 75 rupees or less per month as wages will be deemed to be included in one or the other said categories A to D.

Notwithstanding anything above, where the wages of any employee to whom this notification applies, immediately before the date of this notification, exceeded the minimum basic rate of wages specified for him above, the wages immediately before the date of this notification will be deemed to be the minimum basic rate of wages fixed for such employee under this notification.

The notification provides that when the cost of living index number for Ajmer rises by 20 points or more over the cost of living index number at the same place in November 1954, a cost of living allowance shall be paid to each employee to whom this notification applied at the rate of 6 rupees per month for every such completed 20 points rise. The cost of living index number for the purposes of this paragraph will in every case be calculated with 1944 as base.

Employees who are required to wear a uniform under the Motor Vehicles Act, 1939, or the Rules thereunder, shall also be paid an additional 10 rupees, after every completed year of service from the date of this notification.

The wages referred to in this notification are exclusive of allowances like the night allowance and the trip allowance. Such allowances shall continue to be paid to all employees as before this notification.

(Labour Department's Notification No. 9/5/54 Lab. dated 27 December 1954; the Gazette of India, Extraordinary, Part I, Section 1, 28 December, 1954, page 1449 )

Bihar: Minimum Rates of Wages for Employment in District Board or Municipality fixed.

In exercise of the powers conferred under the Minimum Wages Act and by a notification dated 30 December 1954, the Government of Bihar has fixed with effect from 30 December 1954 the following minimum rates of wages in respect of the different categories of workers connected with an employment in District Board or Municipality within the State of Bihar.

Categories.	Minimum rates of wages.
<u>MUNICIPALITY</u>	
Ward Inspectors or Conservancy Sub-Overseers.	-- Rs. 40/- per month.
Primary School Teachers.	-- Rs. 40/- per month.
<u>DISTRICT BOARD</u>	
Truck and Car Drivers.	-- Rs. 60/- per month.
Primary School Teachers.	-- Rs. 40/- per month.
School and Dispensary peons.	-- Rs. 32/8/- per month.
Sweepers.	-- Rs. 32/8/- per month.
Scavengers.	-- Rs. 35/- per month.

(Notification No. W3-10114/54L-19771 dated 30 December 1954; Bihar Gazette, Extraordinary, 30 December 1954, pp. 1-2 )

Bihar: Minimum Rates of Wages for Employment in Agriculture in Shahabad District fixed.

In exercise of the powers conferred under the Minimum Wages Act, 1948, and by a notification dated 16 December 1954, the Government of Bihar has fixed the following minimum rates of wages in respect of employment in agriculture in the district of Shahabad.

Nature of agricultural Employment	Minimum rates of wages
Harvesting of any Rabi Crop.	One in fourteen bundles of harvested crop.

When the minimum rates of wages are paid in cash, the cash value of wages to be paid in kind will be computed in accordance with the rules prescribed by the State Government under the Act.

(Notification No. W3-10113/54L-18939 dated 16 December 1954; Bihar Gazette, Extraordinary, 20 December 1954, page 1).

Madhya Pradesh: Minimum Rates of Wages for Employment in Agriculture in Amravati and Raipur Districts fixed.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Madhya Pradesh has fixed with effect from 22 December 1954 the following minimum rates of wages in respect of employment in agriculture in the villages of Amravati and Raipur districts.

AMRAVATI DISTRICT

Agricultural Operations.	Minimum rates of wages per day					
	Men		Women		Children	
	Rs.	As.	P.	Rs.	As.	P.
<u>A=Casual Labour</u>						
Ploughing.	0	13	0	0	20	0
Sowing.	0	13	0	0	10	0
Weeding.	0	10	0	0	8	0
Harvesting.	1	0	0	0	12	0
Threshing.	1	0	0	0	12	0
All other agricultural operations.	0	11	0	0	9	0
<u>B=Attached Labour</u>						

All agricultural operations: 15 rupees per mensem for children; 20 rupees per mensem for adolescents; 22 rupees per mensem for adults.

RAIPUR DISTRICT

Agricultural Operations.	Minimum rates of wages per day					
	Men		Women		Children	
	Rs.	As.P.	Rs.	As.P.	Rs.	As.P.
<u>A-Casual Labour</u>						
1. Ploughing.	--	0 12 0	0 10 0	0 8 0	0 8 0	0 8 0
2. Sowing.	--	0 12 0	0 10 0	0 8 0	0 8 0	0 8 0
3. Weeding.	--	0 10 0	0 8 0	0 6 0	0 6 0	0 6 0
4. Harvesting.	--	0 14 0	0 12 0	0 10 0	0 10 0	0 10 0
5. Threshing.	--	0 14 0	0 12 0	0 10 0	0 10 0	0 10 0
6. All other agricultural operations.	--	0 10 0	0 8 0	0 6 0	0 6 0	0 6 0
<del>XXXXXXXXXXXXXXXX</del>						
7. Transplantation.	--	0 10 0	0 10 0	0 8 0	0 8 0	0 8 0
<u>B-Attached Labour</u>						

All agricultural operations: 15 rupees per mensem for children; 18 rupees per mensem for adolescents; 20 rupees per mensem for adults.

(Notification No.2680 and 2681-3560-XXIII dated 22 December 1954; Madhya Pradesh Gazette, Part I, 24 December 1954, pp.824-827).

PEPSU: Minimum Rates of Wages fixed for Employees in Scheduled Employments.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Patiala and East Punjab States Union has fixed the minimum rates of wages payable to different categories of workers employed on:

- 1) Road construction or in building operations;
- 2) Stone breaking or stone crushing operations. (Notification No.77 dated 23 December 1954).
- 3) Oil Mills. (Notification No.78 dated 23 December 1954).
- 4) Any local authority in the State. (Notification No.79 dated 23 December 1954).
- 5) Public Motor Transport Service in the State. (Notification No.80 dated 23 December 1954).

(Patiala and East Punjab States Union Gazette, Extraordinary, Vol.No.7, No.146, Group A, Part I, Section 1, 27 December, 1954, pp. 725-729 )

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Travancore-Cochin: Minimum Rates of Wages  
fixed for Six Scheduled Employments.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Travancore-Cochin has fixed the following minimum rates of wages for the different classes of employees specified below.

1. Employment in Oil Mills (with effect from 25 December 1954).

A. General Schedule of Wages

Category.	Daily wages.		
	Rs.	As.	P.
<u>Unskilled</u>			
1. Yard worker.	--	1	12 0
2. Yard Moopan.	--	2	3 0
3. Fillers.	--	1	12 0
4. Cutterman.	--	1	12 0
5. Oiler.	--	1	12 0
6. Bellowman(Blower).	--	1	12 0
7. Heavy Head-load workers attached to Mills.	--	2	0 0
<u>Semi-skilled</u>			
1. Chuck worker.	--	1	14 0
2. Cutterman also doing the work of carrying copra to the cutter and removing oilcake.	--	1	14 0
3. Chuck Edamoopan.	--	2	2 0
4. Cooper.	--	2	2 0
5. Tinker, if attached to Mills.	--	2	0 0
<u>Skilled</u>			
1. EngineDriver.	--	2	8 0
2. Blacksmith.	--	2	8 0
3. Electrician(qualified).	--	2	8 0
4. Latheman (turner).	--	2	8 0
5. Chuck Moopan.	--	2	5 0

B. Guaranteed Monthly Minimum.

Workers employed on daily wage rates shall, however, be entitled to receive a guaranteed monthly minimum exclusive of leave with wages, bonus and night allowance as follows:-

Category	Guaranteed monthly minimum.		
	Rs.	As.	Ps.
<u>Unskilled</u>			
1. Yard worker.	--	35	0 0
2. Yard <u>Moopan</u> .	--	43	12 0
3. Fillers.	--	29	12 0
4. Cutterman.	--	29	12 0
5. Oiler.	--	29	12 0
6. Bellowman.	--	29	12 0
7. Heavy head-load workers attached to Mills.	--	40	0 0
<u>Semi-Skilled</u>			
1. Chuck worker.	--	31	14 0
2. Cutterman also doing the work of carrying copra to the cutter and removing oilcake.	--	31	14 0
3. Chuck <u>Edamoo</u> pan.	--	36	2 0
4. Cooper.	--	36	2 0
5. Tinker, if attached to Mills.	--	34	0 0
<u>Skilled</u>			
1. Engine Driver.	--	42	8 0
2. Blacksmith.	--	42	8 0
3. Electrician.	--	42	8 0
4. Lutheman.	--	42	8 0
5. Chuck <u>Moopan</u> .	--	39	5 0

C. Special Schedule of Wage Rates

For certain classes of workers in mills where the Edacopra system of payment is in vogue.

- 1. Yard workers (unskilled) 25 rupees per mensem (inclusive of allowances for noon day meals) plus Edacopra.  
Or  
Rs. 2-4-0 per day, subject to a guaranteed monthly minimum of 45 rupees.
- 2. Yard Moopan (~~unskilled~~ skilled) Rs. 30 per mensem (inclusive of allowances for noon day meals) plus Edacopra.  
Or  
Rs. 2-10-0 per day, subject to a guaranteed monthly minimum of Rs. 52-8-0.

3x  
N.B. The worker will have the option to receive the above daily wages with the guaranteed monthly minimum instead of the monthly wages plus Edacopra.

D. Piece Rates

Employers and workers will, however, be free to continue to existing system of piece rates without prejudice to the minimum time rate fixed for such employments. Such workers will also get the benefit of the guaranteed monthly minimum.

2. Contingent Employees of all Panchayats (with effect from 1 January 1955).

Schedule of Monthly Wages

Unskilled employees.		Basic Pay	Daily Allowance	Total
		Rs.	Rs.	Rs.
Peons.	--	20	22	42
Scengers.	--	20	22	42
Sweepers.	--	20	22	42
All other unskilled workers employed by the Panchayats.	--	20	22	42

N.B. The above rates apply to full time employees only.

3. Tanneries and Leather Manufactories (with effect from 31 December 1954).

		Rate of wages per day		
		Rs.	A.	P.
1. Kathivela (unskilled).	--	2	0	0
2. Pattavela (skilled).	--	2	0	0
3. Tana (skilled).	--	2	0	0
4. Miscellaneous works (unskilled).	--	1	8	0
5. Cobbler (skilled).	--	2	8	0
6. Assistants (unskilled).	--	1	4	0

4. Rice Mill, Flour Mill or Dals Mill (with effect from 31 December 1954).

		Rate of wages per day.		
		Rs.	A.	P.
1. Engine driver (skilled).	--	2	0	0
2. Yard workers and attendants in the boiling and milling and section (Unskilled):				
(a) Men.	--	1	8	0
(b) Women.	--	1	0	0
3. Huller-man or grinder. (semi-skilled).		1	12	0

5. Road Construction or Building Operations (with effect from 31 December 1954).

Description of Labour.		Rate of wages per day		
		Rs.	A.	P.
<u>Unskilled:</u>				
1. Man (unskilled).	--	1	6	0
2. Special (unskilled).	--	1	10	0
3. Woman (unskilled).	--	0	14	0
4. Boy (unskilled).	--	0	11	0



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6. Stone-Breaking or Stone Crushing(with effect from 31 December 1954).

	Rate of wages per day.		
	Rs.	A.	P.
<u>SKILLED OR SEMI-SKILLED:</u>			
1. Brick moulder.	--	1	12 0
2. Laterite cutter.	--	2	0 0
3. Hammer man.	--	1	10 0
4. Quarry man.	--	1	10 0
5. Boat man.	--	1	14 0
6. Stone cutter.	--	2	4 0
7. Rubble masson.	--	2	4 0
8. Laterite or brick masson.	--	2	4 0
9. Carpenter.	--	2	4 0
10. Saver.	--	2	4 0
11. Blacksmith.	--	2	4 0
12. Fitter.	--	2	0 0
13. Plumber.	--	2	0 0
14. Wood cutter.	--	2	0 0

(Travancore-Cochin Gazette, Extraordinary, 30 December 1954, pp. 1-3 )

Uttar Pradesh: Minimum Rates of Wages for Employment in Gaon Panchayats fixed.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Uttar Pradesh has fixed the following minimum rates of wages in employment in Gaon (village) Panchayats. The minimum rates of wages in the case of all adult wholtime employees over 18 years of age are 26 rupees per month of 26 working days ~~with~~ when payment is made on monthly basis and otherwise at one rupee per day.

(Notification No. 2968(LL)/XXXVIB-794(L) 1948 dated 29 December 1954; Government Gazette of the Uttar Pradesh, Extraordinary, 29 December 1954, page 1 )

Rajasthan Coal Mines Bonus Scheme.

The Government of India published on 25 December 1954 the text of the Rajasthan Coal Mines Bonus Scheme framed under the Coal Mines Provident Fund and Bonus Schemes Act, 1948. The scheme which is deemed to have come into force on 1 April 1954 applies to all coal mines in Rajasthan. The scheme prescribes, inter alia the class of employees eligible to qualify for bonus, qualification for bonus, amount of bonus, effect of participation in illegal strike, the period within which bonus becomes payable, returns to be submitted by the employer, register of persons employed underground in coal mines to be maintained by the employers, penalties and forms.

(The Gazette of India, Part II, Section 3, 25 December 1954, pp. 2903-2909).

Uttar Pradesh: Bonus granted to Workers in Vacuum-Pan Sugar Factories.

In exercise of the powers conferred under the U.P. Industrial Disputes Act, 1947, the Government of Uttar Pradesh has passed an order granting bonus to workers in vacuum-pan sugar factories. Under the order all vacuum-pan sugar factories in Uttar Pradesh (but, subject, in the case of 16 specified factories to the modifications, if any, determined by the committee appointed) would pay (a) to all persons employed in or under them and who were so employed in the crushing season 1953-54; and (b) to all persons employed in or under them in the crushing season of 1953-54, but who may not be employed under them now, an amount by way of bonus calculated in accordance with the following scales:

Sugar factories which are not required to pay any extra price to cane growers or factories which have to pay extra price not exceeding 6 pies per maund of cane under the Government of India's scheme for linking the price of sugarcane with the price of sugar:

Quantity of sugar produced from sugarcane in maunds during 1953-54 season.	Rates of bonus per maund of sugar produced.
Up to 100,000	Nil
Over 100,000 and up to 200,000	Annas 2 pies 6
Over 200,000 and up to 350,000	Annas 5
Over 350,000 and up to 500,000	Annas 7 pies 6
Over 500,000	Annas 10

Sugar factories which are required to pay extra price to cane growers above 6 pies per maund and up to 1 anna per maund under the Government of India's scheme for linking the price of sugarcane with the price of sugar:

Quantity of sugar produced from sugarcane in maund during 1953-54 season.	Rate of bonus per maund of sugar produced.
Up to 100000.	-- Nil
Over 100000 and up to 200000.	-- Annas 2 pies 3
Over 200000 and up to 350000.	-- Annas 4 pies 6
Over 350000 and up to 500000.	-- Annas 6 pies 9
Over 500000.	-- Annas 9.

Sugar factories which are required to pay extra price to cane growers exceeding anna 1 per maund under the Government of India's scheme for linking the price of sugarcane with the price of sugar:

Quantity of sugar produced from sugarcane in maunds during 1953-54 season.	Rate of bonus per maund of sugar produced.
Up to 100,000.	-- Nil
Over 100,000 and up to 200,000.	-- Annas 2
Over 200,000 and up to 350,000.	-- Annas 4
Over 350,000 and up to 500,000.	-- Annas 6
Over 500,000.	-- Annas 8

In the case of 16 specified sugar factories the Government has appointed a committee for the purpose of examining and recommending the modifications if any to be made in the scales for the amount of bonus laid down above.

(Government Gazette of Uttar Pradesh,  
Extraordinary, 19 January 1955,  
pp. 1-4 )

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Increased Dearness Allowance for Bombay Textile  
Workers to Compensate for rise in Cost of Living:  
Labour Appellate Tribunal's Award.

Over 200,000 workers in the textile industry in Bombay were granted an increased dearness allowance of ten per cent of basic earnings by the full bench of the Labour Appellate Tribunal in an award published recently.

The workmen were also granted about 5,000,000 rupees in additional bonus for 1952, increasing the bonus quantum of annual basic earnings of workmen to 20 per cent.

The present dearness allowance of a workman is 66 rupees and basic pay varies from 30 rupees to 140 rupees.

The increase in dearness allowance was given because of the rise in the cost of living above 325. The present cost of living is around 365 and it is estimated that with the present index ruling the millowners will have to pay annually 13,000,000 rupees more in dearness allowance to the workmen.

The workmen will get the benefit of the award from May 1953 and an amount of 20 million rupees will be paid to them towards the increased dearness allowance granted by the tribunal.

The decision was on three separate sets of appeals and cross-appeals made by the Bombay Millowners' Association and the Rashtriya Mill Mazdoor Sangh against industrial court decisions made in 1953 and 1954.

The tribunal rejected the demand of the workmen for revision of their wage structure as enunciated in the standardisation scheme of 1947, which is being followed as a basis in over 130 industrial concerns in Bombay.

"Upon a consideration of the present position (of industry) and in the light of the standardisation award, we are of the view that the industrial court was right in declining to alter the basic wage and to consolidate it with dearness allowance as claimed by Mr. Ambekar (on behalf of the Sangh)", the tribunal said.

Mr. G.D. Ambekar, president of the I.N.T.U.C. and General Secretary of the Rashtriya Mill Mazdoor Sangh, had demanded that the present minimum wage of a textile worker at 30 rupees per month should be raised to 46 rupees or 47 rupees in stages to meet his requirements of additional amenities and comforts, "essential to a workman's well-being". He also contended that minimum wage for all workmen should be a fair wage irrespective of the capacity of the industry to pay.

Mr. Ambekar also wanted that instead of distributing an amount of about 15 million rupees as increased dearness allowance to meet the cost of living, the present total emoluments should be consolidated at an index figure of 280 and the dearness allowance should be re-fixed.

The tribunal said that for determining such benefits as wage provided under the Central and State legislation, the total emoluments of the workmen were taken into consideration. "We have no particular predilection towards a basic wage of 30 rupees or towards the standardisation award, but we must attach importance to the fact that 30 rupees as the basic minimum has been confirmed by other calculations and is generally adopted as the basic minimum".

The tribunal also took into consideration the cost incurred by the industry towards additional comforts of workmen like education, medical requirements and miscellaneous amenities, contribution to the provident fund and the State Insurance fund. If these benefits were added to the basic minimum wage, fixed under the standardisation scheme in 1947 when these amenities were not provided, the total figure would come to something near the figure of 46 rupees demanded by Mr. Ambekar, the tribunal remarked.

Modifying the award of the industrial court in 1953 granting ten per cent flat increase in dearness allowance when the index exceeds 325, the tribunal introduced a slab system related to the cost of living index. For index figures 325 to 335 the increase would be five per cent, 335 to 350 seven and a half per cent and 350 to 400 (the current figure) the increase would be ten per cent. The award would be reconsidered when the index exceeds 400.

The tribunal assumed that the industry would be able to pay the increased dearness allowance but rejected the contention of Mr. Ambekar that the total minimum wage should not depend upon the capacity of the industry to pay.

The gross block capital of the textile industry in Bombay, comprising 60 mills, is 540 million rupees while the paid up capital (including bonus shares) amounts to 250 million rupees. As against a wage bill of 261.9 million rupees for 210,000 workmen in the industry in 1947, when the standardisation scheme was enforced, the current wages with no increase in the number of workmen engaged totals 300 million rupees.

In granting increased bonus for 1952 the tribunal rejected a request made by the Bombay Millowners' Association that the allocation of rehabilitation reserves in respect of the 38 profit-making mills should be enlarged to include the loss-making mills also and therefore the quantum of bonus granted by the industrial court to the workmen of profit-making mills should be reduced to that extent.

The tribunal also rejected a plea by Mr. Ambekar that the amount of bonus to be paid by the profit-making mills should be distributed amongst all the workmen of the industry, including workmen of the loss-making mills, and if necessary a pool of the amount of bonus should be created by way of a trust for the purpose of such wider distribution. "We do not know of any provision by which the representative union (which need not comprise more than 15 per cent of the entire workmen of the industry) can agree that the bonus must be divided amongst all workmen and secondly, if at all, the trust might be created by legislation", the tribunal remarked.

(The Hindustan Times, 18 January 1955).

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39. International Economic Relations.

India - January 1955.

Canadian Technical Help for Hydro-Electric Project for Assam: Agreement concluded.

India is to be helped by Canada in the construction of the 15,000,000 rupees Umtru Hydro-electric project in Assam. Letters which form the basis of an agreement providing for joint Indo-Canadian participation in the project, which is included in the first Five-Year Plan were exchanged on 11 January 1955 between the Finance Minister, Mr. C.D. Deshmukh, and Mr. Escott Reid, Canadian High Commissioner in India.

Under the agreement, Canada will contribute engineering services and electrical equipment for the project at an estimated cost of (Canadian) 1.2 million dollars, equivalent to about 5,000,000 rupees.

The Canadian Government has also agreed to cover rupee expenditure on the project up to (Canadian) 2.1 million dollars or about 10,000,000 rupees. This contribution will be made from the rupees which become available to that country from the sale of Canadian industrial raw materials provided to India under the Colombo Plan.

The total area expected to be benefited by the project covers about 1,000 sq. miles with a total population of nearly a million people. The project will provide electricity for irrigation and land reclamation purposes, cottage and small-scale industries and for the development of new industries.

Three generators of 2,500 k.w. each are expected to be installed at the site of the project which is expected to be completed by the end of next year.

(The Hindustan Times, 12 January 1955).

Tea (Amendment) Act 1954 (No. 49 of 1954):  
Measure for Increased Cess on Tea Exports.

The Tea (Second Amendment) Bill 1954 (vide page 32 of the report of this Office for December 1954) as passed by Parliament received the assent of the President on 23 December 1954 and has been gazetted as Act No.49 of 1954. The Act amends the Tea Act, 1953, providing for the enhancement of the tea export cess from two rupees per 100 lbs. to four rupees.

(Gazette of India, Extraordinary,  
Part II, Section 1, 24 December,  
1954, page 418 ).

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

INDIA - JANUARY 1955.

41. Agriculture.

Reserve Bank Report on All-India Rural Credit  
Survey: Nationalisation of Imperial Bank and  
Integrated Scheme of Credit to Rural Areas  
proposed\*.

Major reorganisation of co-operative credit, agricultural marketing and a sector of commercial banking for the benefit of the rural areas, and especially the smaller cultivator and handicraftsman, is recommended in the report of the All-India Rural Credit Survey published by the Reserve Bank.

Emphatically rejecting the more orthodox positions of previous committees, the committee in charge of the survey advocates effective partnership of the State in both co-operation and banking as the only means by which the weaker rural producer can be freed from the shackles of powerful interests and helped to develop in strength and prosperity. Among the many important proposals made by the committee is the establishment of a State Bank of India in which the major interest will be held by the Government of India and the Reserve Bank. Into this institution are to be fitted, by amalgamation, a number of banks, including the Imperial Bank, which even now are associated in different degrees with the policies of the State.

Scope of nature of survey.- The survey was conducted under the auspices of the Reserve Bank of India. The field inquiries covered 127,343 families in 600 villages selected in 75 districts all over the country. Investigations were also held in several other rural and urban places which were the centres of marketing or seats of administration.

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\*All India Rural Credit Survey: Report of the Committee of Direction Volume II. The General Report, Bombay, 1954, pp.578, Price Rs.5/-.  
(Copies obtainable from the Accountant, Department of Research and Statistics, Reserve Bank of India, Post Box No.1036, Bombay-1.).

To this ~~and~~ study of rural credit and allied economic activities, on a hitherto unprecedented scale, was added a careful analysis of the views which the committee had elicited from experienced officials and non-officials. The committee consisted of Mr. A.D. Gorwala (chairman), Prof. D.R. Gadgil and Mr. B. Venkatappiah (Members) and Dr. N.S.R. Sastry (member-secretary).

Sources of rural credit.- Among the major findings of the survey is the magnitude of the inadequacy of Governments and co-operatives as sources of rural credit. At the current level of borrowing, which makes little allowance for the planned increase of agricultural production, the all-India figure for the loans obtained by the cultivator from all sources may be broadly placed at 7,500 million rupees per annum. Out of this amount, the Government supplied as little as 3.3 per cent and co-operatives the equally insignificant proportion of 3.1 per cent.

Even more disturbing is the fact that, of this very little, the larger part went to the bigger agriculturists and only a minor fraction percolated to the smaller cultivator. Most co-operative societies lent on the security of land, and neglected as "non-creditworthy" those who could not offer such security.

In other respects too, such as ensuring the productive purpose of loans, Government finance and the co-operative system - with rare exceptions - failed to come up to the standard of a satisfactory system of rural credit.

The survey reveals that the private creditor - the professional money-lender, the agriculturist money-lender and the trader - still reign supreme in the field of rural credit, supplying 70 per cent or more of the total requirements. Although he meets a felt need which the State itself has not so far unduly exerted itself to fulfil, the money-lender, who is also often the trader, is certainly no ~~his~~ help to larger production or more equitable distribution of rural wealth. While as money-lender he charges exorbitant interest wherever he can, as trading creditor, he has a grip over the processing and marketing of the produce of the cultivator. He and other like him have a virtual monopoly of credit and economic power in the village; and, what is important, they have besides all the support they can derive from a whole series of financially powerful urban institutions, such as indigenous bankers, commercial banks, trading concerns and import and export firms.

People of this kind have not only opposed co-operative enterprise by various methods of unfair competition, wherever it suited them to do so, but have in some instances even succeeded in entering the co-operatives and controlling them to their own advantage.

Pitted against forces of this kind, it is no wonder that co-operative credit has failed to make any but the most insignificant progress. While the private interests of trading-cum-money-lender, themselves strong derived further strength from the whole superstructure of urban trade and finance, the co-operative societies, whether of credit, processing or marketing, have had little help from the federal structure of co-operation which in many cases was no more than a reflection of the weakness and want of organisation at the bottom.

Integrated Scheme of Rural Credit. Although co-operative credit has on the whole failed, as it could not help failing, in these conditions, the committee believes that there is no alternative to the co-operative form of association in the village for the proper promotion of agricultural credit and development. Co-operation must, therefore, be enabled to succeed. The Integrated Scheme of Rural Credit is designed to create the conditions necessary for such success.

One of the features of the scheme is major State partnership in co-operative institutions at different levels of the organisation. Along with such partnership by State Governments is envisaged greater collaboration between those Governments and the Reserve Bank, and very considerable financial assistance from the Reserve Bank. In consultation with the Bank, each State would prepare a phased plan of co-operative development. The share capital of State co-operative banks and land mortgage banks would be expanded on the basis of 51 percent of the shares being held by the State; similar partnership through the apex institutions is provided for in the central banks and even large-sized primary institutions.

Wherever necessary, funds for such ~~participation~~ participation are to be provided by long-term loans made by the Reserve Bank to State Governments out of a National Agricultural Credit (Long-term Operations) Fund to which the Bank would make an initial allocation of 50 million rupees, and further annual allocation of 50 million rupees. The fund would be utilised also for making medium-term loans to the State co-operative banks and long-term loans to land mortgage banks as also, for purchasing "special development debentures" connected with specific projects of irrigation.

Closely related to this is the scheme for the planned development of co-operative marketing and processing on the one hand and storage and warehousing on the other, again on the basis of major State partnership at different levels. A ~~and~~ planning and financing body, in the form of a National Co-operative Development and Warehousing Board is to be set up by the Government of India and an annual allocation of 50 million rupees made to it in connection with ~~the~~ two funds - (a) the National Co-operative Development Fund and (b) the National Warehousing Development Fund. From these funds long-term loans would be advanced or subsidies given to the State Governments and to certain institutions. The State Governments would be concerned with the extension of co-operative marketing, co-operative processing, etc.

The development of storage and warehousing would be the special function of a statutory body called the All-India Warehousing Corporation, supplemented by State Warehousing Companies, in all of which the State, i.e. the Central Government and the State Governments, would have the predominant interest.

In recommending the establishment of a State Bank of India, the committee extends the concept of State partnership to an important sector of ~~State~~ commercial banking. The bank would have a country-wide network of branches provided by the amalgamation of different "State associated" banks, including the Imperial Bank. As a strong integrated, State-sponsored institution, it would be able to provide vastly extended remittance facilities for co-operative and other banks, and thus stimulate the further development of those banks.

Setup of New Banks. - Moreover, in its loan operations, in so far as these have a bearing on rural credit, the State Bank of India would follow a policy which, while not deviating from the canons of sound business, would be in effective consonance with national policies. According to the committee's recommendation, the amalgamating banks are to<sup>be</sup> 15; the Imperial Bank, the State Bank of Saurashtra, the Bank of Patiala, the Hyderabad State Bank, the Bank of Bikaner, the Bank of Jaipur, the Bank of Rajasthan, the Bank of Baroda, the Bank of Indore, the Bank of Mysore, and the Travancore Bank.

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\*Mr. C.D. Deshmukh, Union Finance Minister stated at the House of the People on 20 December 1954, that the Government had accepted the recommendation for the establishment of a State Bank of India, including the Imperial Bank of India, in principle (vide page 22 of the report of this Office for December 1954).

The share capital of the new bank so constituted would be expanded; the additional shares, which would be non-transferable and eligible only for restricted dividends, would be allotted exclusively to the Reserve Bank and the Government of India. These two together would then hold 52 per cent of the total share capital. While effective State control would thus be assured, the committee emphasises that the essentially autonomous and commercial character of the institution should be safeguarded.

The State Bank would be expected to follow a programme of rapid expansion of branches to district headquarter places and to even smaller centres, but any losses arising from such expansion are to be met from an "Integration and Development Fund", created within the institution out of the dividends payable to the Central Government and the Reserve Bank and of further contributions made by both these as and when necessary. There is, therefore, to be no reduction in the scope for earning the profits normally available, for distribution among private shareholders.

Training of personnel. A very important part of the committee's proposals is concerned with the training of personnel. The committee draws attention to the need for right selection and right training and emphasises the supreme importance of building up a body of workers, official and non-officials, who in implementing the programmes of the Government, would not only be skilled, honest and efficient, but also, and in particular, be sympathetic in their understanding of rural conditions and responsive in their endeavour to fulfil rural needs.

Besides containing the recommendations very briefly outlined above, the General Report gives the Committee's observations and suggestions on a number of other aspects of policy ~~connected~~ connected with rural credit, such as stabilisation of agricultural prices, control of forward markets, development of village roads and reorganisation of the administrative set-up in so far as it is related to rural development.

(The Times of India, 22 December 1954).

## 42. Co-operations.

India - January 1955.

### Co-operative Organisations of Small Industries: Two Societies to be set up for Handloom Weavers.

Two Industrial Co-operatives of Handloom Weavers have been sanctioned by the Government of India as a first step in the organisation of artisans in small industries on co-operative lines.

The object of forming such co-operatives is to enable the producer to enjoy the fruit of his labour and to organise small industries on a sound footing - a step in the direction of setting up a socialistic pattern of society as enunciated in the Lok Sabha's resolution on Economic Policy.

The two co-operatives will run two weaving factories in the North Malabar district ~~which~~ of ~~the~~ Madras State - the Loknath Weaving Factory which has remained closed since February 1954 and the Kausalya Weaving Factory which has been closed for nearly two years. The two factories between them will have a capacity of 85 looms which can be expanded to 127 looms.

The Government of India have sanctioned over 100,000 rupees to help the two co-operatives to purchase new looms and to provide them with working and share capital. The workers of the two factories who have so long been mere wage earners, will be shareholders in the co-operatives and will share in their profits.

The Central Government have also sanctioned 100,000 rupees for the Shornaur Metal Industries in Madras to form industrial co-operatives.

The working of these Industrial Co-operatives undertaken as an experimental measure will be watched by Government who propose to form more such co-operatives particularly in Madras and Uttar Pradesh.

The members will be required to subscribe at least 50 rupees each to the share capital of the co-operatives. They will make an initial payment of 10 rupees, the balance is to be paid out of wages in monthly instalments of 2 rupees each. The existing building, equipment, etc., will be purchased outright for which money will be found through the members' subscriptions as well as loans and grants from the Government for 59,000 rupees in the case of one co-operative and 89,000 rupees in the case of ~~the~~ the other.

Both will be financed by the Mill Gloth Cess Fund. Working capital will be secured on normal business terms.

The two ~~mutual~~ co-operatives could provide work for 175 persons. In order to ensure the functioning of the co-operatives as economic units, they will be exempted from certain labour laws.

Each co-operative will have a Board of Directors of not more than seven members, nominated by the Registrar of Co-operative Societies for the first five years. The Boards will be ~~be~~ assisted by the co-operative sub-registrar in the proper administration of the affairs ~~in~~ of the co-operatives. These officers will be paid from the cess fund for the first three years. A part of the rest of the establishment expenses will also be similarly contributed.

(The Hindu, 5 January 1955;  
The Hindustan Times, 11 January 1955).

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### 43. Handicrafts.

India - January 1955.

#### Model Workshops to be set up for Small Industries: Central Board adopts detailed Programme of Development.

The first meeting of the recently set up Small Scale Industries Board (vide pp.57-61 of the report of this Office for the month of December 1954) was held at New Delhi on 5 and 6 January 1955; Mr. T.T. Krishnamachari, Union Minister for Commerce and Industry inaugurated the meeting. The session adopted a detailed programme for the development of small-scale industries, including the setting up of model workshops.

Mr. Krishnamachari in the course of his address said that he was thinking in terms of having some kind of chain stores to encourage production and market consumer goods produced by small-scale industries. The idea was, however, "at the stage of dream" he added. He also announced Government's intention to start a small-scale industries corporation. Mr. Krishnamachari assured members of the Board that as far as his Ministry was concerned, "we do believe in the future of small-scale industries".

Programme of development.- The Board adopted a detailed programme for the development of small-scale industries during the financial year 1955-56. Under the programme, model workshops will be set up to introduce improved tools and techniques in widely dispersed industries such as carpentry, blacksmithy, pottery, leather flaying and tanning, and leather goods. The State Governments will prepare schemes to start these workshops, which will differ in size and form according to local conditions.

The Board also decided that a number of industries such as furniture making, footwear, sportsgoods, glassware, cutlery, locks and ~~excess~~ cycles parts, which operate in groups in different towns, should be selected and given assistance to improve the quality of their products, reduce costs and introduce new designs. Central workshops to undertake operations which cannot be carried out by individual small units economically will be set up and a system of quality marking will be introduced.



The Board considered a number of industries where manufacturing capacity had not been developed and decided that a central organisation should be set up for each group of industries to arrange for land and buildings and to supply equipment and raw materials on credit so that new lines of manufacture could be introduced. It is estimated that 45 such groups will be taken up for development during the next financial year. Some of the industries which will be developed are surgical instruments, mechanical toys, clocks, laboratory and scientific equipment, knitting needles, metallic watch straps, thermos flasks, cigarette lighters and fountain pens.

The Board also approved a proposal to set up five industrial estates during 1955-56. These estates will develop land, construct workshops and other buildings required by small units, arrange for the supply of electricity, water, gas, steam, compressed air and other facilities and provide community services.

(The Hindustan Times, 6 and 7 January 1955 ).

Promotion of Village Oil-Crushing Industry:  
Enquiry Committee appointed by the Central  
Government.

The Government of India appointed on 15 January 1955, a Committee to go into the entire question of the oilseed crushing industry in India, including crushing both by village 'ghanis' and by mills. Mr. P.A. Gopalakrishnan, Joint Secretary, Union Ministry of Food and Agriculture is Chairman of the Committee.

According to its terms of reference, the Committee will carry out a rapid survey of the state of the oilseeds industry and recommend the lines on which it should be developed in ~~future~~ future. In particular, the Committee will examine and report on:

A. Whether it is necessary to increase or to reduce the existing oilseed-crushing capacity of mills.

B. Whether it would be desirable to reserve any particular oilseeds for crushing by the

village 'ghani' only having regard to the effect of such reservation on the efficiency of production of oil and its nutritional value and having regard further to its effect to employment, supply of oil to consuming industries and exports; and

C. Whether it is necessary to give any assistance to the village oilcrushing industry.

(The Hindu, 17 January 1955).

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44. Merchant Marine and Fisheries.

India - January 1955.

13-Day Strike by Inland Mariners in Bengal:  
Interference in Trade Union Activities  
alleged.

On 9 January 1955, about 5,000 employees of the River Steam Navigation Ltd., and Indian General Navigation and Railway Ltd., popularly known as Joint Steamer Companies, stopped work on vessels lying in the Calcutta port. The strike was organised by the Bengal Workers' Union who directed its members to stop work on all vessels of the companies plying in Assam, Bihar, and ports of Uttar Pradesh. The strike lasted for 13 days and nearly thirty-five thousand workers were affected.

The demands of the workers included the stoppage of "illegal" retrenchment and "undue interference" in trade union activities. Attempts to bring about a settlement were made by the Government, but according to the State Government's Labour Directorate the strike was considered illegal as the men stopped work without giving due notice and during the pendency of proceedings before a labour tribunal which is inquiring into their grievances.

Strike called off.- The strike was called off on 21 January 1955 following direct negotiations between a committee of strikers and the Joint Steamer Companies. Mr. Aftab Ali, President of the Pakistan Seafarers' Federation and a former President of the Bengal Mariners' Union in pre-partition Bengal, played an important part in bringing the two parties together and in formulating the terms of the agreement.

Under the terms of agreement the workers agreed to resume work "as early as practicable".

The company agreed to re-commission three laid-up vessels with their full strength and personnel. It also agreed to reinstate all ranks and ratings dismissed in connection with the strike, including those of the vessel Matu, whose crew were arrested immediately before the strike began.

The company agreed "to treat all ranks and ratings now on strike as if in employment since 9 January", and withdraw all charge-sheets and proceedings against them in connection with the strike.

According to a report, the company has accepted almost all the demands of the mariners. Strikers considered the agreement as the fulfilment of almost all of their demands on which they began strike without serving any notice.

The tribunal, which is to ~~be~~ probe into the mariners' grievances, will be requested to postpone hearing and both parties have agreed to try to settle their dispute amicably.

(The Hindustan Times, 22 January 1955).

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51. Hours of Work.

India - January 1955.

Leave facilities for Technical Staff in  
63 Textile Mills in Ahmedabad: Collective  
Agreement concluded.

A mutual agreement in respect of privilege, casual and sick leave was reached on 28 December 1954, between the managements of 63 textile mills of Ahmedabad and the technicians and officers (other than departmental heads) working in these mills.

The collective agreement, which was signed by a representative of the Ahmedabad Millowners' Association on behalf of the managements of the mill members and a representative of the Ahmedabad Textile Technicians' and Officers' Union on behalf of the technicians and officers, will come into force from 1 January 1955.

According to the agreement, every technician or an officer will be entitled to one month's privilege, ten days' casual and one month's sick leave for every year of service. Privilege leave can be accumulated for a total period of three months.

As regards sick leave, the agreement stipulates a maximum of 12 months during the whole service. It is however, open to the mills to grant additional sick leave in special cases.

(The Times of India, 30 December 1954).

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

India - January 1955.

Welfare of Mica Workers: Review of Activities financed from the Mica Mines Labour Welfare Fund for the Year 1953-1954.

The Government of India published on 1 January 1955 the report of the activities financed from the Mica Mines Labour Welfare Fund for the year ended 31 March 1954 under the Mica Mines Labour Welfare Fund Act, 1946. A summary is given below of the more important developments in the scheme during the period under report.

Activities in Bihar.- The Advisory Committee constituted under section 3 of the Mica Mines Labour Welfare Fund Rules, 1948, met 3 times during the year when various important matters concerning the administration of the fund were discussed and new schemes for the welfare of the mica miners were proposed. The Advisory Committee was assisted by the Finance Sub-Committee and other Sub-Committees.

The Advisory Committee constituted a Special Sub-Committee for suggesting schemes with a view to utilising the accumulated funds. The recommendations of the Sub-Committee were considered by the Advisory Committee at its subsequent meetings and it was decided to prepare schemes in regard to: (a) housing including a scheme for constructing departmental small colonies; (b) improvement of water supply by subsidised departmental wells; (c) opening of additional dispensary and child welfare centres; (d) extension of anti-malaria scheme to a wider area; (e) opening of primary schools in the mining area; (f) recreational facilities; and (g) construction of a Rest House and Staff quarters.

A five-year forward budget for the period 1954-55 to 1958-59 has been prepared and it is proposed to spend a total sum of 7,786,800 rupees on different welfare schemes in the mica mining areas in Bihar during the period.

Medical facilities.- The reservation of 10 beds at the Kodarma Hospital for mica mine workers on payment of an annual grant of 13,000 rupees was continued pending the opening of the Central Hospital at Karma. The total number of mining cases treated during the year was 2,806 as against 2,732 during the previous year.

Construction of the 30-bed Central Hospital and allied buildings at Karma started during the year 1951 has since been nearly completed. Sanction has been accorded for the recruitment of staff and purchases of equipment, furniture, drugs and medicines for the hospital. It was anticipated that the hospital will start functioning by October 1954.

The fund continued running 3 static dispensaries at Dhab, Dhorakola and Ganpathagi.

The two mobile medical units stationed at Karma and Dhorakola continued their work in the respective areas. The number of mines visited by Dhorakola and Karma medical units during the year under report were 295 and 738 respectively.

The All-India Blind Relief Society organised an eye relief camp at Domchanch for which a sum of 1,500 rupees has been paid as a grant. The number of mica mine workers treated at the camp was 562.

The construction work of the dispensary building with staff quarters at Dhab started during the year 1952 has since been completed. The construction work of the Dhorakola dispensary was expected to start shortly. Pending construction of the building at Dhab a Maternity and Child Welfare Centre started functioning under the supervision of a Lady Health Visitor in May, 1953.

Anti-malaria operations.- The anti-malaria operations continued in the mica field during the year. The scheme was implemented in full. The distribution of paludrine tablets to mica mine workers as preventive measure against malaria continued during the period. During the year under report 71,124 tablets were distributed. The total fresh attacks and relapse cases among those taking paludrine tablets were 256 and 86 respectively as reported by the mines.

A supplementary scheme for insecticidal spraying in Debour, Dhorakola and Dhab in the mica fields of Bihar was implemented during the year and between August and the end of November 1953 two rounds of spraying in the above three areas including the neighbouring villages from where the labour comes have been completed. The spraying has proved very effective. In all 63 mines and 18 villages have been covered in each round. Seven thousand two hundred and eighty rooms were sprayed by the spraying team.

Watersupply.- Three wells were constructed by the Welfare Fund at Saphi, Dhorakola and Khalaktambi respectively, were ready for use during the year. A geological survey of the mine areas for suitable well sites was made during November 1953, the results of which are awaited.

Housing.- With a view to improving the housing condition of miners, a substantial housing scheme for the construction of houses of prescribed standards in the mica fields of Bihar was sanctioned. Under this scheme for the houses in respect of which applications were received by the 15 October 1953 and which are completed by the 15 October 1954, a subsidy at the rate of 25 per cent of ~~350 rupees~~ the cost of construction subject to the maximum of 350 rupees per house will be paid and in other cases the subsidy will be 20 per cent of the cost of construction subject to the maximum of 280 rupees per house. Five applications for the construction of 18 houses were received from the mica mine owners by 15 October and 2 applications for the construction of 27 houses were received between the 15 October 1953 and the close of the year. However, applications for the construction of 9 houses have been withdrawn by the mine owners in view of their inability to construct houses due to slump in the mica market.

Multipurpose centres.- The multipurpose centre continued functioning at Debour and afforded facilities to the mica mine workers and their families including: (1) education and recreation to the children; (2) training to women in handicrafts and home science; (3) literacy classes for adult workers; and (4) children's ~~play~~ play ground. The average <sup>daily</sup> number of children and women attending the women welfare centre during the year was 43 and 9 respectively. The number of adults attending the centre was 23.

Activities in Andhra.- The Advisory Committee met five times during the year and its Finance Sub-Committee once during the year. Besides this, a Special Sub-Committee met on 2 November 1953 for recommending wages for certain classes of mica mine labourers, as required by the Commissioner of Labour of the State Government. Another Sub-Committee met on 7 February 1954 to suggest ways and means, for the employment of the unemployed in the mining area as required by the Central Government.



Medical facilities. The three dispensaries at Kalichedu, Talupur, and Sydapuram continued to work satisfactorily. The total attendance at each dispensary during the year ending 31 March 1954 was 38,800, 23,842 and 30,152 respectively. One important new feature connected with dispensaries was that an in-patient ward with eight beds was opened at the dispensary at Kalichedu in March 1953. The number of in-patients treated up to the end of March 1954 was 559. An amount of 15,000 rupees was donated from this fund for the reservation of 8 beds in the tuberculosis hospital, Nellore, which is under the control of the Andhra State Government, for the exclusive use of the mica mine labourers and their families. The question of reservation is however not yet settled. Two beds in the government headquarters hospital at Nellore and one bed in the government hospital, Gudur, have also been reserved for the exclusive use of the mica mine labourers for which an annual contribution of 1,000 rupees is being paid to the State Government. Seven mica mine labourers at headquarters hospital at Nellore, and 10 at Government hospital at Gudur, were admitted and treated during the year under report.

Four hundred and seventy-one maternity cases were attended to at the four maternity centres at Talupur, Kalichedu, Utukur and Sydapuram working under this organisation, during the year. The lady health visitor, who supervises the centre, also visits the houses of labourers and instructs women on health, sanitation, child-welfare, post-natal, and ante-natal precautions.

Anti-malaria operations. The Anti-malaria activities conducted during the year in the mining areas mainly included D.D.T. spraying of an area of 15,450,615 square feet in the mining area, which included 20,498 structures, and distribution of 7,704 quinine pills to 745 persons. As a result of these measures the incidence of malaria considerably decreased.

Educational facilities. There were five elementary schools working at present under this organisation during the year. One more elementary school had been sanctioned, and was expected to function from July 1954. Midday meals were being served to the children of the mica mine labourers studying in these schools at a cost of 2 annas 6 pies per meal per head with effect from June 1953, as a result of which there was improvement in the attendance of school children. Scholarships to the children of mica mine labourers studying in high schools and colleges were also being granted. An amount of 1,260 rupees has been paid to 34 students during 1953-54. Free supply of books and slates, etc., was made to children of the mica mine labourers, studying in all the five elementary schools and also in the four aided schools run by the mine proprietors at Sha, Pallimitta, Muneria and Bhavani-Sanker Mines. Steps were also being taken for free supply of dress to children of the mica mine labourers studying in

in elementary schools working under this organisation.

Adult literacy schools were also opened in the mining area in the five elementary schools to educate the mica mine labourers during night. Three out of five adult literacy schools ceased to function as the attendance was too poor. Special efforts were being made to make these centres effective and useful.

Community Centres.- Community Centres were being formed in the mining area to educate women labourers on home science, child welfare, sanitation, hygiene, and also to teach them handicrafts such as sewing, tape-weaving, mat-making, spinning, etc. It was also proposed to teach carpentry to mica mine labourers.

Creches.- Creches have been opened at several mica mines by mica mine owners and the attendants in charge of creches are trained at Asokh Vihar, Madras. Two creche attendants have been trained at Asokh Vihar during the year.

Activities in Rajasthan.- The Mica Mines Labour Welfare Fund Advisory Committee for Rajasthan met three times during the year and discussed important matters like the five year forward programme, subsidised housing scheme and detailed plans and estimates for the construction of 'A' and 'B' Class Welfare Centres.

Welfare scheme.- Sanction was accorded for the opening of two 'B' Class Centres consisting of a dispensary and a maternity and child welfare centre during the year. The centres were started at Sardargarh and Jamoli respectively. The centres were adequately furnished and started functioning from the middle of January 1954 and the beginning of February 1954 respectively. The number of cases treated at the dispensaries was as follows:-

- (1) Sardargarh, 11 January 1954 to 31 March 1954 - 1,204 cases.
- (2) Jamoli, 1 February 1954 to 31 March 1954 - 643 cases.

'C' Class Centres & Mobile Medical Units.- Two mobile medical units were sanctioned during the year but the procurement could not be completed during the year.

Fresh sanctions were received towards the close of the year for the establishment of two additional 'C' Class Centres (Mobile Medical Units), one additional 'B' Class Centre (comprising of a Dispensary, Maternity and Child Welfare and Recreation), two 'A' Class Centres (comprising of a Dispensary, Maternity and Child Welfare, and Recreation, Elementary School and Water Supply) and one Mobile Cinema Unit. Sanction was also received for organising recreational activities at the two existing 'B' Class Centres.

Activities in Ajmer.- The Mica Mines Labour Welfare Fund Advisory Committee for Ajmer met five times during the year 1953-54, and its Finance Sub-Committee only once.

Medical facilities.- Establishment of a mobile medical unit has been sanctioned and procurement is in progress.

Educational facilities.- A subsidy of 2,000 rupees was granted for the construction of a school building at village Dadola. The construction of the building was nearing completion by the close of the year.

Establishment of Multi-purpose Welfare Centres.- The Committee decided to establish two multipurpose welfare centres at villages Para and Sanod. These centres will provide medical, educational, recreational and maternity and child welfare facilities.

Statement of accounts.- The statement of accounts appended to the report showed receipts for the year 1953-54 at ~~12.12~~ 12.937 million rupees including an opening balance of 11.593 million rupees; expenditure amounted to 0.694 million rupees leaving a closing balance of 12.242 million rupees.

(The Gazette of India, Part II, Section 3,  
1 January 1955, pp. 34-42 ).

Work and Leisure of Labour in Kanpur:  
Results of Inquiry published.

According to <sup>a</sup> study of 900 worker families in Kanpur conducted to assess the time spent by workers in Kanpur factories in leisure and recreation, it has been found that out of nearly 6 hours and 20 minutes leisure available to a worker, he spends on an average 1 hour 12 minutes on activities providing entertainment both active and passive and one minute each for reading and writing and for physical culture. These entertainment activities, according to the study, includes cinemas, theater, ~~XXXX~~ fairs, qawali (group singing), gambling, drinking and prostitution. Entertainment programmes of the industrial workers seldom include items of sports whether indoor or outdoor, other than kabaddi, playing cards and draughts. The table given below shows the average time spent in leisure activities per worker.

Leisure time activities.	Average time spent per worker.		Model
	Hrs.	Mts.	
Domestic duties. --	2	0	
Idling and relaxation. --	1	20	
Gossip. --	1	20	
Religious functions. --	0	6	
Entertainments. --	1	12	
Visiting friends and relatives.	0	30	
Reading and writing. --	0	1	
Physical culture. --	0	1	
Total.	6	20	

Working Hours and Rest Interval.- The history of legislative enactments clearly shows that, but for the war period from 1939-1945, there has been a steady reduction in the working hours of the workers as from 12, 11 and 6 hours in 1890-1910 to 8, 8 and 5 hours for male adults, female adults and children respectively.

The following table shows the average distribution of workers' time per day of 24 hours:-

Average time spent in	Number of hours and minutes	
	Hrs.	Mts.
Working hours -- --	8	0
Rest interval -- --	0	30
Sleep -- --	7	30
Going to and coming from factory.	0	40
Eating, washing and meals. --	1	0
Leisure. --	6	20
Total.	24	0

The Factories Act, 1948, provides for a minimum rest period of 30 minutes to a worker after every four hours' work at a stretch. But this rest interval is seldom utilised for purposes of recreation or relaxation. It is usually spent in hurrying home for meals and then running back to the factory, or those who have brought their meals with them, spend the interval in taking it in the factory premises.

Distribution of Time other than Leisure.- It has been revealed by the inquiry that the workers, excluding their normal requirement of 7 to 8 hours of sleep, have to spend a fair amount of their free time in going and coming from the place of work. On an average, it is observed, that 50 per cent of the workers live at a considerable distance from the factory, and as many as 95.8 per cent of the workers use no transport in going to the factory and back. The average time spent in this coming and going works out at 40 minutes per worker.

The inquiry has revealed that nearly 80 per cent of the workers use latrines other than private ones, and those who use public and common latrines have very often to form queues and patiently wait for their turn. Yet others have to go a long distance in search of a suitable place. For water, 93.2 per cent have to crowd round public and common taps and wells. For single worker, time spent in ~~working~~ cooking has been estimated at not less than an hour.

Average Time spent in Leisure.— As already mentioned, the average time available per worker comes to 6 hours and 20 minutes. This has been calculated after deducting from a whole day of 24 hours time spent in going to and coming back from work, the time taken for attending to toilet, washing and taking meals, and the time normally taken up in sleep, together with the time taken by work in the factory. The value and significance of such leisure vary with respect to the time during day or night when such leisure is available. The work in Kanpur factories is being usually carried on in three shifts. Working hours of the three shifts and the time during which leisure is available to workers in the various shifts is given below:

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	Time during which leisure is available.
1st Shift.	-- 3.50 p.m. to 10.10 p.m.
2nd Shift.	-- 7.20 a.m. to 1.40 p.m.
3rd Shift.	-- 3.20 p.m. to 9.40 p.m.

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From the above table, it will be seen that hours of leisure which are available to the first and third shift almost coincide, but it must be noted that sleep during the day for workers in the third shift can not, as refreshing as sleep at night for the workers in the first shift, and as such ~~xxxxxxx~~ those who have had 7 1/2 hours of sleep during night are in a better state of fitness to participate in leisure activities. It is further evident that workers in the second shift do not have the opportunity to take part in leisure activities in the evening.

The Government Labour Welfare Centres that have been provided for the recreational activities of the workers are open from 7.30 or 8.30 ~~am~~ a.m. to 11.30 or 12 in the noon and from 4.30 or 5 p.m. to 8.30 ~~pm~~ p.m. in the night. The workers of the first ~~xxx~~ and third shifts can utilise them in the evening and workers of the second shift in the morning. But the workers who care to go to these

centres for recreation purposes, have been generally found there in the evening. On Sundays and holidays the workers get about 14 hours of leisure; and the remaining ten hours of their time they spend in sleeping and in doing their usual round of domestic work in a more leisurely and easy going way than on any week day. It is apparent, therefore, that a very large part of leisure is not utilised in the development of social and cultural tastes and in making life richer and more worth living.

(Labour Bulletin, July, 1954, pp.22-32).

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59. Social Research.

India - January 1955.

Seventh Session of Indian Conference of Social Work, Lucknow, 26-30 December 1954: Suggestions relating to Social Welfare in the Second Five-Year Plan.

The seventh session of the Indian Conference of Social Work was held at Lucknow, from 26 to 30 December 1954. The Conference was inaugurated by Mr. K.M. Munshi, Governor, Uttar Pradesh, and Dr. Jivaraj N. Mehta, Minister for Finance, Prohibition and Industries, Government of Bombay, presided. Mr. N.N. Kaul, of this Office attended the Conference on behalf of the I.L.O.

Need for Indian Philosophy of Social Work:  
Dr. Radhakamal Mukerjee's address.- Dr. Radhakamal Mukherjee, Chairman of the Reception Committee of the Conference, welcoming the delegates, said that "India has declared her allegiance to the socialistic policy and is on the way in building up a new social service state in place of the police state of the past. The foundations of a social welfare state in India can only be successfully laid by taxing money where it can be most easily spared and making use of the surplus; in the first place, to combat unemployment; in the second place, to equalise educational opportunities for all; and, third, to provide for schemes of social security. India at present is far distant from employment security and ~~from~~ equality in respect of opportunities of education. Social work must fundamentally begin with these. Employment and income-security must obtain highest priority in the country. In its absence health insurance benefits, old age pensions and other forms of assistance touch the fringe of the problem of social welfare".

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Dr. Mukherjee said that the basic social welfare scheme for preventing, mitigating and relieving unemployment in an agricultural country like India was a plan for land redistribution so that about one-fifth of the total population, dependent on the land, who constituted the landless class may obtain the right to own land. Land redistribution can come through the procedure of imposing a ceiling of, say, 20 acres for an agricultural holding and the development of a new farm structure on co-operative or collectivistic lines so as to improve the yield both per acre and per unit of land without which the problem of adjusting human numbers ~~of~~ to food resources would become exceedingly difficult of solution.

Dr. Mukherjee stated that the immediate aims in social work should be three-fold: the introduction of social group work in every field of inadequacy, dependency and maladjustment; the development of a cadre of trained voluntary social workers, each taking charge of group of 6 to 10 dependents and handicapped, as in Japan; and the co-ordination of the present inefficient social welfare agencies through the establishment of a community chest and expert supervisory authority. However, without a philosophy of social work, welfare policies and programmes cannot take deep roots in the Indian soil. Social work was at its best when it was concerned not with a world of rights and duties, claims and counter-claims but with an ideal of altruistic service and counter-service. In India altruism was prized not only as the highest virtue but as a metaphysical value grounded in an intuitive perception of the oneness of life and related to the structure of reality. Such altruism that remained today moral and religious, had now to be linked with the philosophy of democratic socialism.

Inaugural address.- Mr. Munshi in the course of his inaugural address stressed the need for trained social welfare workers, the lack of which he considered as one of the greatest difficulties in the field of social work. "The success of our social work, therefore, is bound up with training a band of social workers who not merely know the technique of social work but who have acquired a human approach to the problems; who feel oneness with the unfortunates among whom they are working; who have conquered the egoistic desire to teach and improve from a high pedestal; who have developed a sense of dedication of life to spiritual ends".

Need for co-ordination of social work:  
Presidential address.- Dr. Jivraj N. Mehta, delivering his presidential address, welcomed the proposal for a Ministry of Social Welfare at the Centre and expressed the hope that in course of time corresponding social welfare departments would be set up in the States. For effective welfare work Dr. Mehta urged a "fundamental change rather than a structural alteration" in the administrative setup and suggested the creation of a new cadre of welfare administrators in the I.A.S. on the lines of the proposed All-India Economic Service.



Dr. Mehta observed that the new trends in the field of social work underlined the need of "systematic co-ordination of social work at the national level and the emergence of a clear-cut national policy". He said that there were "so many bodies trying to co-ordinate our diffused efforts in social welfare that it is time we took some bold steps to co-ordinate the activities of all co-ordination enthusiasts".

He suggested a round table conference of all national social work organisations to discuss policy matters from time to time. A federation of central council, consisting of representatives ~~and~~ of bona fide social work organisations and of Government welfare departments, he said, was needed to "plan, organise, direct and administer social welfare problems from a vantage point".

Dr. Mehta set down as the aim of any well-organised Ministry of Social Welfare the laying down of objectives and methods in social welfare administration, presenting model programmes and initiating pilot projects, training leadership, creating machinery for co-ordination of social work, collecting and distributing funds, undertaking research and studies in social problems, preparing legislation and maintaining international contacts.

Dr. Mehta urged a "systematic research in the finances of voluntary agencies" before fixing priorities for State aid in the second Five-Year Plan. He appealed to the Central Social Welfare Board to recognise and render support to all bona fide voluntary organisations. Another method of raising funds was the establishment of community chests. He suggested a cautious approach to united fund raising campaigns in view of the fact that charities in India were governed by a number of sectional considerations.

Dr. Mehta said that there was a great scope for voluntary welfare work in community development and National Extension Service blocks. The total amount available for social education and grant-in-aid in National Extension Service blocks in the Plan was of the order of 60 million rupees and in community projects of the order of 45 million rupees. He suggested that "from now onwards social workers all over India organise for voluntary welfare work in co-operation with project administration in different States".

He welcomed the fact that in project areas a "new group of persons systematically trained for welfare work in rural areas is coming up", but regretted that the project administration appeared to be just another of the agencies in the development fields. He therefore urged that the existing government agency should be transformed into a welfare agency and in this connection drew attention to the attempts in Bombay State at organising administrative machinery by integrating the personnel of different departments into a single agency known as "gram sevak".

Dr. Mehta expressed the hope that in the second Five-Year Plan greater emphasis would be laid ~~on~~ on social research. It was unsafe to depend on foreign literature or training in this respect. Social planning, he stressed, would not succeed unless it was preceded by "judicious and systematic observation, verification, classification and interpretation of social phenomena".

The Conference split into sections and sub-committees to consider the main subjects on the agenda: i) financing of voluntary welfare work; ii) correctional administration; ~~and~~ iii) problems of social welfare administration and the second Five-Year Plan; iv) social work in medical setting; and v) family planning in social welfare. The reports of these sections were approved by the plenary session on the last day of the Conference.

1) Voluntary welfare work. - The recommendation of the section on "financing voluntary welfare work" adopted by the Conference demanded enactment of a Central act for better administration of various religious endowments and charitable institutions, integrating all Central and State acts on the subject, while delegating powers to the state governments to make suitable rules and bye-laws to meet local needs.

The Conference further recommended that a system for registration of all social welfare agencies by an appropriate authority should be enforced "in order to ensure that only bona fide welfare organisations derive the benefit of trust funds".

The section was of the view that much preliminary work was needed before community chests could be organised. It stressed the need for united efforts to raise funds for social welfare.

The plenary section also adopted a resolution suggesting that surplus funds of religious trusts be allowed to be diverted for useful welfare work "in the particular religious community concerned".

ii) Correctional administration.- The Conference adopted the recommendations of the section on "correctional administration" which suggested setting up of "open institutions" to enable selected prisoners to be camped there for sufficient time in order to ensure their return to society in a normal and natural way. The Conference suggested to the Government of India the appointment of a committee to study the Uttar Pradesh experiment of open penal institutions and publish its recommendations for focussing public opinion.

The Conference further recommended that proper facilities should be given to all prisoners for suitable training in such industries as will enable them to find gainful employment on release. Production and profit should not be the sole guiding principle in the training. It further suggested payment of wages to prisoners as an incentive for better work.

iii) Social welfare in the Five-Year Plan.- The recommendations of the section on "problem of social welfare administration and the second Five-Year Plan" asked the Union Government to immediately appoint a high power committee on social welfare ~~work~~ to work out the needs, priorities and targets for the second Five-Year Plan.

At the same time it directed the central executive committee of the Conference to seek the co-operation of the representatives of the major national social welfare organisations in appointing a committee to assess the requirements of social welfare programmes in the voluntary sector for the second Five-Year Plan.

The Conference further suggested that the research programme committee of the Planning Commission should be further enlarged to include research workers in the field of social work.

For achieving closer participation of the rural population in the second Five-Year Plan, the Conference suggested that the social welfare contents of the community projects and National Extension Service programme should be enlarged and the work of the welfare extension projects of the Central Social Welfare Board be suitably co-ordinated with the activities of the community project administration.

Appreciating the constitution of the Central Social Welfare Board and the state social welfare advisory boards the Conference suggested that there should be closer co-ordination between them and the Conference.

The Conference further demanded that the Union and the State Governments should set up a specific administrative cadre of adequately trained and experienced social workers on the lines of the Indian Administrative Service.

It also suggested that arrangements should be made to train voluntary workers.

iv) Medical Social Work.— The recommendations of the sub-committee on the "social work in medical setting", adopted by the Conference suggested that a "medical social worker" should form an integral part of every medical unit and institution. The sub-committee thought that every medical unit should be fully equipped and staffed by properly qualified persons. The sub-committee further suggested that a pilot project on the lines suggested by the Conference should be started at one of the medical institutions.

The Conference accepted the suggestion that "some of the fellowships should be reserved for training medical social workers abroad for a period of two years after they acquire their qualifications in India".

v) Family Planning.— The sub-committee on family planning recommended the adoption of "various methods for conception control" to suit the circumstances in various areas. The committee also suggested the study of "the two aspects of family planning, that is, abortion and sterilisation". It was, however, suggested that these methods should be controlled by fully qualified doctors. The committee suggested that family planning should be dovetailed into an overall social policy of universal education, abolition of caste and a social reform movement.

The programme of family planning, the committee said, should be integrated with maternity and child welfare work and be carried on in clinics. It further suggested intensive propaganda on the subject through films, posters and pamphlets under official control and inspection.

The committee further suggested that the programme of compulsory schooling up to 14 years of age should be introduced to deflect children in rural areas from farms and threshing floors to schools, "so that a farmer's family will no longer regard an additional number as an economic asset".

(The papers relating to the Conference have been sent to Geneva under this Office Minute No.F.11/1845/54 dated 29 December, 1954).

(Documents of the Conference received in this Office; National Herald, 27 and 31 December 1958 ).

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65. Collective Agreements.

India - January 1955.

Leave Facilities for Technical Staff in  
63 Textile Mills in Ahmedabad: Collective  
Agreement concluded.

A collective agreement in respect of privilege, casual and sick leave has been concluded on 28 December 1954, between the Ahmedabad Millowners' Association representing 63 textile mills and the Ahmedabad Textile Technicians' and Officers' Union representing technicians and Officers of these mills. The details of the agreement have been given at pp. 88 of this report.

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66. Strike and Lockout Rights.

India - January 1955.

Coal Industry declared a Public Utility Service.

In exercise of the powers conferred under the Industrial Disputes Act, 1947, the Central Government has declared the coal industry to be a public utility service for the purpose of the Act for a period of six months from 14 January 1955.

(Gazette of India, Part I, Section 3,  
Extraordinary, 8 January 1955, page 75).

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67. Conciliation and Arbitration.

India - January 1955.

Special Session of All-India Bank Employees' Association: Decision to postpone strike ratified.

A special session of the All-India Bank Employees' Association met at Hyderabad on 8 and 9 January 1955, Mr. A.C. Kakkar, President of the Association in the chair.

The session ratified the Central Strike Committee's decision to defer the proposed general strike by bank employees (vide pp.69-70 of the report of this Office for December 1954).

It also decided to take part in the deliberations of the Rajadyaksha Inquiry Commission.

(The Statesman, 10 January 1955).

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CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES OF WORKERS.

INDIA - JANUARY 1955.

71. Employees and Salaried Intellectual Workers.

Industrial Disputes Act to be applied to Working Journalists: Government Decision on Press Commission Recommendations.

The Government of India has accepted the principle of extending to working journalists the provisions of the Industrial Disputes Act and a draft Bill for the purpose, will be introduced in the Parliament soon, according to a statement on behalf of the Union Minister for Information and Broadcasting placed on the ~~Sabha~~ table of the Rajya Sabha on 22 December 1954, giving the factual position regarding the consideration of certain recommendations of the Press Commission (vide pp. 92-95 of the report of this Office for July 1954).

The statement covers certain major recommendations whose examination has progressed to some extent. Other recommendations addressed to Governments and different sections of the industry will be covered by a later statement, according to a note attached to the statement.

The recommendations regarding service conditions including notice period, bonus, minimum wage, leave, provident fund and gratuity "are under active consideration".

The Government has also accepted in principle the need for measures to encourage the growth of more newspapers, particularly in district towns, for elimination of restrictive practices in the newspaper industry, the setting up of a Press Council and the creation of a machinery for collecting accurate statistics about the newspaper industry. Other points covered in the statement are the question of bringing the newspaper industry under Central responsibility, maintenance of separate accounts for each paper, objectionable advertisements, Press Registrars, newsprint, news agencies, placing of Government advertisements, advertisement tariffs, declaration of ownership, concentration of ownership and monopolies and management and control of news agencies.

The statement says the Government agrees that conditions for starting and running newspapers should be such as to encourage the growth of more newspapers, particularly in district towns, and would be glad to promote measures which would ~~provide~~ provide such an environment in a democratic manner.

Central Control over Newspapers.— The Government has under examination the necessity for legislative enactment and the form it should take in regard to the recommendation that the publication of newspapers and periodicals should be made a Central responsibility by a suitable amendment of the Industries (Development and Regulation) Act of 1951. The Government has accepted the advantage of the system of maintaining separately the accounts of each unit of a chain newspaper.

As regards restrictive practices, the Commission had said that there were certain practices connected with large-scale operation which the Commission considered unfair and undesirable.

The Commission had recommended the inclusion of a provision in the contemplated legislation to put a stop to such restrictive practices. "The need for elimination of such restrictive practices in the newspaper industry is accepted. Consideration is being given to the manner of implementing this recommendation, along with other legislative measures under contemplation".

Press Registrar.— On the appointment of a Press Registrar and his powers, the statement says: "The Government accepts the need for accurate statistics of ownership, circulation and readership of newspapers: the amendment of the existing Press and Registration of Books Act in a suitable manner and the creation of appropriate machinery for the purpose are under examination".

The recommendations of the Commission in regard to newsprint "is in conformity with the policy of the Government to secure adequate supplies of newsprint for the newspaper industry in India at reasonable prices and to secure a more equitable share of world production. The Government will consider the recommendation of the Commission in regard to a state trading corporation after actual experience has been gained of the cost and volume of production of the indigenous industry".

Management of News Agencies.— As regards changes in the management and control of news agencies - the setting up of a public corporation with public trustees and a chairman nominated by the Chief Justice in respect of the Press Trust of India, and a board of trustees for the United Press of India, with representation on both the boards for the employees - the statement says: "This Commission have addressed these recommendations to the shareholders and managements of the two news agencies concerned and the Government trust that they will receive their serious consideration. The Government will be glad to consider any scheme put forward by them for changes in their constitution. The Government would prefer to treat both the news agencies on the same footing in this matter".

Attitude to "Chain" newspapers.— On the views of the Commission about the concentration of ownership in the newspaper industry and measures to control the growth of monopolies, the statement says: "The Government are in agreement with this recommendation and agree that it should be one of the responsibilities of the proposed Press Council to keep this aspect of the newspaper industry under constant review".

Press Council.— On the Commission's suggestion for the setting up of a Press Council, the statement says: "The underlying principle of a body consisting predominantly of representatives of the industry, undertaking the responsibility for self-regulation is accepted by the Government. The composition and financing of such a council are under active consideration".

(The Statesman, 23 December 1954).

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29th Session of All-India Educational Conference,  
Patna, 28 December 1954 - 1 January 1955: Minimum  
Pay Scales of 150 Rupees for trained Graduate  
Teachers recommended.

The 29th session of the All-India Educational Conference was held at Patna from 28 December 1954 to 1 January 1955 under the chairmanship of Dr. P.R. Paranjpye. After the opening session the conference broke up into various sections. It adopted 43 resolutions covering almost every aspect of education.

Vocational education.— Dr. V.M. Dokras, Deputy Director of Public Instruction, Madhya Pradesh, presiding over the Vocational Education Section of the Conference said vocational education was an indispensable means of transmitting the most important segment of the people's ~~social~~ social inheritance.

The problem of vocational education, Dr. Dokras said, was more important at present because the whole system of education was being refashioned. "We must therefore have clear concepts of liberal, cultural and vocational aspects of education and achieve a proper integration of these in the curriculum. If one aims at the introduction of any particular vocational subject in a curriculum with the aim that a student studying it should be able to follow it as a vocation, it has to be assured that the training that he receives in this field, and the time devoted to it enables him to follow the vocation".

Mr. S.M. Ali, Director of Industries, Bihar, said that the provision of technical education in order to train technical and managerial personnel was one of the fundamental conditions of economic progress and that even the advanced countries of the world with ample facilities of technical education were making constant endeavours to enlarge these facilities. Therefore the need for the creation of these facilities in underdeveloped countries like India was all the more necessary. The real bottleneck to the implementation of a plan of economic development was inadequacy of technical personnel and not finance as was commonly believed.

Mr. Ali said that the creation of new technical facilities would not lead to unemployment by the supply of technicians outrunning the demand. In the case of India, which was a growing country, the supply of technicians would create its own conditions of work and employment. Without the required number of engineers, technicians and artisans, no country could hope to advance industrially as technical manpower was a condition precedent to the setting up of mechanised industries.

Similarly for the advancement of cottage and village industries it was imperative to have trained craftsmen to enable such industries to produce articles of manufacture of quality and standard to compete with factory products.

Resolutions.- The more important of the 43 resolutions adopted by the Conference are noted below.

"Crisis" in education.- The conference viewed with concern the "crisis" in education all over India and in West Bengal, in particular. It was of the opinion that the crisis had arisen owing to the fact that both the Central and State Governments had not, in their policies, given the priority that education ~~was~~ deserved in a predominantly underdeveloped area of the world, just out of colonial rule. It suggested that -

- (a) Instead of merely co-ordinating and guiding the work of the State Governments, local bodies and private agencies in carrying out educational programmes, the Central Government should assume overall responsibility for implementation of national policies in education and helping the other three agencies as far as possible.
- (b) At least 25 per cent of the total budgeted expenditure of the States and at least 15 per cent of the total expenditure of the Centre should be earmarked for education. Of this, at least 50 per cent of the sum allocated in the States and at least 40 per cent of the sum allocated in the Centre should be reserved for primary education.
- (c) Teachers should have the predominating voice in shaping the national educational policies through their representative organisations.
- (d) Adequate arrangements must be made to ensure a decent standard of living for teachers and social security comparable to others with similar qualification in the services.
- (e) An education cess should be levied on annual incomes of over 1,500 rupees. It should also be levied in foreign industrial firms, Indian monopolies, jute and jute goods, tea, cloth and other items which are for export as well as on races, intoxicating liquors, luxury articles and cinema, etc.
- (f) There should be a thorough reform of the primary educational system. The aim of primary education should be to provide eight years of integrated education. A system of free and compulsory primary education must be provided within the next five years everywhere. Adult education should be democratically organised with the help of primary teachers.

(g) New legislation should be enacted in the light of these basic principles and the existing legislation ~~should~~ should be modified accordingly.

Security for teachers.- For the security of service of teachers and arbitration of disputes, the conference recommended the immediate setting up of an Arbitration Board in every State consisting of a judicial officer or a retired officer not below the rank of a District and Sessions Judge and three assessors representing the Directors of Education, the management and the teachers' organisation in the State. The Board should be granted authority by legislation to act as a tribunal on the lines of industrial tribunals having legal competence to summon and examine witnesses and it should have access to all relevant material for disputes and to adjudicate all disputes.

Provident Fund benefits.- The conference demanded that the recommendations of the Secondary Education Commission regarding provident fund benefit schemes, provision of free education for teachers' children, provision of free medical treatment and facilities for free travelling should be implemented.

It suggested that in the best interests of education, teachers should be given a adequate representation on the managing committees of the schools. It demanded that in the case of primary teachers an additional contribution as gratuity at the rate of half a month's pay for each completed year of service by such a teacher, subject to a maximum of 15 months' pay after retirement should be given from the State revenues and the amount of contribution should be calculated on the pay drawn by him at the time of retirement.

Conditions of primary teachers.- The conference requested the Government of India to immediately appoint a representative commission to make a comprehensive survey of elementary education in all States, to inquire into the conditions of primary teachers and to prepare uniform scales of pay on a countrywide basis for them; to report on the facts in basic education; to prepare a master plan for primary education for administration, syllabus and teachers' training and to suggest ways and means to implement it.

It also requested the Central and State Governments to see that the hours of work for primary teachers did not exceed more than 30 per week and that working days in a year did not exceed 210.

The conference urged the Government to give due representation to teachers in the legislatures.

The conference was of the opinion that it was essential that all teachers of a particular category must have the same conditions of service irrespective of the agency under which or the State in which they served and that "the maintenance of the present invidious distinctions and differences in the service conditions of teachers is tantamount to ~~maintaining~~ continuing discrimination in the treatment of children attending different agency or State schools". It recommended, therefore, that the Union Government should take immediate steps to bring about uniformity of service conditions for primary teachers throughout India, in the same manner as the principle of fixing uniform conditions of service in respect of salaries of university teachers had been accepted by the University Grants Commission.

Pay scales.- The conference recommended that the following minimum scales should be adopted for teachers of different categories in primary schools:-

Matriculates assistant teachers(untrained):  
Rs. 60-4-80-5-100-7-170.

Matriculate assistant teachers(trained and  
Matriculates headmasters(untrained): Rs. 80-5-100-  
7-170-10-200.

Headmasters(matriculate) and trained: Rs. 80-5-  
100-7-170-10-220.

It also recommended that in the case of teachers possessing higher qualifications such as, graduates and under-graduates (trained and untrained) the following scales recommended for secondary teachers possessing similar qualifications should be applicable:-

Trained graduates: Rs. 150-10-250-15-400.

Trained under-graduates and untrained graduates:  
Rs. 125-8-205-12-325.

Untrained under-graduates: Rs. 100-6-150-10-260.

The conference demanded that dearness ~~and~~ and local allowances of teachers should be paid at the same rates as those given to the Central Government employees drawing similar scales of pay.

(The Statesman, 3 January 1955).

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - JANUARY 1955.

81. Employment Situation.

Employment Exchanges: Working during  
November 1954.

According to the review of work done by the Directorate General of Resettlement and Employment for the month of November 1954, the number of fresh registration during the month returned to normal after the holiday month of October 1954. The number of employers using the exchanges in November, the number of vacancies notified, the number of submissions made and the number of placements effected all increased. The fresh registrations were 30,000 higher than the number recorded during October 1954. In consequence the total number of employment seekers on the live register on the last day of November was 14,000 more than the figure at the end of October.

Most States reported a mild improvement in the employment situation in general. From the private sector the number of vacancies notified was the best since July and in the public sector the number of vacancies notified was the best since June 1953.

During the month two special investigations, one in respect of scheduled tribe applicants and the other in respect of engineers and medical graduates on the live registers, were carried out and have been embodied in the report.

Shortage in respect of stenographers, typists, trained teachers, draughtsmen, compounders, nurses and midwives continued to be widespread. Most of the exchanges continued to report a surplus of clerical applicants, fresh matriculates and graduates, unskilled office workers, untrained teachers, motor drivers, carpenters and unskilled labourers.

Registrations and placings.- The following table shows the registrations for employment and placings during November 1954 as compared to October 1954.

		November 1954	October 1954
Registrations	-----	131,579	94,414
Placements	-----	13,909	10,500



Registrations recorded an increase of 37,165 as compared to previous month. This increase is rather a return to normalcy from the previous month's abnormally low registrations effected by the exchanges on account of a short working month. Employment exchanges in all the States recorded an increase in registrations. A comparatively large increase was, however, reported by the exchanges in the States of Uttar Pradesh (9,360), West Bengal (6,155), Bihar (3,716), Madras (3,307), Bombay (2,554) and Delhi (2,358).

The placements also recorded an increase of 3,409. Employment exchanges in all the States except Rajasthan, Madhya Bharat, Hyderabad and Himachal Pradesh have shown an increase in placements effected. An appreciable increase in placings was, however, recorded in Uttar Pradesh (1,372), Madras (547), West Bengal (353), Bihar (342) and the Punjab (225). Employment exchanges in Madhya Bharat, on the other hand, showed a fall of 190 in placements. Of the total number of placements effected 10,400 were in Central and State Governments establishments and 3,509 with private employers.

Placings by wage groups.— The table below shows the number of placings by wage groups during November 1954.

<u>Wage Groups</u>		<u>Number placed</u>
101 rupees and above.	---	1,923
61 rupees to 100 rupees.	---	6,476
30 rupees to 60 rupees.	---	5,251
Below 30 rupees.	---	259

Vacancies notified and submissions.— The number of employers who used the exchanges during the month was 4,652 as against 3,890 during October 1954. The number of vacancies notified by them was 23,097 as against 18,216 during the previous month, i.e., an increase of 4,881. A comparatively large increase in the number of vacancies notified was recorded in West Bengal (1,792), Uttar Pradesh (1,388), Madras (640), Bihar (638) and Bombay (238). Employment exchanges in Assam and Madhya Bharat on the other hand, showed a decline of 221 and 166 respectively as compared to the previous month. Of the vacancies notified 16,803 were in Central and State Government departments and 6,294 in private establishments. There was an increase of 2,960 in the Government and 1,921 in the private sector.

The number of applicants submitted to employers during the month was 71,663 as against 62,447 during the ~~preceeding~~ preceding month.

Register of unemployed.- The number of persons seeking employment assistance through the exchanges on the last day of November 1954, was 583,214 which was 14,080 more than the figure at the end of October 1954. Of those on the live register 3,288 were known to be employed persons who desired further assistance.

The composition of the live register occupationwise is shown in the table below:-

<u>Occupations</u>		<u>No. on live register as on 30 November 1954</u>
Industrial supervisory	--	5,281
Skilled and semi-skilled	--	52,171
Clerical	--	168,389
Educational	--	17,210
Domestic service	--	20,691
Unskilled	--	283,206
Others	--	36,266
		<u>583,214</u>

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

<u>Category</u>		<u>Total No. of registrations</u>	<u>Total No. of placements</u>	<u>Total No. on the live register</u>
1. Displaced persons	--	8,805	839	47,224
2. Ex-servicemen	--	7,836	1,113	27,902
3. Schedule caste applicants.		14,732	2,258	57,653
4. Schedule tribe applicants.		1,891	485	5,576
5. Surplus and discharged Government employees.	--	2,291	886	10,061
6. Highly qualified applicants.		967	123	5,007
7. Women.		4,817	784	23,258

Special Investigation: Work done by the  
Employment exchanges on behalf of scheduled  
tribe applicants.- In furtherance of the provisions of the Constitution the Ministry of Labour has made special arrangements through the Employment Service to safeguard the interests of Scheduled Tribe employment-seekers. Such persons are specially identified in the live registers of the exchanges and by arrangement with the Ministry of ~~कानून~~ Home Affairs, Central Government vacancies specially reserved for scheduled tribe applicants are given special attention.

During the period January 1952 to October 1954, exchanges placed 12,125 applicants out of 42,530

who were registered at the exchanges. The number of placements was thus 29 per cent of the ~~registrants~~ registrants and the success of the special efforts made on behalf of these persons is brought out by the fact that the current percentage of placements to registrations for all other applicants is only 16.6.

During the period under review only 1,512 vacancies specially reserved for scheduled tribes were notified to the employment exchanges. The total number of placements effected shows that even though the special reservations are limited in number, the large number of submissions being made by exchanges has ensured to this special group a very satisfactory number of employment opportunities.

At the end of October 5,608 scheduled tribe applicants were still awaiting employment assistance. Most of them, as might be expected, were registered with exchanges in Bihar, the number being 3,361. Over 700 were registered in Bombay, 680 in West Bengal and 380 in Assam.

Engineering and Medical graduates on the live registers:- Engineering graduates.- A detailed enquiry was recently conducted in regard to engineering and medical graduates who were on the live register of the employment exchanges as on 31 October 1954. This enquiry has revealed that of the 881 engineering graduates who were on the live registers, 75 per cent were concentrated in five States; West Bengal (177), Bombay (156), Delhi (118), Mysore (106) and Madras (106). Seven hundred and eightysix or 90 per cent of these graduates had taken their degrees in technical, electrical or civil engineering. Of the total number, 422 applicants had declared, at the time of registrations, that they were prepared to accept a pay of less than 200 rupees per month. The remaining 459 had demanded a minimum salary of 200 rupees per month or more. Seven hundred and thirtytwo or 83 per cent of the engineering graduates on the register were fresh degree holders with no experience to their credit. This was the main hindrance to their absorption. Eight hundred and twentyfive or 84 per cent of them were below ~~30 years of age~~ 30 years of age.

Medical graduates.- One hundred and sixtytwo medical graduates were on the live register of the employment exchanges on 31 October 1954, of whom 108 or 66 per cent were registered in the State of West Bengal. Fortyfive per cent had no previous experience while only 54 of them had experience of more than two years. Twentytwo medical graduates were more than 45 years old. One hundred and fortyone of such graduates had indicated at the time of registration that they were willing to accept posts only if they carried a ~~salary~~ salary of more than 200 rupees per mensem.

Reports from the employment exchanges indicate that lack of experience, reluctance of applicants to ~~move~~ move away from their own States or into rural areas and lack of suitable local employment opportunities were the main reason which prevented these two categories of employment seekers from finding employment.

(Review of work done by the Directorate General of Resettlement and Employment for the Month of November 1954, issued by the Ministry of Labour, Government of India ).

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83. Vocational Training.

India - January 1955.

Labour Ministry's Training Scheme:  
Progress during November 1954.

According to the review of work done by the Directorate General of Resettlement and Employment for the month of November 1954, the number of trainees on the rolls of various training institutes and centres on 30 November 1954 was 5,873. There were 4,152 trainees in the technical trades and the remaining in vocational trades.

Training of displaced persons.- The total number of displaced trainees on the rolls at the end of November 1954 was 2,248; of them 1,860 were in technical trades. The remaining were undergoing training in vocational trades.

Apprenticeship training of displaced persons.- Eight hundred and three displaced persons were undergoing training as apprentices in industrial undertakings and establishments in Uttar Pradesh and West Bengal against 900 seats sanctioned. They were recruited and posted direct to the undertakings and establishments concerned.

Training of women.- Four hundred and eighty-three 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, 18 women at the industrial training institutes, Kakinada, 61 at the industrial training institute, Almora, 28 at the industrial training institute, Alambagh, Lucknow and 4 at industrial training centre, Orissa Poor Cottage Industries, Cuttack, were also undergoing training alongside men.

Training of supervisors and instructors.- Out of 112 students who appeared in the examination held in October 1954 on the conclusion of the XIII session, 85 were declared successful, one having passed with credit securing more than 80 per cent marks.

In the 14th regular session, which commenced from 15 November 1954, 98 supervisors and instructors were receiving training at the end of the month under report.

(Review of the work done by the Directorate General of Resettlement and Employment during the Month of November 1954; issued by the Ministry of Labour, Government of India ).

CHAPTER 9. SOCIAL SECURITY.INDIA - JANUARY 1955.92. Legislation.IV. Unemployment Insurance Benefits.Industrial Disputes (Amendment) Act, 1954  
(No. 48 of 1954): Measure to extend Lay-Off  
Compensation Benefits to Workers in Plantations.

The Industrial Disputes (Amendment) Bill (vide page 70 of the report of this Office for May-June 1954) as passed by Parliament received the assent of the President on 23 December 1954 and has been gazetted as Act No. 48 of 1954. The Act amends the Industrial Disputes Act, 1947, extending the provisions relating to lay-off and retrenchment (Chapter VA) to plantation workers with effect from 1 April 1954.

(Gazette of India, Extraordinary,  
Part II, Section 1, 24 December 1954,  
page 418 ).

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CHAPTER 12. INDUSTRIAL COMMITTEES.

INDIA - JANUARY 1955.

121. Special Information.

Changes in Inspection Methods suggested:  
Railway Accidents Inquiry Body's Recommendation.

Drastic changes in the existing methods of railway inspection and inquiry into railway accidents, purchase of railway stores directly by railways and speedy and deterrent action to deal with staff offences endangering public safety have been recommended by the Railway Accidents Inquiry Review Committee.

The Committee, set up under the chairmanship of Mr. Shah Nawaz Khan, Parliamentary Secretary to the Minister for Railways and Transport, was set up at the instance of the National Railway Users' Consultative Council to review the incidence of railway accidents in the country and the measures to deal with them.

The committee is understood to have expressed the opinion that there was no cause for alarm regarding the incidence of accidents on Indian railways and was satisfied that "prompt and reasonably effective steps" were being taken by the authorities to deal with every aspect of the matter.

Railway inspectorate.- The committee is reported to have recommended that the present Government Railway Inspectorate, working under the Communications Ministry, should be abolished and its functions of inspection of safety standards and ensuring minimum passenger amenities entrusted to a section in the Railway Ministry. While inquiries into minor railway accidents should also be held by the railways, major railway accidents should be inquired into by judicial authorities assisted by competent technical assessors as is the practice in respect of air and road accidents.

The Committee is understood to feel that high standards of maintenance and operation and quality could only be built by competent workmen using good material under helpful and intensive supervision. Towards this end, internal tests, checks and quality control measures on railways should be overhauled and strengthened.

The work-load on individual chargeman, inspector and officer, the committee feels, has increased substantially in the post-independence era without any corresponding increase in the staff to handle it. The existing jurisdiction of supervisors should, therefore, be reduced, specially supervisors of signal, block signal, bridge, permanent way and transportation inspectors as also higher supervisors such as assistant and district officers. In the alternative, supervisors should be provided with more staff and other facilities to handle the increased work-load.

Surprise checks.— The Committee says that while no doubt safety promotion could be best achieved through increased efficiency in all aspects of servicing, repairs and internal checks and supervisions, the travelling public would psychologically feel satisfied only by providing a machinery linked to the Railway Board's offices laying down standards, specifications, manufacturing and repair codes, to carry out surprise checks and tests on works in progress in railway workshops.

Frequent inspections.— The Committee has recommended that in times of floods, storms, earthquakes, etc., when there might be no permanent way, there should be frequent inspections of gang-lengths; and to enable the keymen to do it over their respective lengths, each gang-length should be provided with a trolley-cycle.

There should be high standards of train examination at suitable intervals rather than the present practice of dispersing resources and spending more time on a greater number of less thorough examinations at every interchange point. Train examination in its various aspects was at present the weakest link in the safety chain on railways, the Committee said.

The Committee has also stressed the need for swift penalties for negligence by staff as a deterrent against safety offences. It is reported to have said that railways should distinguish between staff offences endangering public safety or public property and other offences. Speedy and severe deterrent action should be taken to deal with the former class of offences.

The Committee's report is now under the consideration of the Government.

(The Hindustan Times, 18 December 1954).



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

INDIA - JANUARY 1955.

Chapter 3. Economic Questions.

Tea (Amendment) Act, 1954 (No. 49 of 1954). (Gazette of India, Extraordinary, Part II, Section 1, 24 December 1954, p. 418).

Chapter 9. Social Security.

Industrial Disputes (Amendment) Act, 1954 (No. 48 of 1954). (Gazette of India, Extraordinary, Part II, Section 1, 24 December 1954, page 418).

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RECORD OF PRINCIPAL DECISIONS ON LABOUR AND ALLIED SUBJECTS.

INDIA - JANUARY 1955.

CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

60th Session of Indian National Congress, Avadi, 21-23 January 1955.

Resolution on 'Socialistic Pattern of Society'.

The sixtieth annual session of the Indian National Congress meeting at Avadi, Madras, from 21 to 23 January 1955, adopted the following resolution on 'socialistic pattern of society':-

"In order to realise the object of the Congress as laid down in Article I of the Congress Constitution and to further the objectives stated in the Preamble and Directive Principles of State Policy of the Constitution of India, planning should take place with a view to the establishment of a socialistic pattern of society, where the principal means of production are under social ownership or control, production is progressively speeded up and there is equitable distribution of the national wealth"<sup>1</sup>

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<sup>1</sup> 60th Indian National Congress, Satyamurthinagar, Avadi, Resolutions. pp.12.

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- (b) Vinobha and his Mission. By Suresh Ramabhai. Akil Bharat Sar Seva Sangh, Sewagram (Wardha). Rs. 3/-, pp. 246.

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(Continued):

- \*(b) Report on the Working of the Factories Act, 1948 in Assam for the year 1953. Printed at the Assam Government Press, Shillong. Price Rs. 1/2/-, pp. 25. (One copy sent to Geneva vide this Office Minute No. D. 3/179/55 dated 4 February 1955).

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