

COPY NO. 2

51502a

I.L.O. REGISTRY-GENEVA
22 DEC 1958
File No 35-2-222a
With:
on:

INTERNATIONAL LABOUR OFFICE
INDIA BRANCH

Industrial and Labour Developments in November 1958.

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

<u>Contents.</u>	<u>Pages.</u>
<u>CHAPTER 1. INTERNATIONAL LABOUR ORGANISATIONS</u>	
<u>11. Political Situation and Administrative Action:</u>	
(a) U.P.: Chief Minister takes over Labour Portfolio.	1
(b) Seventh Session of Standing Labour Committee, Bombay, 28-29 October 1958: Screening of Cases before resort to Arbitration recommended: Disagreement on certain provisions relating to Legislation on Shopworkers.	2-17
<u>12. Activities of External Services:</u>	18
<u>CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.</u>	
<u>24. Non-Governmental Organisations (International, Regional and National) Other than Employers' and Workers' Trade Organisations:</u>	
Meeting of All-India Congress Committee, Hyderabad, 24-26 October 1958: Committee set up to Formulate Agricultural Production.	19-24
<u>25. Wage-Earners' Organisations:</u>	
Amendment of Indian Trade Unions Act: Minister's Statement.	25
<u>CHAPTER 3. ECONOMIC QUESTIONS.</u>	
<u>33. Full Employment Policy:</u>	
Central Committee to be set up to Assess Unemployment Trends and Develop National Employment Service: Deputy Labour Minister's Announcement in the Lok Sabha.	26-27

<u>Contents.</u>	<u>Pages.</u>
34. <u>Economic Planning, Control and Development:</u>	
(a) Rehabilitation of Textile Industry: Government's Decisions on Inquiry Committee's Recommendations.	28-32
(b) Meeting of National Development Council, New Delhi, 8-9 November 1958: Plan Targets not to be scaled down: State Governments to Take Over Trade in Foodgrains: Emphasis on Development of Multi-purpose Co-operatives.	33-36
(c) Bright prospects of Foreign Aid: Finance Minister's Report on Visit Abroad.	37-38
(d) National Mineral Development Corporation set up.	39
(e) U.N. Mission on Community Development Team to Evaluate Programme.	40
36. <u>Wages:</u>	
(a) Punjab: Minimum Wages Act, 1948, extended to Employment in Contractors Establishments of the Forest Department.	41
(b) Wages in the Jute Mills Industry: Enquiry Committee appointed by West Bengal Government.	42
(c) West Bengal: Industrial Tribunal Orders revised Wage Scales and Dearness Allowance for Engineering Workers.	43-45
39. <u>International Economic Relations:</u>	
(a) Indo-U.S.S.R. Five Year Trade Pact concluded.	46
(b) Indo-Rumanian Trade Agreement: Loan of Rs. 5.2 Million offered for Oil Refinery.	47
<u>CHAPTER 4. PROBLEMS PECULIAR TO CERTAIN BRANCHES OF THE NATIONAL ECONOMY.</u>	
41. <u>Agriculture:</u>	
(a) Creation of New All India Agricultural Service Suggested: Committee's Report to Government.	48-49
(b) A.I.C.C. Sub-Committee stresses urgency of Land Reforms.	50-52
(c) The Rajasthan Tenancy (Sixth Amendment) Bill, 1958: Ceiling on Land Holdings.	53-54
42. <u>Co-operation:</u>	
Co-operation in Agriculture: Progress of Integrated Scheme reviewed.	55-59

<u>Contents.</u>	<u>Pages.</u>
44. <u>Merchant Marine and Fisheries:</u>	
(a) Intermediate Ports Development Committee set up.	60
(b) The Merchant Shipping Act, 1958 (No. 44 of 1958).	61
<u>CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.</u>	
50. <u>General:</u>	
Punjab Shops and Commercial Establishments (Amendment) Act, 1958 (No. 25 of 1958).	62
51. <u>Hours of Work:</u>	
West Bengal: Hours of Work, Rest Day and Overtime Pay fixed for Municipal Employees under the Minimum Wages Act, 1948.	63
<u>CHAPTER 6. GENERAL RIGHTS OF WORKERS.</u>	
63. <u>Individual Contracts of Employments:</u>	
U.P.: Standing Orders in respect of Workers in Vacuum Pan Sugar Factories.	64
66. <u>Strike and Lockout Rights:</u>	
(a) West Bengal: Tramway Services in Calcutta and Howrah declared as Public Utility Services.	65
(b) Madras: Air Transport Services declared as Public Utility Services.	66
67. <u>Conciliation and Arbitration:</u>	
(a) The Industrial Disputes (West Bengal Amendment) Act, 1958 (Act XVII of 1958).	67
(b) Breach of Code of Discipline: 86 Cases Reported to Government.	68
68. <u>Labour Courts:</u>	
Bombay: Review of the Working of Industrial Courts and Tribunals during 1957.	69-70
<u>CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES OF WORKERS.</u>	
73. <u>Officials and Public Employees of National, Regional and Local Administrations, of Nationalised Undertakings or Undertakings Managed with the Participation of the Public Authorities:</u>	
TWI for Government of India Supervisory Staff to be introduced on an Experimental Basis.	71

X

<u>Contents.</u>	<u>Pages.</u>
<u>CHAPTER 8. MANPOWER PROBLEMS.</u>	
<u>81. Employment Situation:</u>	
(a) Central Committee to be set up to Assess Unemployment Trends and Develop National Employment Services: Deputy Labour Minister's Announcement in the Lok Sabha.	72
(b) Shri Venkateswara University's Plans for the an Employment Bureau.	73-
(c) Employment Exchanges: Working during August 1958.	74-77
<u>83. Vocational Training:</u>	
(a) Labour Ministry's Training Scheme: Working during August 1958.	78
(b) TWI FOR Government of India Supervisory Staff to be introduced on an Experimental Basis.	79
<u>84. Vocational Rehabilitation of Disabled Persons:</u>	
Pilot Employment Office for Handicapped to be set up at Bombay: National Advisory Council's Decision.	80
<u>CHAPTER 9. SOCIAL XXXXXXXXXX SECURITY.</u>	
<u>92. Legislation:</u>	
<u>VIII. Maternity Benefits:</u>	
West Bengal Maternity Benefit (Tea Estates) Amendment Bill, 1958.	81
<u>VI. Compensation in Case of Employment Injury Or Occupational Diseases.</u>	
West Bengal: Proposal to extend Workmen's Compensation Act, 1923, to Employees in Medicinal Plantations.	82
<u>93. Application:</u>	
(a) Employees' State Insurance Act, 1948, extended to Areas in Coimbatore and Salem Districts.	83
(b) Employees' State Insurance Corporation: Annual Report for the Year 1957-1958.	84-93

Contents.

Pages.

CHAPTER 10. SOCIAL MEDICINE.

103. Hospital Services:

Bombay: Gandhi Memorial Hospital for Industrial Workers: Foundation-Stone Laid. 94-95

CHAPTER 12. INDUSTRIAL COMMITTEES.

121. Special Information:

Wages in the Jute Mills Industry: Enquiry Committee appointed by West Bengal Government. 96

LIST OF PRINCIPAL LAWS FROMULGATED DURING THE PERIOD COVERED BY THE REPORT FOR NOVEMBER 1958. 97

BIBLIOGRAPHY - INDIA - NOVEMBER 1958. 98-99

'L'

CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - NOVEMBER 1958.

11. Political Situation and Administrative Action.

U.P.: Chief Minister takes over Labour Portfolio.

Consequent upon the acceptance by the Governor of Uttar Pradesh of the resignation of Shri Jugal Kishore, Minister for Labour and Social Welfare, Dr. B. Sampurnanand, Chief Minister, has taken over the Labour and Social Welfare portfolio. The re-allocation of portfolios was announced on 16 November 1958.

'L'

70

Seventh Session of Standing Labour Committee, Bombay,
28-29 October 1958: Screening of Cases before resort
to Arbitration recommended: Disagreement on certain
provisions relating to Legislation on Shopworkers.

The Seventh Session of the Standing Labour Committee was held at Bombay on 28 and 29 October 1958, Shri Gulzarilal Nanda, Union Labour Minister presiding. Shri V.K.R. Menon, Director of this Office attended the meeting by special invitation.

Agenda.- The following were the items on the agenda of the conference:-

1. Action taken on the conclusions of the 16th Session of the Standing Labour Committee.
2. Evaluation and Implementation of Labour enactments, awards, agreements, settlements etc.
3. Workers' Participation in Management.
4. Legislation to regulate working conditions of motor transport workers.
5. Amendment of the Industrial Disputes Act.
6. Superannuation age for industrial workers.
7. Request made by various organisations for intervention by the Centre, or the personal intervention of the Minister for Labour and Employment, to resolve certain disputes when these requests are preceded by threats of strikes or other direct action.
8. Study of major strikes by observers from the point of Code of Discipline.
9. Review of the working of the Employees' State Insurance Scheme.
10. Grant of exemption under Section 16(1) of the Employees' Provident Funds Act to factories re-starting afresh after closure under a new ownership.

The Ministry of Labour and Employment had prepared memoranda on the items of the agenda and the more important of them are briefly reviewed below:-

5

a) Evaluation and Implementation of labour enactments, awards, agreements, settlements, etc.- The memorandum reviews the setting up and functioning of the Central Implementation and Evaluation Committees and its counterparts in the States. According to the information received so far, the Governments of Punjab, Rajasthan, Uttar Pradesh and West Bengal have already set up official Cells and tripartite Implementation Committees. The Government of Kerala has also decided to set up a Cell and a Committee. The Government of Bihar has constituted a Cell and ~~are~~ taking steps to set up a Tripartite Standing Committee of five members representing employers and employees with the State Labour Secretary as Chairman. The Government of Mysore is entrusting the implementation work to a sub-committee of the State Labour Advisory Committee. Similarly, the Government of Madhya Pradesh proposes to make the State Labour Advisory Committee, when set up, responsible for all cases of non-implementation. The Government of Bombay is of the view that as the number of cases of non-implementation in Bombay is not large, a separate committee is not necessary at present. It has, however, designated one of their officers to look into the cases of non-implementation. Other State Governments are still considering the proposal.

In response to circulars sent by the Ministry to State Governments and employers' and workers' organisations in January 1958, 763 cases of non-implementation or partial, delayed or defective implementation of labour enactments, awards, etc., were reported to the Evaluation and Implementation Division upto the end of August 1958. Besides, 203 suggestions for carrying out amendments of labour enactments were received in the Division. Of the 763 cases of non-implementation, 334 related to labour enactments while the remaining 429 were in respect of awards, agreements and settlements.

One of the important functions of the Evaluation and Implementation Division is to ensure the observance of the Code of Discipline in Industry. By the end of August 1958, 38 cases of infringement of the Code were taken up with the parties concerned. On the basis of information available it is revealed that responsibility for infringement of the Code in all these cases is shared equally by workers and employers. Infringements of the Code by workers generally take the following forms: agitation and satyagraha at factory gates causing interference of work, rowdiness, provocative speeches, abusive language against managements, violence, assault on management officials, strike without notice, etc. On the part of employers, the infringements stem from stubborn attitude and non-cooperation with workers in settlement of disputes, non-implementation of awards and enactments, coercion, unfair labour practices, and sometimes end in lock-out without notice, etc. As a result of the action taken by the Evaluation and Implementation Division, 4 cases of breach of the Code have already been settled satisfactorily while others are under various stages of examination in consultation with the parties and authorities concerned.

4

b) Workers' participation in management.- The memorandum on this subject is on the lines of the memorandum presented before the XVIth Session of the Indian Labour Conference (vide Section 11, pp. 11-32 of the report of this Office for May 1958).

The memorandum states that even allowing for a certain inevitable timelag for the proper planning and launching of an important scheme of this kind in the different units, the halting progress is very much disappointing and calls for immediate solution by the combined efforts of all those who are interested in the success of the scheme. It cannot be that the units are still groping in the dark as to what is expected of them. The nature of the scheme and even the details thereof were settled in the Seminar by mutual consent. The recent agreement concluded between the Hindustan Machine Tools Private Ltd., and the Hindustan Machine Tools Workers' Association takes the scheme a step further and could very well serve as a model to all the other units who have volunteered to set up Joint Councils.

It may be mentioned that where the scheme is being tried earnestly, encouraging results are already visible. In one instance, it was reported that all dissident elements among the workers had merged with the dominant union in order to make the scheme a success. In another instance, rival unions had come to an understanding for the purpose of securing representation on the Joint Councils. These are good portents for industrial harmony.

c) Legislation relating to Motor Transport Workers.- The question of enacting separate legislation to regulate the working conditions of motor transport workers was discussed at the 15th Session of the Standing Labour Committee held at New Delhi, in April 1956. The Committee was unanimously of the view that there should be Central legislation for the purpose and that the Ministry of Labour and Employment should prepare draft proposals for consideration by a Special Committee to be constituted for the purpose. Accordingly the Ministry formulated tentative proposals with regard to the provisions to be included in the proposed legislation and circulated them to the various State Governments for their comments. The draft proposals drawn up for the consideration of the Special Committee related to (i) coverage, (ii) working hours, (iii) rest interval, (iv) spread-over, (v) overtime, (vi) weekly rest, (vii) welfare facilities, (viii) leave with wages, (ix) medical facilities, (x) night work and wages for night work, (xi) retirement benefits, (xii) compensation for employment injuries, (xiii) penalties and procedures, and (xiv) other related matters.

On 21 February 1957 the Government of India appointed a Special Committee with the Chief Adviser Factories as Chairman, a representative of the Transport Ministry, 2 members representing the interests of employers and 2 members representing the interests of workers. The Committee submitted its report on 25 February 1958.

The Committee has reported general agreement on all the items referred to it except on the question of hours of work and the related problems of spreadover and payment for over-time work. The Committee has therefore in its report only recorded the views expressed both by the employers' representatives and the workers' representatives.

The report is now placed before the Standing Labour Committee for their advice on the three points on which the Special Committee could not arrive at an agreed conclusion, to enable the Ministry to proceed further in the matter.

The conclusions reached on the various items covered by the Sectional Notes and also other points that arose during the discussions and of the Committee on the particular items under reference are given below.

Coverage.- The Committee was of the view that the proposed legislation should be made applicable to motor transport undertakings engaged in the carriage of passengers and goods for hire and also to private carriers and that it should bring within its scope all motor transport workers. For the purposes of this legislation "Motor transport worker" may be defined broadly to cover all persons who are required to work or are engaged in a professional capacity on road transport vehicles and also attendants and other persons who attend to duties in connection with arrival, departure, loading or unloading, etc., of these arrival vehicles including the following classes of employees:

- (i) Drivers and other crew,
- (ii) Cleaners,
- (iii) Station staff,
- (iv) Line checking staff,
- (v) Booking and cash clerks,
- (vi) Depot clerks,
- (vii) Attenders.

A suggestion was made that on the analogy of the Factories Act the proposed legislation may be made applicable only to transport undertakings wherein 10 or more persons are employed. The worker members of the Committee, however, felt that this would leave out from the scope of the proposed legislation more than 80 per cent of the transport workers and further that the provision would lead to many of the medium-size enterprises breaking into smaller units to avoid coming within the scope of the legislation. At the same time the Committee felt that it would be inappropriate at this stage to apply the Act to every transport undertaking irrespective of the number of persons employed.

The Committee came to the conclusion that the provision should be made applicable only to transport undertakings and to private carriers wherein 5 or more workers are employed. To prevent the medium-size establishments from breaking into smaller units just to avoid coming within the scope of the proposed legislation, the Committee was of the view that a provision on the lines of Section 85 of the Factories Act might be included providing powers so as to make it possible to apply all or any of the provisions of the proposed legislation to any transport undertaking irrespective of the number of persons employed. This would help in preventing any abuse of the provisions limiting the applicability of the legislation.

The following persons may be exempted from the scope of the proposed legislation:-

- (a) Persons who drive or travel with private vehicles for personal services excluding private carriers.
- (b) Persons who drive or travel with vehicles engaged in -
 - (i) the transport of sick and injured persons by hospitals and nursing homes;
 - (ii) transport for the purposes of national defence, police services and transport affected under public authority in case of an emergency or to maintain public safety.
- (c) Persons employed in the premises covered by the Factories Act and entitled to the benefits of that Act and also the persons employed in offices, godowns, etc., and covered by the Shops Acts of different States and entitled to the benefits of those Acts may be excluded from the definition of the terms "Motor transport worker".

Working hours.- The suggestion to incorporate in the proposed legislation the existing working hours as laid down in ~~legislation~~ the Motor Vehicles Act, i.e., 9 hours in any day and 54 hours in any week, was discussed at some length. In fact, the second meeting was held primarily with a view to arriving at some ~~agreed~~ agreed conclusions, but it is regretted that the Committee could not come to any agreement on this point.

It was agreed that the term 'hours of work' should include:-

- (i) time spent in work done during the running time of the vehicle;
- (ii) time spent in subsidiary work; and
- (iii) periods of mere attendance at terminals of less than 15 minutes.

7

In the Sectional Notes a suggestion was made that the question of increased working hours on any day or in any week within the weekly prescribed limit and the provision for split duty should be considered by the Committee. To allow for flexibility in operation the Committee was of the opinion that the daily limit regarding hours of work may be exceeded by one hour and that there was no need to make any provision for the weekly limit to be exceeded as this would be taken care of by the provisions relating to over-time work. On the question of split duty the workers' representatives were afraid that any provision in the legislation for split duty might be abused to circumvent the restrictions imposed by the provisions relating to spread-over. Shri Daftary, employer member, however, pointed out that transport undertakings are often called upon to assist the project authorities in transporting earth and building materials to work sites. In many of the project areas where temperature conditions are abnormal, work is arranged in two shifts with a fairly long intervening period so as to avoid work during the hottest part of the day. It is not possible for the transport undertakings to fix their own hours of work and these have necessarily to conform to the hours worked at the project sites. Shri Kundan Lal speaking for the private transport undertakings also emphasised the need for making some provision in the proposed legislation for split duty.

The points of view expressed by both the employers' and workers' representatives were appreciated and the Committee felt that the best way to meet the difficulty would be by incorporating a provision in the proposed legislation to enable the Government to permit split duty in special circumstances with the agreement of the trade unions concerned or, where there is no trade union, in consultation with the majority of the workers affected.

The Committee was asked to examine the question of authorising the competent authority to permit time lost as a result of accidental causes or on account of public holidays to be made up within a prescribed period and to exceed the limit of working hours in the case of indispensable skilled labour. The Committee felt that the prescribed hours should only be permitted to be exceeded in case of accident, breakdown, dislocation of services, interruption of traffic or force majeure provided over-time is paid for and that provision should be made for the Competent Authority to frame rules for the purpose subject to such conditions as may be deemed necessary.

8

Rest Interval.- The only point which came up for discussion was the suggestion that a rest interval of at least 8 consecutive hours should be provided between "signing off" on one day and "signing on" on the following day. The workers' representatives felt that the 8 hours period was not sufficient to provide adequate rest and a suggestion was made that this should be extended to 10 hours. On the other hand, it was appreciated that a longer interval would not be in the interest of workers on night-out points, who would like to return to their home station as early as possible. Taking these views into consideration the Committee agreed to the interval being extended by one hour. The proposals relating to rest interval as amended are as follows:-

- (1) Provision may be made for a rest interval of at least half an hour after continuous work for five hours.
- (2) Provision may be made for reducing the duration of the rest interval and for increasing the hours of continuous work in exceptional circumstances, e.g., accidents, breakdowns, etc.
- (3) Where the working hours on any day do not exceed six, the rest interval may be dispensed with.
- (4) Provision may be made for a period of rest of at least 9 consecutive hours between 'signing off' on one day and 'signing on' on the following day.

Spreadover.- The Committee could not arrive at any agreed recommendation with regard to spreadover. In the draft proposals it was suggested that provision should be made in the legislation for a spreadover of 12 hours in any day. Both the workers' representatives strongly urged that it should be definitely laid down that the spreadover should not exceed 10-1/2 hours in any day.

Over-time.- There was no agreement on the question of over-time payment. On the analogy of the Factories Act, the worker members wanted the legislation to provide for over-time payment at twice the ordinary rate of wages. The employer member, on the other hand, argued that the analogy of Factories Act could not be applied in the case of transport workers. In the case of a factory, over-time work is resorted to when there is a press of work to meet the increased demand for its products, which generally means added profit, whereas in a transport undertaking over-time is necessitated by the exigencies of circumstances which are not of any material benefit to the enterprise as such. Employers representatives were accordingly in favour of over-time being paid at 1-1/2 times the ordinary rate.

9

Weekly Rest.- The Committee finally unanimously agreed that the day of rest may be 24 consecutive hours provided the period of rest for the day commenced before 9 A.M. on the day in question. The following are the recommendations as amended with regard to weekly rest:-

- (1) Provision may be made for the grant of a weekly rest period of one calendar day with the proviso that in the case of crew returning from ~~night-work~~ night-out points the weekly rest period may be of 24 consecutive hours provided that such period commences before 9 A.M. on the particular day.
- (2) Provision may be made for substituting the day of weekly rest provided that it does not result in any worker working for more than 10 days consecutively.
- (3) Provision may also be made for the grant of compensatory rest in lieu of the weekly rest within one month following the month in which the worker is deprived of the weekly rest.

Welfare Facilities.- The suggestions relating to welfare facilities were agreed to with very minor amendments as indicated below:-

Canteens Provision for canteens may be made only at places where at least 100 workers are expected to call on duty during the day.

Rest Rooms Arrangements may be made for rest rooms at night-out and other important places for the use of workers. The State Governments may be empowered to make rules prescribing the facilities to be provided in the rest rooms and these may include inter alia the following:-

- (a) supply of cool drinking water;
- (b) seating and sleeping arrangements;
- (c) washing facilities;
- (d) supply of newspapers, magazines, etc.; and
- (e) arrangements for indoor games, etc.

Uniforms Provision may be made for the supply of uniforms and warm clothing and rain-coats where necessary, and for the payment of washing allowance on scales to be prescribed in the rules to be framed by the State Governments.

10

Leave with wages, Holidays, etc.- The Committee unanimously agreed that the legislation may provide for 30 days leave with wages and, in addition, 5 days Festival and National holidays, only half of which could be availed of in the peak season and the other half in the slack season, and that provision may be made to the effect that where the workers are in receipt of better terms in accordance with any agreement, award or custom, they will continue to enjoy those benefits.

Medical Facilities.- With regard to medical facilities the Committee's recommendations are -

- (1) Medical arrangements may be made at all operating centres and regular bus stations where some staff is on duty during working hours, but not at pick-up stands.
- (2) First-aid boxes may be provided on the vehicles also.

Further, a worker member wanted his suggestion to be placed on record that where 150 workers are employed a dispensary should be provided with a Medical Officer in attendance.

Night Work and Wages for Night Work.- The Committee was unanimously of the opinion that no provision need be made for any payment over the ordinary rates of wages in respect of work after 10 p.m. or before 6 A.M.

Retirement Benefits.- The suggestions made in the draft proposals were accepted, viz., -

- (1) The benefits of provident fund may be extended to all motor transport workers by a suitable amendment of the Employees' Provident Funds Act.
- (2) Gratuity where it is allowed in any form should continue.

Compensation for Employment Injuries.- The Committee was of the view that no special provision need be made as the transport workers would be covered by the Workmen's Compensation Act, 1923.

Administration.- The Committee agreed to the suggestions made in the draft proposals that -

- (1) The administration of the proposed legislation may be entrusted to the State Governments who may set up appropriate inspection machinery to secure enforcement of the provisions.
- (2) The State Governments may also be given rule making powers for carrying into effect the provisions in the proposed legislation. The making of rules may be subject to the condition of previous publication.
- (3) The Central Government may give directions to State Governments as to carrying into effect the provisions of the law.

//

Special Provisions for Young Persons.- The proposals contained in the Sectional Note were discussed and amended as follows:-

- (1) Minimum Age of employment: May be fixed at 15 years.
- (2) Hours of Work: Hours of work of persons above 15 years but below 18 years may be fixed at 6 per day inclusive of rest of half an hour.
- (3) Medical examination of Young Persons: A pre-employment medical examination may be prescribed for persons below the age of 18 years.
- (4) Prohibition of Night-Work: Employment of young persons below the age of 18 years may be prohibited during the night between 10 P.M. and 5 A.M.

Penalties and Procedures.- The Committee's recommendations are -

- (1) that provision may be made for penalties as in the Factories Act, 1948, and
- (2) the offences under the proposed legislation may be tried only by a Court of a Presidency Magistrate or of a Magistrate of the 1st Class.

Payment of Wages.- The Committee was of the opinion that the legislation should incorporate a provision making the Payment of Wages Act applicable to all motor transport workers.

In discussing the various suggestions for legislation the Committee was seriously handicapped for want of reliable data in respect of working conditions and work-load of workers employed in the motor transport industry. In view of the growing importance of the motor transport industry, a suggestion was made that the Government be requested to consider the appointment of a Commission to enquire into the working conditions, pay-scales, health and work-load of transport workers.

d) Super-annuation age for workers.- Of late, retrenchment of a considerable number of workers and clerks in industrial establishments and factories have taken place. It has been found that workers who have put in a fairly long period of service and who are comparatively young have been retrenched, retaining in service old employees who should have been retired, had there been any fixed super-annuation age.

12

Under the Second Five-Year Plan it has been laid down that the shrinkage in employment on account of rationalisation should be adjusted against natural wastage. This natural wastage, in absence of any super-annuation age, occurs either by death or on voluntary retirement. The number of persons offering for voluntary retirement, in the true sense, is very small.

In the major industries of West Bengal, viz., Jute, Engineering and Plantation, no retiring age has been fixed either in the Standing Orders or in the Service Conditions or by any Omnibus Award. Retrenchments are generally taking place in Jute, Engineering and Mercantile Offices either on account of rationalisation or import restrictions or financial losses. Under the Industrial Disputes Act the principle to be followed in the case of retrenchment is normally 'last-come, first go'. Therefore, whenever a situation arises demanding reduction in employment, normally comparatively younger people are retrenched. The only exception is some mercantile establishments where under the existing service rules there is a fixed retiring age and in one or two cases, persons nearing retiring age have been persuaded by agreement to accept retirement for avoiding retrenchment of younger people. The retiring age in mercantile establishments for clerks, wherever laid down, is 55 with provision for extension at the discretion of the management.

Some of the employers are now making provisions for a super-annuation age in their Standing Orders and they generally suggest 55 years both for clerks and workers.

For the sake of uniformity and for facing the situation arising out of the threats of retrenchment there should be a retiring age for all classes of workmen in the industrial establishments. The age for the clerical employees may be fixed at 55. It has been seen that the industrial workers of 55 years of age are capable of rendering efficient services. In their cases the retiring age should be somewhere between 55 and 60 years and for the female workers somewhere between 50 and 55 years. In all cases the management may have the discretion of allowing extension.

e) Grant of exemption under the Employees' Provident Act, 1952. Section 16(1) of the Employees' Provident Fund Act, 1952, provides that the Act shall not apply to any establishment until the expiry of three years from the date on which the establishment is, or has been set up. In other words, for three years from the date of its establishment a factory should be saved from the expense involved in providing provident fund for its employees to enable it to be firmly established.

13

Certain textile mills, were closed and some of them also went into liquidation. Their employees were retrenched. Subsequently after varying intervals new concerns were formed which took over the closed factories and restarted them with employees recruited afresh. The question that arose for consideration was whether, for the purposes of the Employees' Provident Fund Act, the closure with or without the order of liquidation and the discontinuance of business of a factory for a short or long period until a new concern took over its ownership and management and started it again, had the consequence of making the factory cease to be established. This question came for decision before the Bombay, Allahabad, Kerala and Punjab High Courts from time to time, and they all answered the question in the negative. The substance of these decisions is that the Act applies to factories and not to the owners thereof. It has been held that a temporary cessation of the activities of an established factory cannot lead to the result that the factory ceases to be established for the purpose of the Employees' Provident Funds Act. It has also been held that the establishment of a factory involves that the factory has gone into production and no more. It was not considered sufficient that a factory had been erected, because there may be a time lag between the erection of a factory and its going into production, and the factory could only be considered established when it went into production and not till then, but once it went into production, a temporary cessation of its activities, for whatever reasons that cessation takes place, cannot take the factory out of the category of an established factory for the purposes of the Employees' Provident Funds Act. It has been further held that reconditioning and installing of additional machinery also do not affect the date of establishment of the factory. Even in cases where the employees were employed by the new owners be of considered factories with the strict stipulation that they would be considered as employees of a new factory and would not be entitled for provident fund benefits for three years, it has been held that the Employees' Provident Funds Act does not give any choice to the workers and their willingness or otherwise cannot affect the applicability of the Act to a factory, as "no one can contract himself out of his liability which is cast on him under a statute."

Recently, several textile mills in Bombay, Ahmedabad, and Kanpur, as well as in some other places, have been closed and some have gone into liquidation, and their employees have been thrown out of employment. The new owners of these factories have represented that they are finding it difficult to run them on account of the financial liability for provident fund contributions. They have requested for exemption from the application of the Employees' Provident Funds Act to their factories for three years after their re-start and according to the existing rules which have been interpreted by the various High Courts it is not possible to accede to their request. It is for consideration if such factories should, in future, be treated as infant factories and the Act will not apply to such factories unless three years have elapsed from their re-establishment.

14

It has been argued that this will encourage re-opening of the closed establishments and will provide employment which has been considered more important. If it is agreed, the Employees' Provident Fund Act will have to be amended suitably for the purpose.

Proceedings: Labour Minister's Inaugural Address.-
Inaugurating the meeting Shri Gulzarilal Nanda, Union Labour Minister stated that it was only on the basis of genuine partnership between workers and management that real peace in industry could be established.

He said that the programme of workers' participation in management was not unconnected with the question of industrial peace.

Shri Nanda recalled that it was at his request that workers' representatives had agreed to drop their insistence on making such participation compulsory by law.

What they were seeking to achieve through this new relationship between workers and management was not simply the absence of strife but positive collaboration for raising industry and the economy of the country to higher and higher levels.

The Labour Minister made it clear that to him workers' participation in management, which would be introduced on a voluntary basis in a number of establishments, was not of the nature of an experiment. He had taken it for granted that it would become a universal feature of industrial organisations in the country. He was not anticipating a very long period to elapse before the country reached that stage.

Shri Nanda pointed out that he was however not satisfied with the rate of progress. Thirty units had enlisted themselves voluntarily for this scheme in January, but only 10 had so far constituted Joint Management Councils.

The Labour Minister cautioned both employers and workers against going to courts often for solving their disputes. Running up to courts on slight provocation was a wrong practice. Employers and workers should resist this temptation.

He said only important issues which could not otherwise be settled might be referred to courts. If this remedy failed, they might have to re-shape their whole approach to the problem of industrial relations. As long as the present system operated, all its requirements, including the Code of Discipline formulated at the Naini Tal Conference, must be scrupulously fulfilled.

15

Shri Nanda said: "We cannot follow two paths at the same time. That which we are pursuing now has as its essence, amicable settlement by collective bargaining and, failing that, judicial determination. In this there is no place to go slow, violent demonstrations and hunger-strikes."

He strongly deprecated the growing tendency of resorting to satyagraha and hunger-strikes by labour for bringing pressure on employers. He described these as "disturbing trends" and said that it was claimed that these methods compel employers to come to terms quickly, whereas adjudication and the preceding steps involved in-ordinate delays.

He thought that such tactics were a form of intimidation and direct action and thus constituted a clear violation of the Code of Discipline and they would not pay.

He expressed the confidence that they would be discouraged and discountenanced by all parties to the Code.

The Minister said that it was being urged that recourse to such coercive acts was the direct outcome of the frequent approach by employers to High Courts and the Supreme Court, which caused excessive delays and frustration, thereby undermining the confidence of workers in those procedures.

Shri Nanda said hunger-strikes or satyagraha could furnish no solution. If they persisted, they might destroy the whole system of peaceful settlement of industrial disputes which had been laboriously built up during the last two decades.

He said that from the deliberations of the Committee in the past had emerged certain guiding principles and definite lines of action. Their efforts were inspired by the twin objective of securing industrial peace and ensuring a fair deal to the working class.

Shri Nanda expressed the hope that the deliberations would lead to the clear recognition of the responsibility of each participant.

Decisions: 2) Evaluation and Implementation of labour enactments, awards, agreements, etc.- The Committee approved the following recommendation on this subject:-

- i) The workers' and employers' organisations should evolve, as early as possible, machinery for screening cases wherein recourse to law courts is contemplated.
- ii) Workers' and employers' organisations should advise their constituents to report only specific and genuine cases of non-implementation of awards, etc., to the Evaluation and Implementation Division of the Ministry of Labour and Employment.

- 16
- iii) The State Governments which have not yet set up Implementation Committees at State and local levels should do so as early as possible. An Officer should also be designated by them, if not already done, to look after the work relating to implementation.
 - iv) The Implementation Committees in the States should be fully representative of all the parties concerned.
 - v) An analysis of the cases of appeals made after the abolition of Appellate Tribunal, to High Courts and the Supreme Court against industrial awards should be undertaken by the Centre as well as the State Governments in their respective spheres.

ii) Workers' Participation in Management.- The Committee recommended that units which volunteered to set up joint management councils but have not yet done so should set up these without any further delay. Such of those units which are not able to do so because of certain genuine difficulties may be taken out of the list of 50 units selected originally and substituted by other units. This process of substitution should be completed within the next six weeks. The list is not exhaustive and other units may be included where parties concerned are willing to start Joint Management Councils.

iii) Legislation regarding motor transport workers.- A sho agreement could be reached in respect of hours of work, spread-over and payment for over-time work, it was decided that the matter should be examined further and a decision taken by the Central Government.

iv) Amendments to the Industrial Disputes Act.- The meeting decided that the proposed amendments to the Act should be examined by a Sub-Committee consisting of representatives of the Central Government, the State Governments of Bombay, Madras, Bihar, Uttar Pradesh, West Bengal and Madhya Pradesh and one representative each of the All-India Organisation of Industrial Employers, the Employers' Federation of India, the All-India Manufacturers' Organisation, the Indian National Trade Union Congress, the All-India Trade Union Congress, the Hind Mazdoor Sabha and the United Trades Union Congress. The first meeting of the Sub-Committee would be held on the 6 December 1958 at New Delhi. Fresh amendments, if any, may be communicated to the Central Government by the 20 November 1958.

v) Superannuation age for industrial workers.- It was felt that the question of age of superannuation was closely related to that of retirement benefits. The matter should, therefore, be considered along with proposals relating to an integrated social security scheme.

17

vi) Requests for Intervention by Labour Minister in disputes.- The Conference suggested that before a request is made for such intervention the parties concerned should ensure that the Code of Discipline has not been infringed.

vii) Study of major strikes by observers from the point of view of Code of Discipline in Industry.- The Committee reached the following conclusions regarding this subject:-

- i) The proposal to depute an observer or a team of observers to study major strikes from the point of Code of Discipline was approved.
- ii) The question whether the team should be official, non-official or mixed should be determined by Government on the merits of each case.
- iii) While selecting representatives in the case of mixed teams, the organisations concerned should be informally consulted.
- iv) It was decided that there should be an enquiry into the Kerala Plantation strike from the point of view of the Code of Discipline.
- v) Similar studies might also be undertaken, wherever necessary in other cases involving infringement of the Code of Discipline even if there are no strikes.

viii) Review of Employees' State Insurance Scheme.- The Committee decided that: (i) the extension of the Scheme to the present coverable population should be completed by the end of the Second Five Year Plan, (ii) a Committee would be appointed to review the working of the Scheme, and (iii) periodical reports showing the progress of the Scheme should be made available to the employers' and workers' organisations.

ix) Grant of Exemptions under the Employees' Provident Funds Act to factories ~~existing~~ restarting after closure under new ownership.- Workers' representatives felt that the amendment proposed in the Memorandum was likely to lead to abuses. They would reconsider the proposal and communicate their final views to the Central Government.

(Documents of the Meeting, received
in this Office).

12. Activities of External Services.

India - November 1958.

(a) Lectures:

Mr. V.K.R. Menon, Director of this Office, gave a talk to the Members of the Administrative Staff College of India, Hyderabad on 13 November 1958.

(b) Visits:

The Governor of Uttar Pradesh, Shri V.V. Giri, called on the Director of this Office on 19 November 1958.

'L'

y

19

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

India - November 1958.

Meeting of All-India Congress Committee, Hyderabad, 24-26 October 1958: Committee set up to Formulate Agricultural Production.

A meeting of the All-India Congress Committee was held at Hyderabad on 24, 25 and 26 October, 1958. The session, which was attended by about 200 out of 492 AICC members, was presided by the Congress President Shri U.N. Dhebar. The meeting, among others, passed a resolution proposing the setting up of a sub-committee to submit detailed proposals for an integrated programme of agricultural development for consideration at the next session.

Presidential address: India's Faith in Democracy.-
Addressing the meeting, Shri Dhebar said that whatever India had been able to achieve during the past ten years had strengthened India's faith in democracy. He explained the difficulties in tackling the problems of land reforms, industrialisation, and nationalisation of industries and said that in other countries violence was resorted to for solving problems, whereas "we do not want to resort to violence. We want to achieve things by means of persuasion so that we can carry all sections of the society with us".

20

Formulation of the Third Plan.- In a note on the objectives of the third Plan the Secretariat of the All India Congress Committee has suggested provision of "an agro-industrial base for India's national economy in order to achieve greater production and fuller employment".

The note envisages that while the basic industries would have to be developed on a large scale the country should have "fields, small factories and workshops functioning side by side".

One of the objectives proposed in the note, is to reduce "economic disparities in urban areas and also to bridge the existing gap between the urban and rural incomes as speedily as possible". To achieve this objective, it had suggested a change in the existing pattern of industrial production by means of co-operative decentralisation, for liquidation of managing agency system in most of the large-scale industrial establishments with the ultimate aim of establishing industrial co-operatives, particularly in consumer goods industries.

The note suggests that agricultural production should be doubled in the next ten years "so that we not only become self-sufficient in our food requirements but also have a sizable surplus for export in order to obtain capital goods for industrial developments."

Referring to the need of reducing economic inequalities, the note says: "The existing gap between the urban and rural incomes should also be bridged as speedily as possible. This could be done partly by changing the existing pattern of industrial production through co-operative decentralisation whenever possible. During the period of transition, the managing agency system in large-scale establishments should be liquidated in most of the industries. Ultimately, we should aim at industrial co-operatives, particularly for the consumer goods industries."

The note also pleads for full integration of educational institutions with development at the elementary, secondary and university stages.

Addressing the meeting on what he called "general problems", the Prime Minister, Shri Jawaharlal Nehru, declared that India was in the process of leaving an old epoch and entering a new one to solve her economic problems in a scientific way through planning and socialism.

21

The Prime Minister said that India today was trying to get a grip on the "strategic points" of planning. India was entering another epoch. It was leaving behind the pre-industrial epoch and taking a step forward into the industrial era. The face of the world had been changed by industrialisation. Today the world was on the threshold of the atomic age. India wanted to keep pace with development in this sphere also.

Shri Nehru added that without industrialising the country, the economic problems of the country could not be solved. It was for this reason that steel plants and other big projects had been taken up so that "we might today tighten our belts and bear a little pain and suffering in the interest of ensuring a more prosperous tomorrow and the day after".

Shri Nehru said that big industry, however, could not absorb all her people. It could at most take ten or twenty millions while India had nearly 400 millions of people. The rest of the people had to be given futureful work by encouraging small and village industries.

Shri Nehru said that the striking of oil in India had raised great hopes. In the same way, other big projects held out hope of India building up a strong foundation for the prosperity of her people in the years to come. "I have full faith and confidence in the people of India and their efforts at planning to improve their future".

Continuing, the Prime Minister said "our aim is to reach this goal of establishing a socialistic pattern of society through a gradual process. There are many complications to face with old feudal institutions and the like still standing to some extent in our way".

Shri Nehru said that the basic principle of socialism was how society was moulded through the ~~society was~~ means of production at its command at a particular time. If a country was mainly agricultural, its citizens would be moulded in a particular way. If industrialisation came, the mould would change.

"Our difficulty is that a lot of old ideas still cling to us. Some of them, like untouchability, purdah for women and the like, were ~~big~~ big shackles. All these had to be tackled gradually".

22

Resolutions— The Committee, among others adopted resolutions on disarmament and discontinuance of nuclear and thermonuclear weapons tests; agricultural production; and on organisational matters.

Agricultural production: Hundred per cent increase by end of third Plan envisaged.— The resolution on agricultural production, among other things, set up a target of hundred per cent increase in the present yield by the end of the Third Five-Year Plan.

The resolution was passed with an amendment by the Madras Finance Minister, Shri C. Subramaniam, which urged the appointment of a sub-committee of the A.-I.C.C. to consider all aspects of agricultural production, including the aspect of land reforms bearing thereon and to submit a paper to the A.-I.C.C. at its next session. The paper will contain detailed proposals for an integrated programme of agricultural production.

The Congress President, Shri Dhebar, said that the Committee would be set up and its personnel would be announced in due course.

The resolution said that the problem of food production was a national one and should not be dealt with on a party basis, but in co-operation with other parties and groups. The food problem should be considered from the point of view of India as a whole. While there was unanimity on the question of food production being a national one, Shri Algurai Shastri was critical of the clause in the resolution which stated that the problem should be dealt with, with the co-operation of the other parties and groups. He said, the Congress would welcome co-operation from the other parties, but it need not run after them. Shri Mahavir Tyagi also said that co-operation could be accepted only from those parties which were willing to give it. Amendments to this effect were moved, but they were lost.

Moving the resolution on agriculture production, Sardar Pratap Singh Kairon, Chief Minister of Punjab, made an appeal to the people to step up production, by hundred per cent and see that the country was rid of the food problem and it marched towards greater progress.

Stating that continued imports of foodgrains which had been to the tune of 12,600 million rupees in the last 11 years was a "standing shame" to the country. Sardar Kairon said that, while the average yield of paddy was twelve maunds the yield of wheat was seven maunds per acre. This, he said, compared very unfavourably with the yield in other countries, where it was three or four times the figure in India. The speaker said that Gandhiji had taught them to use only Swadeshi goods, but it was highly depressing that they were compelled to import foodgrains. "Therefore it is essential that we take strong measures to see that imports of foodgrains are reduced", he said. Sardar Kairon made a strong plea for the use of improved methods of agriculture and said that while the Indian peasant did not lack intelligence or courage, he was ignorant of the scientific methods. Improved seeds, better ploughing and use of fertilizers including cowdung would yield appreciable results without much difficulty. He was aware that the kisans clamoured for better irrigation facilities and wanted timely supply of fertilisers.

But, till all their needs on the scale they desired were met, they should not bide time. Even this year they were importing foodgrains of the value of 1,400 million rupees, the quantity being 4 million tons.

Seconding the resolution, Shri N. Sanjiva Reddi, Chief Minister of Andhra Pradesh, said that the prosperity of a country depended on self-sufficiency in food. Otherwise, the country would come to disaster. They should save the country from the drain consequent on the import of foodgrains. It should be possible for them to increase food production by 100 per cent at the end of the Third Plan period. In this context, he said that Andhra Pradesh and Madras States stood now on top in production of food. It should be possible for other States to do likewise.

Shri Sanjiva Reddi added that there was great land hunger in the country. There was a large percentage of landless poor in the country. The need now was more intensive cultivation than extensive cultivation.

Emphasising that the food problem should be considered as more a national problem than party problem, the Andhra Chief Minister pointed out that it was the responsibility of surplus States to supply grain to other States. Andhra Pradesh had been able to supply foodgrains to other States including Kerala. But before they asked the agriculturists to take more interest in food production, they should meet their demands. He was himself the most neglected man in the country. He should be given his minimum needs. Agricultural implements were costly. The State and Central Governments should make them available to him at reasonable prices.

Unless an economic price was assured to the agriculturists, he would be tempted to turn to commercial crops. Anti-social elements might be responsible for profiteering, but they should not call all the and sundry "anti-social elements". The latter should be isolated from the good people. Many of them would like to serve the country. While the producer was not getting a reasonable price, the consumer also was paying a high price. Something was happening between the producer and the consumer. It should be stopped.

The following is the text of the resolution, as adopted:

"The A.I.C.C. notes with satisfaction the establishment of many basic industries and the widespread growth of small industries in the country. Industrial advance based on modern scientific and technological methods is essential to raise the productive capacity of the country and the standards of the people. It is also necessary in order to provide more and more opportunities of employment and for the growth of agricultural production."

"It must be remembered, however, that the growth of industry, in an agricultural country like India, depends basically on the growth of agricultural production and, in particular, production of foodgrains. It is, therefore, of the utmost importance to increase food production. The yield per acre in India is pitifully low and can undoubtedly be increased wherever a real effort is made, as has been demonstrated in various parts of the country. It is of the first importance now to concentrate on this higher yield per acre of foodgrains so that the target laid down in the Second Five Year Plan should not only be reached, but considerably increased. By the end of the Third Plan, there should be a hundred per cent increase in the present yield. The problem of food production is a national one and should not be dealt with on a Party basis, but in co-operation with other parties and groups. The food problem should be considered from the point of view of India as a whole."

"For this purpose it is necessary to appoint a Sub-Committee of the A.I.C.C. to consider all aspects of agricultural production including aspects of land reforms bearing thereon and to submit a paper to the A.I.C.C. for its consideration at the next session, containing detailed proposals for an integrated programme of agricultural development. The President is authorised to nominate the Committee which shall consist of not more than fifteen members."

"While higher production is the only basic remedy to attain self-sufficiency in food and, wherever possible, a surplus for export, necessary steps should be taken forthwith to ensure that anti-social activities do not come in the way of the best utilisation of available supplies. The recent rise in prices of foodgrains in some parts of India was not wholly justified by the factual position and was partly due to artificial and engineered causes. Such anti-social activities with a view to profiteering must be sternly checked by the Administration, and public opinion should be built up to prevent them."

(The Statesman, 25, 26 October, 1958;
The Hindu, 26, 27 October, 1958;
The A.I.C.C. Economic Review, dated
15 November 1958).

25. Wage-Earners' Organisations.

India - November 1958.

Amendment of Indian Trade Unions Act: Minister's Statement.

The Government of India is considering the amendments to the Indian Trade Unions Act, 1926, recommended by the Indian Labour Conference at its last session in May 1958.

The amendments suggested provide for: (a) if any signatory to an application for registration is discharged during the pendency of the application and if the signatories were entitled to apply for registration at the time of application, registration should not be refused on the ground that they have ceased to be workers; (B) a membership fee of at least four annas a month should be prescribed in the rules of a trade union; and (c) the Registrar of Trade Unions, or his nominee, should have the power to inspect the books of a trade union.

This was stated by the Union Deputy Minister for Labour, Shri Abid Ali, in a written reply to a question by Shri Ram Krishan in Lok Sabha on 29 November 1958.

(Press Communication, issued by the Government of India, dated 29 November 1958).

33. Full Employment Policy.

India - November 1958.

Central Committee to be set up to Assess Unemployment Trends and Develop National Employment Service: Deputy Labour Minister's Announcement in the Lok Sabha.

The Deputy Labour Minister, Shri Abid Ali, announced in the Lok Sabha on 21 November 1958 the Government's decision to appoint shortly a central committee to assess the unemployment trends in the country and advise them on the development of a national employment service. The Committee would also recommend measures to expand opportunities for employment in the country.

He made this announcement during a debate on a non-official resolution Prof. D.C. Sharma (Congress) moved for a committee to estimate the incidence of unemployment and suggest ways of dealing with it.

The mover withdrew the resolution after the Minister's announcement.

The Committee, Shri Abid Ali said would comprise representatives of the Central and State Governments, four members of Parliament and some eminent economists. It would recommend measures to create more opportunities for employment.

He informed the House that an employment exchange had been opened in Delhi University experimentally. If the experiment succeeded, it was proposed to have similar exchanges in five other universities. The Government's policy was to expand the activities of the employment exchanges throughout the country.

He shared the views of the members that the unemployment problem was becoming acute; two million people were added to the unemployed every year. The Government, he assured them, was taking all possible measures to ease the situation.

According to him, two million more jobs were created in the first three years of the second Plan. Nearly a million more persons would find employment during the current year. The employment target for the end of the Plan was 6.5 millions. From the results so far achieved, it would, however, not be correct to say that the opportunities for employment were shrinking.

During the debate Congress and Opposition members expressed concern over the growing unemployment in the country.

(The Hindustan Times, 22 November 1958).

'L'

28

34. Economic Planning, Control and Development.

India - November 1958.

Rehabilitation of Textile Industry: Government's
Decisions on Inquiry Committee's Recommendations.

The Government of India published on 31 October 1958 a Resolution containing its decisions on the principal recommendations of the Textile Inquiry Committee (vide pages 13-16 of the report of this Office for August 1958). The Government has agreed with the recommendation of the Textile Inquiry Committee to establish an advisory committee to help the Textile Commissioner on important matters affecting the industry generally or of any unit in particular. Almost all the important suggestions of the Committee have been accepted.

The Government did not, however, agree to set up an autonomous corporation to take over mismanaged mills. Nor did it accept the committee's recommendation on standardization of sales tax on yarn and other State levies.

Besides the advisory committee, comprising all concerned interests and having representatives from important textile centres, it is proposed to set up shortly a rationalisation sub-committee for advising on policies and principles governing rationalisation, assisted by regional sub-committees for dealing with individual schemes.

The Government's decisions, underline the urgent need for the replacement of out-dated machinery, rationalisation and promoting efficiency in management and productivity of labour.

29

Sales Tax on Yarn.- As regards the committee's observations on the levy of sales tax on yarn and other materials by the State Governments after the replacement of sales tax on cloth by Central excise, as also other levies by the States, the resolution said the Government did not consider that the discretion of State Governments in the matter should be fettered.

The practice of granting concessions on the supply of raw materials to the industry varied from State to State and in the implementation of the scheme of replacement of sales tax by additional excise duty levy, it was never contemplated that the State Governments should maintain the status quo in regard to these concessions particularly in view of the restrictions placed under Section 14 of the Central Sales Tax Act, 1958.

On the question of management of textile mills, the resolution expressed "concern" at the fact that the various committees set up to inquire into the conditions of the industry should have "noticed in an appreciable number of cases that the management had contributed in a large measure to the steady deterioration of certain units leading often to their closure".

The Government hoped that the managements would take note of these observations so that the need for intervention by them was avoided, the resolution said.

At the same time, the resolution added, the Government did not consider it either necessary or desirable to set up an autonomous corporation, as suggested by the Textile Inquiry Committee, to take over the management of mills where such action was considered necessary.

Replacement of Machines.- The Government having accepted the various suggestions of the Committee in regard to the replacement of old and outmoded machinery, regular surveys, proper and timely advice and relief, financial assistance from the various agencies, the resolution said, it should be possible for even the closed mills if they were properly managed to restart working. The steps proposed to be taken should also help the mills to avoid closure in future.

A corporation on the lines recommended, if set up, would have to concern itself mainly with the management of only such mills units as had been found incapable of being run economically, the resolution pointed out.

"The intention of the Government clearly is to assist the various mills that may be in difficulties and thus to help to stabilize their position. Attention will, therefore, have to be concentrated on this aspect of the Government's policy rather than on the creation of a corporation for taking over such units, which may tend to create the impression that, if things do not go well, there is a corporation to fall back upon," the resolution said.

If there were any cases where intervention was called for, the resolution added, it should be possible for the Government to take adequate action under the Industries (Development and Regulation) Act.

The Government, however, has accepted the suggestion of the committee for enabling closed mills to reopen. The measures recommended by the committee included scrapping of mills which had obsolete machinery and issue of new licences for starting new mills in the same localities, financial assistance to mills in difficulties and investigation and action to ensure proper management of mills suffering from mismanagement.

Rationalisation.- The Government has also accepted the suggestion that for rationalisation, the approach on the lines accepted by the 15th session of the Indian Labour Conference would be proper and helpful, although the committee has pointed out that "this process may not be quick enough for some centres where the margin of excess labour is large."

In regard to the installation of automatic looms, the resolution said the Government agreed entirely with the committee's view that a proper psychological climate should be created within the country for this, and hoped that "with the co-operation of all concerned, it should be possible to evolve a simple procedure for such replacement on a phased programme in an accelerated manner."

The resolution noted the point, to which attention had been drawn by the committee, namely, that India's exports would continue to fall steeply unless cloth produced on automatic looms was exported in view of the definite preference in the markets abroad for flawless cloth.

It also pointed out that the Government had already removed all restrictions on exports of surplus yarn and had decided to maintain that policy as a long-term measure for three years in the first instance.

The Government resolution expressed the hope that the industry would take note of the advisability of reconciling the volume of production of the various varieties of cloth with the actual demand. In this connection, it said, the Textile Commissioner would exercise a continuous watch on the general trends of production of the different varieties of cloth and issue such directions as may be necessary to arrest any imbalance.

While agreeing with the committee's "realistic" assessment of the per capita consumption of cloth at the end of the second Plan at 17.5 yards, the resolution said the Government considered it unlikely that a situation would arise in which it might become necessary to resort to a regulation of the production of cloth or yarn.

The resolution emphasised the need for the trade to help free movement of stocks by increasing their holdings which had shrunk considerably and relieve to some extent the pressure on the mills by way of accumulations. The Government proposed to request the banking industry to extend liberal credit facilities to the trade to enable the restoration of normal holdings.

The recommendations of the committee about the need for a more continuous and sustained study in the field of marketing intelligence and research for cotton textiles have also been accepted by the Government. But this, the resolution said, should be the legitimate function of the industry itself.

The Government hoped that the Cotton Textile Fund Committee, which was already seized of this aspect, would, in co-operation with the industry, implement the committee's recommendations.

The resolution said the Government proposed to entrust the work of obtaining correlated statistical information about stocks and prices from the production to the consumers' ends to the Textile Commissioner.

Other Points.- Other points made in the resolution are: The Government did not consider it necessary to set up a sub-committee to advise on the principles and procedure of deciding applications for the import of machinery; the suggestion about expediting liquidation proceedings to avoid protracted idle capacity and unemployed labour would be examined; recommendations such as adjustment of printing quota to needy mills, relaxation of production control orders and regulation of yarn and cloth production would be examined and action taken by the Textile Commissioner, in consultation with the Government where necessary, having due regard to the interests of the decentralised sector.

Assuring the industry of the Government's willingness to consider with sympathy any requests for assistance, the resolution expressed the hope that the industry, which was not merely one of the oldest in the country but one of the most important, would endeavour in every way within its power to remedy defects wherever they might be noticed.

(The Gazette of India, Extraordinary,
Part I, Section 1, 31 October 1958,
pp. 847-850;
The Hindustan Times, 2 November 1958)

33

Meeting of National Development Council, New Delhi,
8 - 9 November 1958: Plan Targets not to be scaled
down: State Governments to Take Over Trade in
Foodgrains: Emphasis on Development of Multi-purpose
Co-operatives.

The meeting of the National Development Council at New Delhi on 8 and 9 November 1958 is understood to have decided not to scale down the physical targets laid down under Part A of the Second Five Year Plan (vide Section 34, pp. 15-19 of the report of this Office for October 1958) even though there was a gap of about 2,500 million rupees in the total outlay of 45,000 million rupees earmarked for it. The other important decisions taken by the Council related to the States Governments' controlling wholesale trade in foodgrains and immediate setting up of multipurpose co-operative societies in all villages.

Prime Minister's Address.- Shri Jawaharlal Nehru, Prime Minister, in his opening speech stressed the need to concentrate on physical targets and observed that though financial resources were a conditioning factor, it was the targets which should be kept in mind.

Stressing the importance of small industries, Shri Nehru said: "In so far as small industries are concerned, we have to encourage them and I would include cottage industries therein. I am absolutely convinced that it is necessary for us to develop them."

Small industries had a great potential in giving employment and possibilities of creative effort and in adding to the nation's capital, he pointed out, and added: "Another thing about small industries is that they help in spreading a spirit of technology among a large number of people, which is important."

The Prime Minister deplored concentration of big schemes alone. He said the real development was going to be in field of numerous small-scale industries and tens of thousands of small irrigation works, of the order of 10,000 rupees which had to be done by the people themselves.

Finance Minister's Analysis of Resources Position.-

Shri Morarji Desai, Union Finance Minister, gave the Council a factual analysis of the resources position, based on a note circulated by the Planning Commission.

The note, it is understood, states for the first time that the total outlay on the second Plan cannot exceed 45,000 million rupees - that too if the gap of 2,400 million rupees is made up in the next two years.

Shri Desai referred to the recent discussions of the Planning Commission with the States in this connection. These discussions had led the Commission to the conclusion that there was little scope for additional taxation.

On the other hand, there had been some improvement lately in small savings giving rise to the hope that with greater effort further increase could be achieved. The Finance Minister hoped to raise some additional resources by public borrowing in view of the present favourable conditions in the money market.

He is understood to have informed the Council that the Planning Commission was absolutely against adding any more projects to Part A of the Plan. Some of the Central Ministries were keen on additional projects, but their inclusion would have increased the total outlay by another 1,500 million rupees, raising the uncovered gap to 4,000 million rupees.

Wholesale Trade in Foodgrains.- The Council decided that the States should take over immediately all wholesale trade in foodgrains. The Council felt that only through State trading could food prices be kept in check - an essential condition for increased deficit financing that was bound to follow yesterday's decision not to scale down any further the total Plan outlay of 45,000 million rupees.

It was pointed out at the meeting that any further deficit financing could be contemplated only if food production increased substantially and food prices registered a distinctly downward trend. This is hoped to be achieved through the immediate introduction of State trading in selected grains, including rice and wheat.

In the initial stages the main wholesale traders in all States will be licensed and they will be required to sell grains to retailers at a fixed price. The middlemen's profit will thus be completely eliminated.

35

The Council has asked the Ministry of Food and Agriculture and the Planning Commission to work out the details of the scheme so that it can be forwarded to the State Governments soon for approval and immediate implementation.

In the meantime, a committee, consisting of the Chief Ministers of the four surplus States of Punjab, Andhra Pradesh, Madhya Pradesh and Orissa, was set up to decide upon a scheme of procurement for the next kharif harvest.

Co-operative Societies.- In view of the great importance attached to increasing agricultural production, the National Development Council also recommended immediate setting up of a multipurpose co-operative society societies in all villages. The Chief Ministers were asked to take the necessary steps to amend the existing defective co-operative laws and rules which were impeding the development of the co-operative movement.

In setting up these co-operatives special attention will be paid, according to the National Development Council decision, to grant credit facilities to those who have not so far been able to obtain credit under the ordinary banking rules.

The National Development Council has also asked the State Governments to organise training programmes for village leaders so that trained people will be available within a short period to run the village co-operatives and panchayats.

Second Five Year Plan.- The Council decided to adhere to the previously prescribed outlay of 45,000 million rupees in the public sector of the current plan. At the same time, the provision for deficit financing has been reduced from 12,000 million rupees to 10,020 million rupees. The amount of deficit financing in the last two years of the Plan has thus been limited to 2,100 million rupees.

The trend of discussion at the meeting of the National Development Council is understood to have been against a cut, and in favour of retaining the physical targets already laid down.

Preliminary Studies on Third Five Year Plan.- The Council also had preliminary discussions on the formulation of the third Five Year Plan. While emphasising the need for perspective planning, it laid down four stages for its preparation. In the first stage detailed studies of the problems of different sectors of the economy will be conducted to lay down overall targets. The second stage will require correlation of the results of these studies for the preparation of the preliminary draft of the Plan frame. The third stage will require detailed preparations of the Central, State and local plans so that they can be welded into an integrated final plan in the fourth stage. In this connexion, the Planning Commission has been asked to set up another working group to consider the resources position, both internal and external. One of its main functions will be to find ways of stepping up domestic capital formation. Working groups on agriculture, irrigation, power and transport have already been set up and the States have also been asked to set up similar working groups so that work on the drawing up of the next Plan can start immediately.

(The Hindustan Times, 9 and 10
November, 1958;
The Statesman, 9 and 10 November, 1958).

Bright prospects of Foreign Aid: Finance Minister's Report on Visit Abroad.

The Finance Minister, Shri Morarji Desai, said in the Lok Sabha on 19 November 1958 that negotiations with friendly countries would start early next year for help to bridge India's foreign exchange gap which was now estimated at "roughly \$ 650 million" for the remaining two years of the Plan.

He gave the following details of these offers and negotiations.

World Bank.- A \$ 25 million loan was sanctioned in July for the DVC. Another loan of \$ 85 million had now been given for the Railways. "The Bank would give continuing consideration to our further requirements".

U.S.A.- Early in 1958 a loan of \$ 75 million was given from the Development Loan Fund. The USA has now agreed to give another \$ 100 million from the Fund. Negotiations were now in progress about the distribution of this sum between the different programmes of development.

The U.S. Government had also indicated that it would defer over the next nine years repayment of the interest and amortization instalments on the 1951 wheat loan amounting to \$ 7 million annually. Besides these the latest PL 480 Agreement also enabled India to purchase from the USA wheat and other agricultural commodities of a total value of \$ 238.8 million. Though PL 480 assistance was treated on a different footing, "this contributes materially to the success of our development programme by reducing pressure on our foreign exchange reserves and enables us to hold in check domestic inflationary pressures".

West Germany.- Details of the loan of \$ 40 million offered are now under negotiation. A small part of this loan would be of "a somewhat shorter duration than the other".

Japan.- Japan had earlier given a line of credit of \$ 50 million through their Export-Import Bank. It has now agreed to provide another \$ 10 million through the same agency for purchases made or to be made in Japan. Details are being negotiated.

U.K.- The U.K. Government has agreed to give a credit of \$ 108 million. The details were under negotiation. ~~the~~ Of this credit, \$ 28 million would be by way of advance repayment of the amount due to us in lieu of the pension settlements. The remainder will be available for meeting payments due to U.K. suppliers.

Canada.- Canada has announced an allotment of \$ 17 million for assistance in the current fiscal year by way of Colombo Plan allocations. Agreement has already been reached in regard to the utilization of this amount. In addition Canada will grant \$ 8.8 million for the purchase of Canadian wheat.

U.S.S.R.- Besides the credit for the Bhilai Steel Plant, the Soviet Union has extended credit of approximately 600 million rupees for certain industrial projects. Negotiations were now in progress for a new drugs project.

Rumania.- A deferred payment agreement had been entered into for the supply of an oil refinery at an approximate cost of 52 million rupees. (For details, please see pp. 47 of this report).

Czechoslovakia.- Deferred payment agreement had been entered into for a forge foundry project costing 85 million rupees.

Earlier.- The Finance Minister also referred to the discussions he had with various Governments, bankers and industrialists during his tour and said he was struck struck by the interest that India's developmental effort had created in these countries and "the readiness on their part to help to the extent possible, towards the fulfilment of the Plan".

(The Statesman, 20 November 1958).

National Mineral Development Corporation set up.

The Government of India has set up a National Mineral Development Corporation, as a private limited company with an authorised capital of 150 million rupees, to exploit all minerals included in Schedule A of the Industrial Policy Resolution of April 1956, excluding oil, natural gas and coal.

To begin with, it will undertake exploitation of iron ore deposits in Kiriburu in Orissa, selected to export two million tons of iron ore per year to Japan.

While initially the Corporation will deal with the mining of iron ore, it will undertake mining of other strategic minerals according to a list of priority which has been prepared on the basis of expected demand for those minerals within the country and abroad.

To overcome the problem of shortage of trained personnel a scheme of starting work-cum-training camps for post-graduate geological students has been initiated so that side by side with their theoretical studies these students can get practical experience.

(The Statesman, 16 November 1958)

U.N. Mission on Community Development Team to Evaluate Programme.

A three-man U.N. Mission is now in India at the invitation of the Government of India to study and report on the working of the Community Development Programme.

Known as the "Community Development Evaluation Mission" it will be headed by Mr. J. Coldwell, until recently President of the Canadian Cooperative Commonwealth Federation.

The Mission will study the basic objectives of the community development movement and examine the organisation, training arrangements and the methods which have been adopted for carrying out the programme. It will also assess the actual impact of the programme, its role and functions in the process of development and its capacity to contribute to economic development.

The Mission's report is expected to be ready by March 1959.

The Mission will visit selected community development blocks in various states and centrally administered territories for studying the programme in the field.

The present U.N. Mission was first contemplated at the Development Commissioners' Conference at Nainital where it was suggested that a team of experts might be asked to come to India under the auspices of the United Nations to study this programme and offer their suggestions for improvement.

(Press Communication issued by
the Government of India,
24 November, 1958)

36. Wages.

India - November 1958.

Punjab: Minimum Wages Act, 1948, extended to
Employment in Contractors Establishment of
the Forest Department.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Punjab has added the following employment to Part I of the schedule to the said Act for the purpose of fixation of minimum rates of wages for the workers employed therein.

"(19) employment in contractors establishment of the Forest Department".

(Notification No. 604-S-IV/340c-Lab(II)
58/81312 dated 15 October 1958, the
Punjab Government Gazette, Part I,
24 October 1958, page 1721).

Wages in the Jute Mills Industry: Enquiry Committee appointed by West Bengal Government.

By a resolution dated 9 October 1958 and in pursuance of the decisions of the First Session of the Industrial Committee on Jute held at Calcutta on 1 and 2 August 1958 (vide Section 121, pp.79-87 of the report of this Office for August 1958), the Government of West Bengal has constituted a Committee for collection of relevant data having a bearing on determination of wages in the jute industry.

The functions of the Committee will be to collect all relevant data having a bearing on the determination of wages with particular reference to cost of living, capacity of the industry to pay, and the importance of the jute industry as an earner of foreign exchange.

(The Calcutta Gazette, Part I, 6 November 1958, page 3526).

'L'

West Bengal: Industrial Tribunal Orders revised Wage Scales and Dearness Allowance for Engineering Workers.

The fifth Industrial Tribunal, West Bengal, has in an award relating to an industrial dispute between 74 engineering firms in West Bengal employing 250 or more workers and their employees on wages and wage scales and dearness allowance, allowed increases in basic wage and dearness allowances and besides prescribed a time scale for all categories of employees.

Basic wages and wage scales.- The tribunal has fixed the following wage scales for the various categories of workers:

Group D. (Corresponding to the unskilled category in previous awards).- (1) 35 rupees for workers who do heavy manual work such as transport of things from one place to another, and other such jobs.

(2) Rs.35-1.2nP/2-37.50 for workmen who improve in efficiency of working both in respect of nature and quality of his work. After he reaches the top of the grade the management will consider whether he is eligible for promotion to the next higher group.

Group C. (Corresponding to the semi-skilled category).- Rs.40-65. It contains five slabs of Rs.5 each. Each slab comprises a period of four years, and the yearly increment is Rs.1.25 nP. It covers a total period of 20 years. The above principle when put into application will stand thus:

- Rs. 40-1.25-45
- Rs. 45-1.25-50
- Rs. 50-1.25-55
- Rs. 55-1.25-60
- Rs. 60-1.25-65

Total period 20 years.

Group B. (Corresponding to the skilled category).- Rs.75 - 115.
 It contains five slabs of Rs.8 each. Each slab comprises a period of four years. The yearly increment is Rs.2. It covers a total period of 20 years. This principle when put into application will stand thus:

Rs. 75-2-83	0	
Rs. 83-2-91	0	
Rs. 91-2-99	0	Total period is 20 years.
Rs. 99-2-107	0	
Rs.107-2-115	0	

Group A. (Corresponding to the highly skilled category).- Rs. 110 - 155. This scale contains five slabs of Rs.9 each. Each slab has a duration of 3 years. The yearly increment is Rs.3. It covers a total period of 15 years. The principle enunciated above when put into application will stand thus:

Rs. 110-3-119	0	
Rs. 119-3-128	0	
Rs. 128-3-137	0	Total period is 15 years.
Rs. 137-3-146	0	
Rs. 146-3-155	0	

Clerical Section.

- (1) Non-matriculantes - Rs. 60-3-90 (in 10 years).
- (2) Matriculantes or under-graduates - Rs.65-3-95 EB-4-135 (in 20 years).
- (3) Graduates- Rs. 75-4-115-EB-5-165 (in 20 years.).

Supervisory Staff. Rs. 70-4-110-EB-5-160.

Subordinate Staff.

- (1) Peons and bearers - Rs. 30-1-50. | Efficiency bar in
- (2) Durwans - Rs. 35-1-55. | each case on the
- (3) Drivers - Rs. 60-1-90. | tenth year.
- (4) Lorry Drivers - Rs. 65-1-95. |

Dearness Allowance.- Computing that the cost of living index had risen 24 points since the award of the Second Omnibus Engineering Tribunal in 1950, a Rupee being the measure for a rise of every five points, the tribunal has raised the quantum of dearness allowance to Rs. 36, Rs. 47, Rs. 53, Rs. 59 and Rs.65 in place of Rs.31, Rs.42, Rs.48, Rs.54 and Rs.60 respectively, as given under the award of the Second Omnibus Engineering Tribunal, for pay ranges varying from Rs. 50 to Rs. 250 each slab being of Rs. 50. Thus:

- For the pay range up to Rs. 50 D.A. will be Rs.36;
- For the pay range from Rs.51 to Rs.100 D.A. will be Rs.47;
- For the pay range from 101 to Rs.150 D.A. will be Rs.53;
- For the pay range from 151 to Rs.200 D.A. will be Rs.59;
- For the pay range from Rs.201 to Rs.250 D.A. will be Rs.65;
and so on.

The tribunal has also provided that for every rise or fall in the dearness allowance of five points, the rate of dearness allowance shall be adjusted on the basis of one rupee for five points, based on an year-end review.

Four firms which are financially in a weaker position have been exempted from implementing the time scale fixed by the tribunal, till their position improves.

(The Calcutta Gazette, Extraordinary, Part I, 5 November 1958, pp. 5413-5454).

'L'

39. International Economic Relations.

India - November 1958.

Indo-U.S.S.R. Five Year Trade Pact concluded.

The Soviet Union and India concluded in Moscow on 17 November 1958 a new five year trade agreement with a view "to increase the volume of trade with each other to a maximum level on the basis of equality and mutual advantage".

The list of goods to be exported from the USSR to India, under the agreement are various types of equipment, including complete sets of equipment for industrial establishments for industrial as also power and oil drilling equipment, equipment for the coal industry, equipment for irrigation constructions, machine tools, and instruments, tractors, and farm machinery, ferrous rolled stock, non-ferrous metals, fertilizers, dyes, cellulose, paper, asbestos and other industrial materials and products, oil products, cereals, films, printed matter and other goods.

The list of goods to be exported from India to the U.S.S.R. contains such traditional Indian exports as tea, spices, skins and hides, wool, tobacco, shellac cashewnuts, vegetables and essential oils, as well as manufactured goods, including specifically jute fabric and sacks, leather goods, including footwear, woollen fabrics, coconut fibre products and handicraft goods, films, printed matter and other goods.

(The Hindustan Times, 18 November 1958).

Indo-Rumanian Trade Agreement: Loan of Rs.5.2 Million offered for Oil Refinery.

A trade agreement was concluded on 19 November 1958 between the Government of India and the Rumanian People's Republic under which the Rumanian Government will give a long-term credit of 52,380,900 rupees (the total value estimated at present of the supplies to be made and the technical and other services to be rendered by them) for the erection and construction of the refinery to be located in Assam. The loan will be subject to an interest of 2.5 per cent per annum. Fifteen per cent of the credit offered is to be repaid in six instalments, the first one to begin a month after the signing of the agreement and the last instalment a month after having put the refinery into operation. The balance of 85 per cent of the total credit is to be repaid in 10 instalments, ending in December 1961.

Other points in the agreement are that the Rumanian Government will design the refinery and supply equipment and train Indian technicians. India can supply materials from indigenous sources so as to reduce the total value of the credit offered.

(The Hindustan Times, 20 November 1958).

'L'

48

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

INDIA - NOVEMBER 1958.

41. Agriculture.

Creation of New All India Agricultural Service
Suggested: Committee's Report to Government.

The imperative need to raise agriculture to a position of major importance in India is stressed by the Agricultural Administration Committee, which submitted its report to the Government of India recently.

The committee is of the opinion that a streamlined agricultural administration is an urgent necessity, "and the food situation of the country can be appreciably eased if positive steps are taken to achieve this objective".

Stating that the picture is "bleak enough" to justify "drastic measures" to make up for the time lost, it calls for a change of heart, of purpose and of leadership in the field of agriculture as a requirement of national importance.

Throughout its tour of the States, the committee was struck by the prevailing "low morale" among the agricultural services and "frustration arising from the belief that agriculture hardly ever received the attention that it deserved, was treated in the past, and is still being treated as a 'minor' department, only to be remembered in times of a national emergency of food shortage, arising partly from the ever increasing population and partly from the failure of the monsoon or uncharitable weather conditions".

It was found that little attention had been paid to building up stable departments of agriculture manned with adequate competence and with the requisite sense of urgency and singleness of purpose.

The committee believes that agriculture in this country has never received its due share or attention.

In the course of a chapter on service conditions in Agriculture Departments, the report says that the growing tendency of depending upon stimulus from the Centre for taking action on subjects which are the responsibility of the States needs to be discouraged.

The States should examine periodically the structure, objectives and policies of their departments of agriculture with a view to providing balanced growth and enunciating programmes and policies.

An All-India Agriculture Service should be created with scales of pay and prospects at par with the Indian Administrative Service. Until such time as this service comes into existence an agricultural or technical cadre or pool may be created in the IAS. Only those persons who have an aptitude for agriculture should be recruited to Agricultural Departments, the Committee says.

The "fast disappearing" practice of training subordinates should be restored and considered an important duty by senior officers. Well-thought-out programmes should be drawn up for officers of all grades, the fresh graduates obtaining orientation as well as "on-the-job" training. Foreign training needs should also be assessed on a long-term basis. After obtaining training, officers should be posted back to handle the subjects of their specialisation.

Holding that there is "a gross lack of co-ordination between Irrigation and Agricultural Departments, both in planning and execution", it suggests that the ~~special agricultural officers~~ Irrigation Department should have special agricultural officers to keep liaison between agriculturists and the State Departments of Agriculture.

The committee has suggested that a "technological balance" be maintained in planning programmes for different areas. It has also recommended the adoption of self-help programmes, which would benefit the small non-creditworthy farmer.

The committee recommends that centrally-administered godowns situated conveniently in various parts of the country should be opened to receive and store fertilizers.

The committee states that there is a clear necessity for establishing major research stations to serve the needs of every agroclimatic region. At least one of the regional stations should be developed into a first-rate post-graduate training institution for research, education and extension.

(The Statesman, 3 November 1958).

A.I.C.C. Sub-Committee stresses urgency of Land Reform.

The urgency of agrarian legislation by March 1959 to double food production in the third Five-Year Plan is underlined by the All-India Congress Committee sub-committee on agricultural production in a 4,000-word note to the State Chief Ministers as well as to Pradesh Congress Committee presidents.

The note, which gives detailed proposals for an integrated national programme of agricultural development, will form the subject of one of the main resolutions at the forthcoming Nagpur Session of the Congress Party.

After the comments and reactions of the Chief Ministers and Pradesh Congress Committee presidents have been received, the Congress Working Committee will frame in Nagpur the land reforms resolution to be endorsed by the Congress. The recommendations are of a far-reaching character, launching the country on a concerted and active land reforms programme.

The four salient points of the legislation which the States have been asked to enact by March are: (1) Abolition of intermediaries; (2) Conferment of the rights of ownership on tenants; (3) Security of tenure and fixity of reasonable rent during the period that the rights of ownership become effective; and (4) Fixation of ceilings on future holdings.

Social justice.- "The question of social justice", the A.I.C.C. sub-committee points out, "is indivisible and must guide our actions in all spheres of the country's life and economy without distinction of urban and rural areas. The sub-committee, therefore, felt that this question of social justice will have to be considered in respect of urban incomes also."

While for the first time the Congress is moving in the direction of a policy of ceilings on urban incomes also, the sub-committee emphasises that "as a part of this overall policy no uncertainty should be allowed to remain in the field of ceilings on existing holdings and the State Governments should take steps forthwith to apply ceilings thereon".

51

But the sub-committee makes it clear that the application of ceilings should not result in the creation of artificial small holdings. It should, on the other hand, lead to the realisation of a progressive pattern of agriculture. It believes that the surpluses derived from the imposition of ceilings should be formed on a co-operative basis.

Co-operative Pattern.- The sub-committee has recommended that the State Governments should forthwith introduce the necessary legislation and simultaneously prepare themselves, on the one side, to create the necessary administrative machinery to fix ceilings and, on the other, to establish a co-operative organisation.

The co-operative pattern it suggests to begin with is a "service co-operative society, but other forms of co-operatives, such as co-operative tenant farming society and joint farming society cannot be ruled out wherever possible. The sub-committee ~~considers the view~~ considers that with a view to removing all uncertainty in this field and in the mind of the tiller, the whole business of applying the ceilings, ~~handing over~~ taking over the surpluses and distributing them should be completed within a period of three years."

It observes: "The application of ceilings is a part of the social obligation and is conceived in the spirit of social justice to large masses of people who come under the category of agricultural landless labour. There are vast areas, as far as we can understand, which come into the category of cultivable waste. The State Governments should simultaneously undertake the work of assigning this land to landless labour too. The surpluses derived by the application of ceilings should also form part of such allocations wherever they occur."

Land Surpluses.- "This is a huge task. It involves detailed working out and an investment of all kinds of manpower and other resources. The Government alone cannot cope with this responsibility. It must be in the nature of a campaign to rehabilitate landless labour. It is estimated that there is a possibility of utilizing such surpluses and available cultivable waste to rehabilitate a sizeable number."

"If this objective is achieved, it will reduce the burden on the local rural economy and put to use the energies of the people who are thirsting for work, thus adding to the wealth of the villages. The positive and negative gains of this item of land surpluses should be understood and explained to the community as a whole so as to generate their interest in this great national endeavour."

52

The sub-committee holds that the question of applying the principles of social justice in other spheres of the country's economy should be undertaken by the Union Government "so as not to allow any impression to be created that the principle of social justice will only result in affecting the economy of the rural areas."

The sub-committee is of the opinion that with a view to assuring a fair return to the actual tiller, a minimum or floor price should be fixed reasonably in advance of the sowing season with respect to each crop.

The sub-committee outlines a mass contact programme, with or without the collaboration of the other political parties, for agricultural production and land reforms. The role of the mandal Congress committee is emphasised in this context. "The mandal organisation, ~~active~~ which has already proved to be an active source of contact, should now become a dynamic medium for galvanizing the masses into such activity."

The predominant role of the farmer, the removal of his social, economic, administrative and political hindrances, the assurance of stability and a fair return, as well as of priority in supplies and credit, protection against delays and corruption in the administration and against business malpractices and the need for a "clear land policy with a clear picture of future agrarian pattern and the stages by which that would be brought about so that the farmer would feel assured of a stable economic future in a stable and progressive economic set-up" are some points on which the sub-committee has focussed the attention of the Chief Ministers and Pradesh Congress Committee presidents.

(The Hindustan Times, 28 November 1958).

The Rajasthan Tenancy (Sixth Amendment) Bill, 1958:
Coiling on Land Holdings.

The State Government published on 19 November 1958, the text of the Rajasthan Tenancy (Sixth Amendment) Bill, 1958, providing for ceilings on holdings of agricultural land.

It is proposed to insert a new chapter in the Tenancy Act, 1955, explaining the restrictions on holdings in excess of the coiling area which has been categorised in a separate schedule in the amendment amending Bill.

According to the provisions of the Bill, coiling areas are the same as recommended by a committee set up by the Government in 1953 and which submitted its report early this year. The Government, has, however, assumed powers to vary ceilings under certain circumstances.

A person holding or acquiring land in excess of the ceiling area will be required to surrender it. For lands thus surrendered a provision has been made for payment of compensation.

Ceilings have been fixed tehsil-wise and vary from 250 acres in certain areas of Jaisalmer to 15-1/2 acres in the irrigated zone of the Ganga Canal area. Ceilings have been so worked out that every land-holding family consisting of seven members will have an annual income of 2,400 rupees from its holding.

The Bill explains that where land held by a person is partly irrigated and partly unirrigated, the ceiling area in relation to that person will be calculated by treating one acre of irrigated land as being equal to three acres of unirrigated land. But a big concession has been made in respect of areas irrigated by wells. These will be treated as unirrigated land. This provision aims at encouraging the construction of wells and will exempt all wells constructed between 1949 and 25 years after the passage of the Bill.

It has been stated that any transfer of the whole or part of the holding made within three years preceding the commencement of the Ceilings Act in anticipation of its passage, will not be recognised and such transfer will be void. All lands surrendered to the Government will be held by the Tehsildar and will be let out to landless persons and others.

The State Government will be liable to pay compensation for the lands surrendered to it and for rights in improvements.

(The Hindustan Times, 20 and 24 November 1958).

'L'

55

42. Co-operation.

India - November 1958.

Co-operation in Agriculture: Progress of Integrated Scheme reviewed.

The September 1958 issue of the Agricultural Situation in India, published by the Ministry of Food and Agriculture, Government of India, contains an article on Co-operation in Agriculture, by Shri M.P. Bhargava, Additional Co-operation Commissioner, reviewing the growth of rural co-operatives in recent years. A brief summary of the article is given below.

Agricultural production depends to a large extent on the availability of timely credit on easy terms. Cooperatives have been in this field for over fifty years; but till recently they have not been able to achieve much. The amount of credit available to the agriculturists through cooperatives in 1951-52 was about 240 million rupees representing about 3 per cent of their credit needs. The State was assisting the agriculturists to the extent of about another 3 per cent. The bulk of the credit needs of the agriculturists thus remained to be met by private money-lenders.

The Rural Credit Survey Committee which examined this problem in 1954 observed that there was eventually no effective alternative to a cooperative form of institution, at any rate, at the village level for dealing direct with the cultivators and that in this sense, the main requirement was to strengthen its structure, increase its financial resources and extend its membership so as to cover a much larger section of the rural population.

The Committee realized that along with the provision of credit, arrangements should be made for marketing agricultural produce (including provision of storage accommodation) and for processing the produce to enable the producers to get a better return. The Committee also recommended that a National Board might be set up to promote development of cooperation throughout the country.

These recommendations found expression in what has come to be known as the integrated scheme of rural credit, processing and marketing. The Government of India and the State Governments have accepted this scheme and the Second Plan has placed before the country certain targets for achieving in stages the long term objective of organising the rural economy on cooperative lines. Necessary legislation was undertaken by the Government of India; the State Bank was set up in 1955, the National Cooperative Development and Warehousing Board in November 1956 and the Central Warehousing Corporation in March 1957.

The bulk of the cultivators come within the medium and small categories. According to the data collected by the Agricultural Labour Enquiry Committee, about two thirds of the owners cultivate less than 15 per cent of the total area. About 29 per cent of those whose main profession is agriculture, do not hold any land; about 48 per cent, who hold less than 5 acres each also depend on employment as agricultural labourers.

According to the Second Plan target, cooperatives should aim at providing about 25 per cent of the credit needs of the agriculturists and handle about ten per cent of the marketable surplus. The target for credit has been fixed at 2,250 million rupees. In the sphere of marketing and processing, 1,900 primary marketing societies are to be organised in addition to 35 cooperative sugar factories, 48 cooperative cotton gins and 118 other cooperative processing societies. For improving storage facilities, 5,500 godowns are to be constructed. The Central Warehousing Corporation and 13 State Warehousing Corporations are to set up a network of warehouses in important commercial centres. These will enable cultivators to store a sizable part of their marketable surpluses and obtain short-term credit on the basis of the warehouse receipts.

The integrated scheme has now been in operation for two years. The following figures show the progress achieved:-

(In Millions Rupees)

Year	No. of Primary Agricul- tural Credit Societies.	Membership of Societies in Col.2 (in millions).	Loans advanced by Societies in Col.2.	Assistance by Reserve Bank of India	
				Sanctioned	Drawn
			Rs.	Rs.	Rs.
1950-51 --	1,15	5.153	229.0*	76.200	53.780
1955-56 --	1,60	7.800	496.1	310.317	265.088
1956-57 --	N.A.	N.A.	650.0	369.200	358.733

N.A. - Not Available. * Includes grain banks.

It will be seen from the above table that compared to 1950-51 the number of primary credit societies increased in 1955-56 by 45,000 and their membership by 2,600,000. The loans advanced by credit societies have increased to nearly 650 million rupees in 1956-57 as compared to 220 million rupees in 1950-51. The Reserve Bank of India which advanced only 53.7 million rupees in 1950-51, provided loans amounting to 358.7 million rupees in 1956-57. At the end of 1957-58, loans amounting to 408.6 million rupees were outstanding from the State Cooperative Banks.

Latest reports received from States indicate that during the year 1957-58, a sum of 1,000 million rupees has been advanced by the Primary Credit Societies. In 1958-59 this figure is expected to go up to 1,400 million rupees. The targets set out above will be achieved by (a) strengthening the existing small-sized societies, (b) organisation of new small societies, (c) organisation of large-sized societies. Subsidy on a graded scale is offered to small societies if they work in one village and have the potential for achieving a business of 20,000 rupees to 25,000 rupees per annum at the end of three years. A programme of starting 10,400 large-sized societies by 1960-61 has been formulated and 4,470 societies have been organised during the first two years of the Plan. The programme for 1958-59 envisages the establishment of 1,789 societies.

56

The reports available from three States having the pilot project of speedy and timely expansion of rural credit, show that progress is satisfactory. On 1 April 1956, before the introduction of the integrated credit scheme in Visakhapatnam, West Godavari and Kurnool Districts of Andhra Pradesh, the total membership of 487 small societies existing there was 41,352. These societies advanced loans amounting to 4,100,000 rupees. In this area, 88 large-sized societies have been formed by merger of 390 small societies. The membership increased to 116,000 - an increase of more than 275 per cent. What is even more significant is the fact that 51,826 tenants and poor persons have been admitted and given loans. The total advances also recorded a rise from 4.1 million rupees to 13.437 million rupees. Thirtythree godowns have been completed. The data relating to small cultivators from other areas are being collected. Excellent progress has been made in expanding credit facilities in the other pilot districts, viz., Broach and East Khandesh of Bombay State. The following figures speak for themselves:-

	Broach District		E. Khandesh District	
	30-6-57	31-12-56	1-10-55	31-12-57
1. Percentage of rural population covered by Primary Societies.	35	46	47	67
2. Agricultural finance made available during the year (in Million Rupees).....	7.79	16.55	16.90	21.90 (as on 30-6-1957)

In Madras as a result of the organisation of 86 large-sized societies, the membership increased from 28,830 to 53,080 during 12 months. The loans advanced by these societies to their members also went up from 3.844 million rupees to 6.442 million rupees.

It is true that the progress of the large-sized societies in the pilot districts of Andhra Pradesh is not typical of conditions everywhere, but the study shows that can be achieved through these large-sized societies if they function as they are meant to, and what remains to be done in this field. Linking of credit with marketing is essential for ensuring the prompt repayment of loans by members of credit societies. During the last two years the State Governments were assisted in organising or reorganising 650 marketing societies.

It is reported that in Uttar Pradesh alone, where 40 societies were started in 1956-57, 400,000 maunds of foodgrains and oilseeds valued at about 7 million rupees were marketed during that year. In Madras, 103 societies marketed produce worth 10.8 million rupees. In Mysore 92 marketing societies advanced loans on the pledge of members' produce to the extent of nearly 3.3 million rupees and marketed produce worth 20.8 million rupees. In Baroda, cotton sale societies posted cotton worth nearly 6 million rupees. In Broach, cotton sale societies pooled 16 million rupees worth of cotton. Cooperative marketing societies have thus made a promising start.

In the matter of providing facilities for the storage of agricultural produce, not much progress has been achieved yet. The Central Warehousing Corporation has been able to open so far only 9 warehouses. This is largely the result of a cautious approach. During the last two years, assistance has been given for the construction of about 2,000 godowns by co-operatives. A majority of these are in different stages of construction.

The implementation of the various programmes will require a large number of trained personnel at different levels. To meet these requirements, the Central Committee for Co-operative Training is running a six-months' course for senior personnel at Poona and an eleven months' course for intermediate personnel at five regional centres. Besides, there are 47 schools run by the State Governments for training of junior personnel. The progress of training has been on the whole satisfactory.

If abiding improvement in cooperation is to be brought about, it is essential that the office bearers and members of cooperative institutions should be educated in the principles and practices of Cooperation. A beginning has been made in this direction. Training units have been set up at 55 centres. It is proposed to set up progressively more centres - one in each district - so as to cover the entire country by the end of the Second Plan. This will naturally have to be a continuous progress process.

(Agricultural Situation in India,
Vol. XIII, No. 6, September 1958,
pp. 513-516).

60

44. Merchant Marine and Fisheries.

India - November 1958.

Intermediate Ports Development Committee set up.

The Government of India by a Resolution dated 27 October 1958 has constituted a committee known as the Intermediate Ports Development Committee with the following functions:

- (i) Selection of suitable intermediate ports in India for intensive development in order of priority, taking into account -
 - (a) broad national considerations as well as regional requirements;
 - (b) engineering aspects with emphasis on economy of construction and maintenance; and
 - (c) traffic potential of the hinterland and transport costs.
- (ii) Determination of the extent of development required at these ports as well as allied transport developments, having regard to the needs of the entire area to be served, and the financial implications thereof.

The Committee consists of 14 persons with the Development Adviser and ex-officio Joint Secretary in the Department of Transport as chairman. The Committee has been asked to submit its recommendations to the Government before July 1959.

(The Gazette of India, Part I, Sec.1,
1 November 1958, pp. 293-294).

61

The Merchant Shipping Act, 1958 (No. 44 of 1958).

The Merchant Shipping Bill (vide Section 44, pp. 38-43 of the report of this Office for February 1958) as adopted by Parliament, received the assent of the President on 30 October 1958 and gazetted on 31 October 1958 as Act No. 44 of 1958.

The Act, which is a consolidating measure, seeks to foster the development and ensure the efficient maintenance of an Indian Mercantile Marine and to establish to this end a National Shipping Board and a Shipping Development Fund. The Act, inter alia, contains provisions relating to recruitment of seamen and apprentices, setting up seamen's employment offices and their working conditions and safety.

The Act, among others, repeals the earlier Indian Merchant Shipping Act, 1923.

(The Gazette of India, Extraordinary,
Part II-Section 1, 31 October 1958,
pp. 333-539).

62

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA- NOVEMBER 1958.

50. General.

Punjab Shops and Commercial Establishments (Amendment)
Act, 1958 (No. 25 of 1958).

The Government of Punjab gazetted on 14 October 1958 the text of the Punjab Shops and Commercial Establishments (Amendment) Act, 1958, as passed by the Punjab Legislature and which received the assent of the Governor of Punjab on 10 October 1958. The Act which amends the Punjab Shops and Commercial Establishments Act, 1958 (vide pages 60-61 of the report of this Office for April 1958), adds a proviso to section 9 of the Act empowering the State Government to fix such other opening and closing powers in respect of any establishment or class of establishments, for such period and on such conditions as may be specified by the Government.

The Amending Act repeals the Punjab Shops and Commercial Establishments (Amendment) Ordinance, 1958 (vide page 46 of the report of this Office for June 1958).

(The Punjab Government Gazette, Extraordinary,
14 October 1958, pp. 1731-1732).

'L'

51. Hours of Work.

India - November 1958.

West Bengal: Hours of Work, Rest Day and Overtime
Pay fixed for Municipal Employees under the Minimum
Wages Act, 1948.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of West Bengal has fixed for the employees under the local authorities for municipalities in the State of West Bengal, other than the Corporation of Calcutta and the Municipal Commissioners of Howrah, and being part-time employees engaged at an emergency, the hours of work constituting a normal working day, inclusive of a period of interval for rest; the day for weekly rest, the rate of payment for work on the day for weekly rest and the overtime rate for work done on any day in excess of the number of hours constituting a normal working day with effect from 1 November 1958.

The hours of work constituting a normal working day shall be: in the case of office staff - seven hours of work including half an hour's interval for rest; in the case of conservancy staff except night soil cleaners - seven hours of work including half an hour's interval for rest; in the case of night soil cleaners - six hours of work including half an hour's interval for rest; and other employees - eight hours of work including half an hour's interval for rest.

Sunday shall ordinarily be the day for weekly rest, provided that the local authorities concerned may fix any other day of the week as the day for weekly rest in order to suit local convenience.

All categories of employees shall be paid for work on the day of rest at the overtime rate. The overtime rate for work done on any day in excess of the number of hours constituting a normal working day shall, for all categories of employees, be the ordinary rate of wages fixed for work up to 48 hours per week and double the ordinary rate of wages for work beyond 48 hours in the week.

(Notification No. 4696 L.W./LW/2W-46/58
dated 11 October 1958; The Calcutta Gazette,
6 November 1958, page 3527)

64

Chapter 6 : General Rights of Workers

63. Individual Contracts of Employments.

India - November 1958.

U.P.: Standing Orders in respect of Workers in Vacuum Pan Sugar Factories.

By a notification dated 3 October 1958, under Section 3 of the U.P. Industrial Disputes Act, 1947, the Government of Uttar Pradesh has published Standing Orders governing the conditions of employment of workmen in vacuum pan sugar factories in Uttar Pradesh.

The Orders will be in force for one year from 3 October 1958.

The Orders, inter alia, relate to classification of workers, notification of periods and hours of work, holidays, paydays and shifts, closures or reopening of a factory or department or a section of department or factory, attendance and late coming, leave conditions, and holidays, temporary stoppage of work and playing-off of workmen for technical and trade reasons, conditions governing employment of seasonal workmen, termination of employment, disciplinary matters and means of redress for workman against unfair treatment or wrongful exaction on the part of management.

(Notification No.5436(ST)/XXXVI-A-208(ST)-58,
dated 3 October 1958; Government Gazette
of the Uttar Pradesh, Extraordinary,
3 October 1958, pp. 1-30).

65

66. Strike and Lockout Rights.

India - November 1958.

West Bengal: Tramway Services in Calcutta and Howrah
declared as Public Utility Services.

The West Bengal Government has declared the tramway services in Calcutta and Howrah as public utility services for a period of six months from 13 October 1958, under the Industrial Disputes Act, 1947.

(The Calcutta Gazette, Part I,
13 November 1958, page 3616)

'L'

Madras: Air Transport Services declared as Public Utility Services.

The Government of Madras has, in exercise of its powers under the Industrial Disputes Act, 1947, declared the air transport services in the State as public utility services for the purposes of the Act for a further period of six months from 23 December 1958.

(Fort St. George Gazette, Part I,
26 November 1958,)
page 1976.

'L'

nt

persi

67. Conciliation and Arbitration.

India - November 1958.

nt

The Industrial Disputes (West Bengal Amendment) Act, 1958
(Act XVII of 1958).

versi

The West Bengal Government gazetted on 22 September 1958, the Industrial Disputes (West Bengal Amendment) Act, 1958 (Act XVII of 1958) as adopted by the West Bengal Legislature.

The amendments (to ~~previ~~ clause (9) of Sub-section (3) of Section 7A of the Act) seeks to provide for the appointment of District Judges and Additional District Judges besides High Court Judges to industrial tribunals.

(The Calcutta Gazette, Extraordinary,
Part III, 22 September 1958, page 4069).

Breach of Code of Discipline: 85 Cases Reported to Government.

Eighty five cases of breach of the Code of Discipline in Industry have so far been reported to Government. This was stated by the Union Deputy Minister for Labour, Shri Abid Ali, in a written reply to a question by Sarvashri Rajendra Singh, D.C. Sharma, Ram Subhag Singh, Achar and Raghunath Singh in Lok Sabha on 29 November 1958.

Shri Abid Ali also stated that Government proposed to conduct a study of major strikes in the context of Code of Discipline, as and when necessary.

Press
(Communications issued by the
Government of India, dated
29 November 1958)

'L'

69

68. Labour Courts.

India - November 1958.

Bombay: Review of the Working of Industrial Courts
and Tribunals during 1957.

According to a review which appeared in the Bombay Labour Gazette, October 1958, during the year 1957, 1,287 cases were decided by the Industrial Court and Tribunals in Bombay State as against 1,187 cases in the preceding year.

Decisions during 1957 included 675 Arbitration cases, 277 Adjudication references, 214 applications and 121 complaints respectively under sections 33 and 33A of the Industrial Disputes Act, 1947, while the total number of cases filed before the Court and Tribunals, during the year under review consisted of 672 cases for arbitration, 308 cases adjudication adjudication references, 227 applications and 132 complaints respectively under sections 33 and 33-A of the Industrial Disputes Act, 1947.

Industrial Courts.- The Industrial Court, on 1 January 1957 had 512 cases pending before it, while during the year 1957, 672 more cases were referred to it. Out of these 1,184 cases, 675 decisions were given in respect of 675 cases during the year under review.

These 1,184 cases comprised of 475 references from Government and other parties under sections 73 and 73-A of the Bombay Industrial Relations Act, 1946, 17 submissions, 603 appeals and 89 miscellaneous applications.

Analysed according to industries 92 per cent of them were from the Textile Industry. Details according to industries are given in the following table:-

Industries	Number of reference filed	
	1956	1957
Textile	184	293
Sugar	22	13
B.E.S.T.	4	-
Electricity	7	12
Banking	-	1
Total.	217	319

Disputes regarding bonus figured among the causes leading to the references and accounted for about 31 per cent of the total number of disputes, wages and dearness allowance contributed to about 19 per cent of the total disputes while Provident Fund and Gratuity accounted for 17 per cent of the total disputes.

Industrial Tribunals.- In addition to 148 adjudication references pending before the Tribunals at the beginning of the year, 308 fresh adjudication cases were referred to them during the year under review. Decisions during the year numbered 277 as against 165 in the preceding year. There were 179 adjudication cases pending before the Tribunals at the end of the year under review.

Of these 308 adjudication cases ^{filed} filed during the year about 28 per cent of the total were from the Engineering Industry, 26 per cent were from the miscellaneous Industries while the Chemical Industry accounted for 10 per cent of the total cases.

The table below sets out the details according to industries for the years 1956 and 1957:-

Industry	Number of cases filed	
	1956	1957
Engineering	57	85
Metals	3	13
Chemicals	37	32
Paper and Printing	10	25
Food drink and Tobacco	13	26
Wood, Stone and Glass	11	5
Commerce, Finance and Trade	19	3
Public Administration	18	26
Transport	2	5
Rubber	3	8
Miscellaneous	41	80
Total.	214	308

Classified according to issues involved, 49 per cent of the cases arose over demands relating to Bonus, while demands for increased wages and dearness allowance ranked next, accounting for about 30 per cent of the total cases.

(Labour Gazette, Bombay, Vol. XXXVIII, No. 2, October 1958, pp. 152-158).

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES OF WORKERS.

INDIA - NOVEMBER 1958.

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

TWI for Government of India Supervisory Staff to be introduced on an Experimental Basis.

According to an announcement made in New Delhi on 17 October 1958, an Officer of the Ministry of Labour and Employment who has received training under the TWI Programme has been appointed as Training Officer to conduct an experiment in training of supervisory staff in Government Offices.

For details, please see Section 83, page 79 of this Report.



'L'

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - NOVEMBER 1958.

81. Employment Situation.

Central Committee to be set up to Assess Unemployment Trends and Develop National Employment Service: Deputy Labour Minister's Announcement in the Lok Sabha.

The Deputy Labour Minister, Shri Abid Ali, announced in the Lok Sabha on 21 November 1958 the Government's decision to appoint shortly a central committee to assess the unemployment trends in the country and advise them on the development of a national employment service. The Committee would also recommend measures to expand opportunities for employment in the country.

For details, please see section 33, pp. 26-27 of this Report.



Sri Venkateswara University's Plans for an
Employment Bureau.

The Syndicate of Sri Venkateswara University, at its recent meeting resolved to request the Principal of Sri Venkateswara University College at Tirupati, to consider the feasibility of selecting a member of the teaching staff preferably one with personal knowledge of foreign countries with a view to organising a small information centre in the University College, both for educational facilities, foreign and Indian and for employment in this country.

As regards the establishment of Employment Bureaux in Universities, on the lines suggested by the Ministry of Employment and Labour, Government of India, the Syndicate resolved to inform the University Grants Commission that the University would be prepared to organise and set up one when the scheme was extended to other Universities (other than Delhi, Calcutta and Kerala Universities).

It was further resolved to inform the Government of Andhra Pradesh that the University approved the proposal to set up an employment bureau at this centre and it was prepared to organise on the lines suggested by them if the necessary financial assistance was made available and that in the meantime, it proposed to organise a small pilot scheme.

(The Hindu, 23 November 1958).

Employment Exchanges: Working during August 1958.

General employment situation.- According to the Review of the work done by the Directorate-General of Resettlement and Employment during the month of August 1958, the total number of registrations including re-registrations was 207,731 as against 240,895 of the previous month showing a steep fall of 33,164. The number of employers who utilized the services of employment exchanges was also less viz., 6,643 during August, 1958 as against 6,922 of the preceding month. The number of vacancies made available to the exchanges also marked a slight decrease of 290 and was 30,941 during the month under review, and the number of placements effected 20,994 which was 673 less than the figure of the last month. The number of applicants on the Live Register recorded a further rise by more than 45,000 despite the fact that the registrations all over the country recorded an appreciable fall and it stood at 1,128,741, at the end of August 1958 as against 1,083,126 of the previous month.

Widespread shortages continued in respect of draughtsmen, overseers, experienced stenographers, fast typists, compounders, mid-wives and nurses. Shortage in respect of experienced civil, mechanical and electrical engineers, skilled fitters, turners, accountants and doctors was also fairly widespread. A good number of Exchanges experienced shortage in respect of surveyors, overseers, general mechanics, electricians, physical training instructors, sanitary inspectors, health visitors, librarians and account clerks.

Widespread surpluses persisted in respect of clerks, untrained teachers, freshers from schools and colleges, motor drivers, peons, unskilled office workers and unskilled labourers. A fairly large number of exchanges reported an excess of supply in respect of primary school teachers, motor mechanics, semi-skilled fitters, cleaners, carpenters, chowkidars, attenders, postmen and sweepers. A number of exchanges also reported surplus in respect of trained teachers.

Registrations and placings.- The following table compares registrations and placings during the months of July and August 1958:-

	July 1958	August 1958	on r. 96 41 53 52
Registrations -----	240,895	207,731	81
Placings -----	21,667	20,994	49

Register of unemployed.- At the end of August 1958, the number of applicants on the Live Register of the employment exchanges was 1,128,741 as against 1,083,126 on the last day of July 1958. The Live Register, therefore, swelled by 45,615. The increase was conspicuous in the State of Bihar (11,202), West Bengal (10,643), Kerala (6,785), Madhya Pradesh (3,889), Bombay (2,825), Punjab (2,444), Delhi (1,917), Uttar Pradesh (1,825), Orissa (1545), Andhra Pradesh (1,496) and Mysore (1,194). On the other hand, a drop in the Live Register was observed in the States of Assam (621), and Rajasthan (387). In all 18,387 employed and self employed persons of whom 525 were women remained on the Live Register and desired further employment assistance.

The following table shows the occupation-wise position of the Live Register:-

<u>Occupation</u>	<u>Number on Live Register as on 31 August 1958.</u>
1. Industrial supervisory -----	9,424
2. Skilled and semi-skilled -----	81,336
3. Clerical -----	311,379
4. Educational -----	70,768
5. Domestic service -----	41,285
6. Unskilled -----	560,438
7. Others -----	53,711
Total.	<u>1,128,741</u>

Employment position of special category of workers.- The following table shows the employment position of special categories of applicants during the month under report:-

<u>Category.</u>	<u>Registrations.</u>	<u>Placings.</u>	<u>Number on Live Register.</u>
1. Displaced persons -----	4,300	427	43,796
2. Ex-service personnel-----	5,516	809	27,341
3. Scheduled castes -----	24,159	3,242	120,453
4. Scheduled tribes -----	10,024	334	25,852
5.*Surplus and discharged Central and State Government employees.	2,399	1,202	4,381
6. Women -----	15,273	1,354	24,349

*Figures relate to the quarter May-July 1958.

Employment Market Information.- ~~While~~ For the first time employment information was collected from private employers in Indore, Ambala and Asansol as at the end of June 1958.

A Second Training Course of Employment Officers in the Collaborative Collection of Employment Market Information was conducted at the Directorate General ~~and~~ Resettlement and Employment during August 1958, when 19 officers belonging to different States were trained in the techniques and methods of collecting employment information and in the preparation of employment market reports.

Youth Employment Service and Employment Counselling Scheme.- The Second Training Course in Vocational Guidance and Employment Counselling for Employment Officers from Madhya Pradesh, Assam, Orissa, Andhra Pradesh, Mysore, Rajasthan and Kerala remained in progress during the month. Two officers from Kerala joined the course during the month bringing the total number of officers under training to 11.

The Employment Pattern Survey of the Alumni of Delhi University made further progress. At the end of the month, the position was: (a) Alumni contacted - 2,329, (b) Alumni interviewed in Delhi - 1,441, (c) Alumni interviewed outside Delhi by Employment Officers - 303, and (d) Alumni who filled the schedule on their own - 57.

A meeting was held at the Indian Statistical Institute, Calcutta to discuss the technical problems involved in the standardisation of Clerical Aptitude Tests.

Career Pamphlets.- A new publicity poster with the title 'Before Choosing your Career' was prepared during the August 1958, 200 copies of which were sent to the public Relations Officers of 8 Railway Zones, for display in important Railway Stations.

77

Central Co-ordinating Section.- Damodar Valley Corporation.- Out of 4,154 persons declared surplus in the Damodar Valley Corporation, 3,510 have been provided with alternative employment. At the end of the month, there were 301 persons for whom alternative employment is needed.

Hirakud Dam Project.- The Chief Engineer, Hirakud Dam Project, has reported that 825 persons, of whom 780 belonged to skilled and 45 to un-skilled categories, were awaiting employment assistance at the end of the month under report. During the month under report recruiting teams from the South Eastern Railways the Oil and Natural Gas Commission, visited the Project and interviewed about 500 surplus workers. It is reported that nearly 130 would be selected.

Surplus Ordnance Workers.- Four retrenched workers of the Defence Installations were further placed in alternative employment during the month bringing the total number of such workers so far placed in employment to 2,735.

Dandakaranya Scheme.- The Ministry of Rehabilitation, during the month had intimated that 75 per cent of the vacancies in the Dandakaranya Scheme would be filled from among the displaced persons living in Refugee Camps located in various parts of West Bengal. Accordingly the State Director of West Bengal was requested to make special efforts to locate suitable candidates for absorption in Dandakaranya Scheme.

Central Tractor Organisation.- The Central Tractor Organisation, Ministry of Food and Agriculture, reported that 216 workers of various categories have been rendered surplus as a result of winding up of some of their units at Khurai in Madhya Pradesh. Some of the State Directors, having suitable vacancies have been addressed to help for this local absorption.

Military Project "Amar" Ambala Cantt.- Special efforts were made to meet the heavy demand of Masons at the Amar Project. With the cooperation of the State Directors of Rajasthan, Punjab, Uttar Pradesh and Delhi about 600 workers have been supplied to the Project authorities.

Adjustment of Central Government Economy Drive Retrenchment:- The Special Cell of the Ministry of Home Affairs located in the Directorate General of Resettlement and Employment received particulars of further 16 surplus officers and raised the total number of 123 surplus employees. Nine surplus personnel including 3 Gazetted Officers were placed in employment during the month.

Expansion of the Employment Services.- Four new employment exchanges - 3 in Assam and 1 in West Bengal were sanctioned bringing the total number of exchanges functioning in the country at the end of the month to 204.

(Review of Work done by the Directorate-General of Resettlement and Employment during the Month of August 1958; issued by the Ministry of Labour and Employment, Government of India, New Delhi).

78

83. Vocational Training.

India - November 1958.

Labour Ministry's Training Scheme: Working during
August 1958.

According to the Review of Work done by the Directorate-General of Resettlement and Employment during the month of August 1958, the total number of additional seats sanctioned for the craftsmen training institutes went upto 21,156.

The following table gives the total number of training institutes and centres and the number of persons (including displaced persons) undergoing training:-

<u>Number of Training institutes and centres.</u>	<u>Number of Seats sanctioned.</u>	<u>Number of persons undergoing training.</u>
364	25,389	21,370

Stores and Equipment.- T.C.A. equipment worth approximate 72,523.38 rupees was reported to have been received at the Training Centres and Institutes during August 1958, bringing the total of the equipment received under this aid programme till the end of this month to 2.9685 million rupees.

Equipment worth 29,810.4 rupees was reported to have been received at the training Centres and Institutes under the U.N.T.A.A. (I.L.O.) aid programme during August 1958. The total aid received so far under this aid comes to 59,771.4 rupees.

(Review of Work Done by the Directorate-General
of Resettlement and Employment during the
Month of August 1958; issued by the Ministry
of Labour and Employment, Government of India,
New Delhi).

TWI for Government of India Supervisory Staff to be introduced on an Experimental Basis.

According to an announcement made in New Delhi on 17 October 1958, an Officer of the Ministry of Labour and Employment who has received training under the TWI Programme has been appointed as Training Officer to conduct an experiment in training of supervisory staff in Government Offices.

The training concentrates on three essential skills which every good supervisor should possess, viz., skill in instructing, skill in organising good methods of work and skill in maintaining good staff relations. Corresponding to the three skills, there are three training programmes - Instruction Programme, Methods Programme and Relations Programme. The number of supervisors in the Ministry who have received training so far is 70 for instruction, 57 for methods and 62 for relations.

The scheme is based on the idea that once the general principles are evolved after discussion, a high degree of skill can be acquired by further practice in day-to-day work and that constant application of the principles even on small items of work would collectively make a major contribution towards efficiency and economy.

(Indian Information, Vol.I, No.19,
15 November 1958, pp.681-682).

84. Vocational Rehabilitation of Disabled Persons.

India - November 1958.

Pilot Employment Office for Handicapped to be set up
at Bombay: National Advisory Council's Decision.

The standing committee of the National Advisory Council for the Education of the Handicapped, which met in New Delhi on 12 November 1958, recommended that the Government of India should establish the first pilot employment office for the handicapped in Bombay.

The committee discussed a revised scheme for establishing a small employment organisation for the handicapped. An employment office has been recommended in Bombay because of the greater employment opportunities there.

The committee suggested that the pilot employment office should initially register only those persons sponsored by recognised institutions for the handicapped in the State of Bombay and persons sponsored by the training centre for the adult blind, Dehra Dun. The scope of the organisation is expected to be expanded later.

(The Hindustan Times, 13 November 1958).

8-1

CHAPTER 9. SOCIAL SECURITY.

INDIA - NOVEMBER 1958.

92. Legislation.

VIII. Maternity Benefits.

West Bengal Maternity Benefit (Tea Estates)
Amendment Bill, 1958.

The Government of West Bengal published on 3 September 1958 the West Bengal Maternity Benefit (Tea Estates) Amendment Bill, 1958, proposed to be introduced in the Legislative Assembly of the State. According to the Statement of Objects and Reasons of the Bill, the rate of maternity benefit payable to the tea garden workers in West Bengal under the West Bengal Maternity Benefit (Tea Estates) Act, 1948 was fixed on the recommendation of a tripartite conference held in 1947 when the average daily wage of a tea garden worker was much lower. The wages of the tea garden workers have since been revised.

The Bill is intended to enhance the rate of maternity benefit payable to the tea garden workers commensurate with the increase in wages and is based on the agreement between the representatives of employers and employees.

The Bill seeks to enhance the present rate of maternity benefit from five rupees and four annas to seven rupees per week.

(The Calcutta Gazette, Extraordinary,
3 September 1958, pp.3015-3016).

82

VI. Compensation in Case of Employment Injury
Or Occupational Disease.

West Bengal: Proposal to extend Workmen's Compensation
Act, 1923, to Employees in Medicinal Plantations.

In view of the fact that the occupation of the class of persons employed, otherwise than in a clerical capacity, on any estate which is maintained for the purpose of growing, ipecac, ergot or other medicinal plants is a hazardous occupation, the Government of West Bengal, has, in exercise of the powers conferred under Section 2 of the Workmen's Compensation Act, 1923, has given notice of its intention to extend the Act to those employed, otherwise than in a clerical capacity, employed in these estates.

Calcutta
(The Gazette, Part I, 13 November 1958,
page 3616).

'L'

83

93. Application.

India - November 1958.

Employees' State Insurance Act, 1948, extended to Areas
in Coimbatore and Salem Districts.

By a notification dated 28 November 1958, the Central Government has appointed 30 November 1958 as the date on which the provisions of the Act (i.e., the scheme under the Act) will come into force ~~and~~ in certain areas of Udumalpet and Polladam taluks in Coimbatore District and Salem and Omalur taluks in the Salem District.

(Notification No. S.O. 2492 dated
28 November 1958; The Gazette of
India, Part II-Section 3, Sub-Section(ii),
28 November 1958, page 1333)

Employees' State Insurance Corporation: Annual Report
for the Year 1957-1958.

The annual Report of the Employees' State Insurance Corporation for the year 1957-58 was published on 15 November 1958 in the Gazette of India. The Report is briefly reviewed below:

General.- The Employees' State Insurance Corporation, in contrast with the slow trends coverage, made a very satisfactory progress in other directions. During the year under review, the Scheme was introduced in the following further areas in the States mentioned below:

Madhya Pradesh	-----	Jabalpur.
Rajasthan	-----	Bewar and Sewai-Madhopur.
Bihar	-----	Patna, Katihar, Monghyr and Samastipur
Uttar Pradesh	-----	Aligarh, Hathras, Bareilly and Shikohabad.

The number of additional employees covered was about 34,000, thus bringing the total number of employees covered at the close of the year to 1.235 millions. Medical care was provided in all new areas covered during the year, through service system.

The following table gives areas where the Scheme had been enforced upto the end of the year 1957-58, the number of employees and the number insured at the end of the year:-

Area	No. of Employees.	No. of Insured Persons at the end of the year 1957-58.
Hyderabad & Secunderabad	12,000	
Chittivalsa, Eluru, Guntur, Mangalagiri, Nellimarla, Vijyawada and Visakhapatnam.	12,000	38,339
Patna, Monghyr, Kathiar and Samastipur.	14,500	14,665
Nagpur -----	22,000	
Akola and Hinganghat ----	10,000	34,654
Greater Bombay -----	470,000	554,125
Union Territory of Delhi-	22,522 44,000	59,957
Alleppey, Quilon, Trichur Alwaye and Ernakulam.	30,000	31,443
Gwalior, Indore, Ujjain and Ratlam.	56,000	
Burhankur	4,500	75,203
Jabalpur	4,000	
Coimbatore-----	40,000	
Madras -----	47,000	149,556
Madurai, Ambasamudram and Tuticorin.	38,000	
Ambala, Amritsar, (Chhehrata), Batala, Bhiwani, Jamanagar, Jullundur and Ludhiana.	30,000	56,650 (Provisional)
Jaipur, Jodhpur, Bikaner, Pali-Marwar, Lakheri, and Bhilwara.	12,000	
Beawar	5,000	23,915
Swai-Madhapur.....	2,500	
Kanpur Area	90,000	
Lucknow, Agra & Saharanpur.	22,000	
Allahabad, Varnasi, Rampur, and Kalyanpur.	11,500	165,152
Hathras, Aligarh, and Bareilly and Shikohabad.	8,000	
Calcutta City and Howrah District.....	250,000	270,326
Totals.	1,235,000	1,473,985

85

86

Extension of medical care to families.- There had been a persistent demand for the extension of medical care to families since 1955. The Corporation also considered the matter and decided that early steps may be taken to meet the demand. The required detailed examination with a view to providing adequate resources in consultation with the Central Government, the State Governments and the Planning Commission.

The cost of medical care is being shared at present between the State Governments and the Corporation in the ratio of 1:3 respectively. The State Governments expressed their inability to share the cost of medical care on inclusion of families in the current ratio. The Corporation itself was not in receipt of the contribution income which was a condition precedent to the grant of medical care to families. The issues were, therefore, considered in all respects in consultation with the Planning Commission and the Central Government. To provide the Corporation a level of income equivalent to Schedule I at the then stage of coverage, the Central Government decided that the rate of employers' special contribution be revised from 1-3/4 per cent in the implemented areas and 3/4 per cent in non-implemented areas to 3-1/2 per cent and 1-3/4 per cent respectively. Simultaneously, in consideration of the financial difficulties expressed by the State Governments, the Corporation also decided that the share of the State Governments in the cost of medical care be 1/8th for the remainder of the Second Plan period from the date such care is extended to families, provided that the share of the State Governments shall in no case be less than what they would contribute under the one-fourth formula before the extension of medical care to families.

Construction of Hospitals.- The position in regard to hospital accommodation for insured persons in various implemented areas was as follows:-

A plot of land of 15 acres has been acquired in Kanpur and negotiations for acquiring a plot of the same size in Madras were under progress. In Madras, there is already a temporary 80 bedded hospital in a rented building, for the exclusive use of insured persons.

The plans and estimates of the proposed 300 bedded Mahatma Gandhi Memorial Hospital at Parel in Bombay were approved by the Board of Management and the detailed drawings were being finalised by the Architect to the Government of Bombay. The Corporation has agreed to advance a loan of 10 million rupees to the Government of Bombay for the construction of two more general hospitals and one T.B. Hospital in Bombay.

87

A 25 bedded T.B. ward in the Mayo Hospital, Nagpur, had been completed, and was taken into use from January, 1958.

The construction of a 59 bedded annexe for general diseases and 25 bedded ward for T.B. had been almost completed in Coimbatore.

The Corporation have agreed to the plans and estimates for the construction of a 24 bedded annexe, including residential quarters for the staff, to the V.J. Hospital at Amritsar and 12 bedded T.B. ward in the Rai Bahadur Gujjar Mal Kessar Devi Sanatorium, Amritsar.

A 16 bedded T.B. ward in the T.B. Hospital at Irrumamma in Andhra Pradesh was completed and taken into use.

The construction of a 32 bedded ward as an annexe to the K.E.M. Hospital, Hyderabad, was in progress.

Reservation of beds.- Four hundred and thirty-six additional beds were reserved for in-patient treatment of insured persons during the year under review, in various implemented areas. The total number of beds reserved as well as provided separately in annexes and wards and hospitals constructed under the Scheme in the year under review, was 1,562 against 2,316 authorised on the scale of 2 general and one T.B. beds for 1,600 employees.

Maternity beds.- There are about 80,000 women employees covered under the Scheme in all the implemented areas. One maternity bed is authorised for 500 women workers. For institutional maternity, 47 beds have been specifically reserved in various maternity hospitals. Arrangements have also been made in some lying in institutions for confinement of women workers. For instance, for about 35,000 insured women in Great Bombay, facilities have been provided in 23 maternity homes. There has been no difficulty in finding institutional accommodation for insured women. However, due to general shortage of general and T.B. beds in the existing hospitals it has not been possible to reserve the required number of authorised beds. Nevertheless, the State Governments generally provide facilities for in-patient treatment of insured persons on a priority basis.

8-5

Specialists' Services.- The Government of Bombay has sanctioned 8 posts of full-time specialists; 4 in Tuberculosis, 2 in medicine and 2 in radiology in place of the existing part-time posts in these specialities viz: 12 in tuberculosis, 12 in medicine and 6 in radiology. On the appointment of full-time specialists the number of part-time specialists will be as follows:-

Surgery -----	6
E.N.T. -----	6
Eye -----	6
Gynaecology -----	6
Ayurvedic -----	1

Bombay:-

There are 6 whole-time Medical Officers incharge of diagnostic centres. They also carry out the routine laboratory and pathological tests and examinations at the centres.

Rajasthan.- Six part-time general specialists on honoraria have been sanctioned, one each at Jaipur, Jodhpur, Pali, Bhilwara, Kotah and Ajmer. The insured persons at Lakheri and Beawar are attended to by specialists at Kotah and Ajmer respectively.

Bihar.- Pending the appointment of part-time specialists, the services of existing specialists in two teaching medical institutions at Patna and Darbhanga have been made available to insured persons residing at Patna, Samastipur and Katihar areas. The Civil Surgeon of Monghyr has also been recognised as a part-time specialist under the Scheme. The State Government have also placed the services of the specialists of the Medical College, Patna at the disposal of the insured persons residing in Monghyr area.

Andhra Pradesh.- The Corporation has agreed to the appointment of one part-time specialist each in medicine and surgery at the King George's Hospital, Visakhapatnam and the Government General Hospital at Guntur. Insured persons from Chittivalsa and Nelimaria areas are being referred for specialists' consultation, advice and treatment to the specialists at the King George's Hospital, Visakhapatnam. The insured persons from Eluru, Guntur, Vijayawada and Mangalagiri are referred to Government Civil Hospital, Guntur.

Madras.- The State Government have sanctioned the appointment of 15 part-time specialists in various specialities for consultation and treatment of insured persons in Madras area.

Reimbursement of medical charges incurred by insured person in case of employment injury at out-station.- Sometimes insured persons on duty at outstations where the Scheme has not been implemented may sustain an employment injury and have to take medical care from some hospital or private medical practitioner on payment. All the State Governments have agreed in principal to reimburse the cost subject to the recommendations of the Director of Health Services of the State.

Supply of Spectacles.- At the beginning of the year under report, the Corporation at its meeting held in April 1957, approved the recommendations of the Medical Benefit Council that spectacles may be supplied to insured persons at their own cost on a no-profit-no-loss basis. The State Governments were accordingly requested to make suitable arrangements in this regard for the convenience of the insured persons.

Provision of Artificial Limbs to insured persons.- Up to 31 March 1958, 38 insured persons had been fitted with artificial limbs at the cost of the Scheme. A questionnaire was recently addressed to them with a view to ascertain their ~~reactions~~ reactions and in particular to find out to what extent the provision of the limbs ~~was~~ had helped their rehabilitations and in obtaining gainful employment. Replies were received from 22 persons. The replies generally indicate satisfaction with the limbs supplied.

No. of Insured Persons Treated.- Detailed statistics of the attendance of insured persons at State Insurance Dispensaries and Clinics of panel doctors, medical certificates ~~issued~~ issued. During the year under report, 3,291,833 new and 9,404,088 old cases were treated at various State Insurance Dispensaries and clinics of panel practitioners as against 2,111,370 and 6,472,627 treated during 1956-57, the first attendance by an insured person in a spell of sickness being treated as 'new attendance'. Further, as against 18,383 cases referred for admission to hospitals and 167,231 cases referred for specialist investigation during the year 1956-57, more than 22,856 cases for admission and 226,596 cases for specialist investigations were referred to the hospitals during the year under report. The number of medical certificates issued also increased from 2,443,850 during 1956-57 to 3,712,103 during the year under report. The number of attendances as well as the medical certificates increased almost by 50 per cent during 1957-58 as compared to the figure for 1956-57. The increase was mainly due to the epidemic of Influenza during the year.

Morbidity Data.- It is commonly held that tuberculosis and venereal diseases are the major problems in industrial health. The statistics collected show a sickness rate of 10 per thousand due to pulmonary tuberculosis, 1.06 to tuberculosis other forms, 1.12 to silicosis and occupational pulmonary fibrosis. It would appear that in view of the recently extended cash benefit for tuberculosis, all genuine cases of T.B. were brought out. Considering the environmental conditions in the factory and the home, it seems reasonable to hold that the incidence of T.B. is higher among the workers than in the urban classes in general. Gonococcal infection recorded a rate of 17 per 1000 and syphilis 8.7. Cancer had only a rate of 0.28 per thousand.

Absenteeism and lax certification.- Complaints are at times made that the implementation of the Scheme has led to an increase in absenteeism. Investigations made on the basis of data published in the Labour Year Books show that there is no justification for these complaints. On the contrary in certain areas, implementation of the Act appears to have curbed this tendency to some extent. A regular watch is, however, kept on the trend of certification in every area.

Expenditure on medical care.- During the year under report a sum of 16,179,991 rupees and 11 p. was paid by the Corporation to the State Governments against its share of expenditure on the provision of medical care under the Scheme.

Income from Contributions.- Though the Government of India notified on 5 January 1957, its intention to revise the rates of employers' special contribution, the proposed revision was not given effect to during the year under report. This was mainly due to the fact that arrangements to extend medical care to families of insured persons could not be completed in any State and there was no immediate need for additional revenues. The rate of employers' special contribution, therefore, remained the same as in the past. The income from employers' special contribution was 28,341,328 rupees, and from employees' contribution 35,235,854 rupees during the year 1957-58, as against 25,939,404 rupees and 32,202,834 rupees respectively during 1956-57.

Sickness Benefit.- During the year under report, a sum of 16.812 million rupees was paid as sickness benefit as against 10.430 million rupees paid during 1956-57. An amount of 9.315 million rupees had been paid upto the end of the year 1955-56. The amount of the benefit paid in 1957-58, per spell of sickness averaged at 16.4 rupees, thus exceeding the average for 1956-57 by 0.6 rupees. The variations in the range of spells and payment are due partly to endemic variations in incidence of diseases and partly to different wage levels prevalent in various areas.

The extended sickness cash benefit to insured persons suffering from Tuberculosis at a reduced rate for an additional period of 18 weeks became payable to insured persons from 1 June 1956. During the year under report, an amount of 468,445 rupees was paid to insured persons qualified for it, as against 25,747 rupees during the previous year.

Maternity Benefit.- During the year 1957-58 a sum of 517,197 rupees was paid as maternity benefit recording an increase of over 100,000 rupees as compared to 1956-57. A sum of 225,394 rupees was paid upto the end of a year 1955-56. As in the previous year, the substantial increase in the amount of benefit payments had been mainly due to the fact that a substantial number of insured women who were eligible to the benefit for part of the year 1956-57 remained eligible to it for the full year 1957-58. As usual failure on the part of the insured women to follow the requirements of the Regulations due to ignorance or some other bonafide reasons was liberally condoned.

Temporary Disablement Benefit.- During the year 1957-58 a sum of 1.475 million rupees was paid as against 1.359 million rupees paid during the year 1956-57. A sum of 1.731 million rupees was paid upto the end of the year 1955-56.

The increase in the amount of benefit paid during the year 1957-58 is mainly due to the fact that certain areas were brought within the purview of the Scheme and the expenditure in areas covered during 1956-57 related to the full year whereas in the last year it related to only a part of the year.

The number of benefit days per spell of temporary disablement benefit for different areas, ranged between 8 and 26 days during 1957-58 as against 12 to 27 days in 1956-57, the average in both the years being 20 days. The amount of benefit paid during 1957-58 per spell of temporary disablement benefit ranged from 15 rupees to 49 rupees the average being 39 rupees. The corresponding range for 1956-57 was 20 rupees to 45 rupees and the average had been 39 rupees. The differences are due partly to variations in length of spell of incapacity and partly to variations in level of wages prevalent in various areas.

Permanent disablement benefit.- A total of 4,046 beneficiaries were in receipt of the benefit at the end of the year under report. Benefit actually paid during the year 1957-58 amounted to 309,447 rupees as against 192,913 rupees during 1956-57. A sum of 117,081 rupees was paid upto the end of the year 1955-56. No payment of permanent disablement benefit was made in implemented areas of Bihar, as the assessment of degree of permanent disablement had not been made in any case till the end of the year under report. As in the previous year, the amount of benefit actually paid continued to show sharp increase.

Dependants' Benefit.- During the year under report, claims in respect of 69 death cases were admitted as against 58 cases admitted in the previous year. The dependants' benefit is payable to the dependants in the form of pension to the widow for life and to others, for a limited period. A sum of 132,978 rupees was paid out in 1957-58 by way of pensions as against 80,267 rupees in 1956-57. At the end of the year under report, 497 dependants of deceased insured persons, were eligible to Dependants' Benefit.

Other Benefits.- Other benefits which are being provided to the insured persons are (i) payment of conveyance charges and/or compensation for loss of wages to insured person called to appear before a medical board, Medical Referee or a hospital; (ii) provision of artificial limbs and travelling and other expenses in connection therewith; and (iii) remittance of cash benefits by money order at the cost of the Corporation. During the year under report, an amount of about 55,157 rupees was spent on these benefits, out of which 23,098 rupees was on provision of artificial limbs.

Total Cash Benefits paid.- The total amount of cash benefits paid to the insured persons during the year under report, and comparative figures for the previous two years are as follows:-
(Benefit (in thousands of rupees))

Year	Sickness benefit.	Maternity benefit.	Temporary disablement benefit.	Dependants' benefit.	Permanent disablement benefit.	Others	Total
Upto							
1955-56	9315	226	1771	52	117	24	11505
1956-57	10430	414	1359	80	193	34	12510
1957-58	16813	517	1475	133	309	65	19780
	+ 468 *						
TOTAL.	36558	1157	4505	265	619	123	43795
	+ 468 *						

* Extended sickness benefit.

Training in Social Security.- At the request of the International Labour Organisation, Geneva, training facilities in the field of Social Security were provided by the Corporation to two Burmese Fellows viz., Mr. Saw Marcus Paw and Dr. Miss Naw Shella Dwa under the International Labour Organisation Expanded Programme of Technical Assistance. The period of training of Mr. Saw Marcus Paw was for 8 weeks commencing from 28 October 1957 and that of Dr. Miss Naw Shella Dwa for 6 weeks commencing from 6 January 1958. So far the Corporation has afforded training facilities to Fellows from member countries.

(Notification No. S.O. 2357 dated 4 October 1958; the Gazette of India, Part II, Section 3, Sub-section ii, 15 November 1958, pp. 2211-2248).

'L'

CHAPTER 10. SOCIAL MEDICINE.

INDIA - NOVEMBER 1958.

103. Hospital Services.

Bombay: Gandhi Memorial Hospital for Industrial Workers: Foundation-Stone Laid.

Shri Y.B. Chavan, Chief Minister of Bombay, laid the foundation-stone of the Gandhi Memorial Hospital in Bombay, on 18 September 1958. The hospital will provide medical aid exclusively to the sick industrial workers of Bombay.

The Government of Bombay has contributed money for this plot of land, which measures about 45,000 sq.yds., costing over 1.1 million rupees. The hospital will be built from the amount returned by the Trustees of the Mahatma Gandhi Memorial Trust Fund. This consists of Government securities of the face value of 5.4 million rupees which have since been sold, realising 4.5 million rupees. The Employees' State Insurance Corporation has undertaken to equip the hospital, and the Government of Bombay as well as the State Insurance Corporation will bear the cost of maintenance of the hospital in future.

Fifty mills which are members of the Millowners' Association, Bombay have contributed their quota amounting to 7.3 million rupees.

The hospital will have a basement, a ground and three upper floors with provision for adding two more if found necessary later. It will be equipped with up-to-date medical, surgical and X-ray apparatus, and will have departments for gynaecology, E.N.T., ophthalmology, etc., with a total complement of 307 beds. The framework of the building will be of reinforced concrete and the entire structure will be fire-resistant. There will also be residential quarters for essential staff.

It is hoped that within a couple of years, the hospital will be completed and ready for occupation.

(The Indian Textile Journal,
Vol.LXIX, No.817, October 1958,
pp. 30-33).

CHAPTER 12. INDUSTRIAL COMMITTEES.

INDIA - NOVEMBER 1958.

121. Special Information.

Wages in the Jute Mills Industry: Enquiry Committee appointed by West Bengal Government.

By a resolution dated 9 October 1958 and in pursuance of the decisions of the First Session of the Industrial Committee on Jute held at Calcutta on 1 and 2 August 1958, the Government of West Bengal has constituted a Committee for collection of relevant data having a bearing on determination of wages in the jute industry.

For details, please see Section 36, page 42 of this report.



LIST OF PRINCIPAL LAWS PROMULGATED DURING THE PERIOD COVERED BY THE REPORT FOR NOVEMBER 1958.

INDIA - NOVEMBER 1958.

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

The Merchant Shipping Act, 1958 (No. 44 of 1958).
(The Gazette of India, Extraordinary, Part II, Sec. 1,
31 October 1958, pp. 333-539).

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

Punjab Shops and Commercial Establishments (Amendment)
Act, 1958 (No. 25 of 1958). (The Punjab Government
Gazette, Extraordinary, 14 October 1958, pp. 1731-1732).

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

The Industrial Disputes (West Bengal Amendment) Act,
1958 (Act XVII of 1958). (The Calcutta Gazette, Extraordinary,
Part III, 22 September 1958, page 4069).

BIBLIOGRAPHY.

INDIA - NOVEMBER 1958.

CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

- * "Report and Accounts for the Year ended 31st March 1958" of the Indian Iron and Steel Co. Ltd. pp.31.

CHAPTER 3. ECONOMIC QUESTIONS.

- *(a) "Slum Clearance and Urban Renewal in Delhi - A Plan in the Making". Issued by the Central Health Education Bureau, Directorate General of Health Services, Ministry of Health, Government of India. (One copy sent to Geneva vide this Office Minute No. D.1/2591/58 dated 19 November 1958).
- (b) The Organisation of the Government of India: Indian Institute of Public Administration: Asia Publishing House, Bombay. Rs.20/-.
- (c) Inflationary Price Trends in India since 1939. By D.Bright Singh. (Asia Publishing House, Calcutta. Rs.16.50.).
- (d) A Survey of Contemporary Banking Trends. By S.K. Basu. (Book Exchange, Calcutta, Rs.16.).
- (e) Our Economic Problem. By P.A. Wadia and K.T.Merchant. (Vora, Bombay. Rs.9/-).
- (f) The Indian Economy: Its Growth and Problems. By A.B. Das and M.N. Chatterji. (Bookland, Calcutta. Rs.11/-).
- (g) Surveys of Indian Industries. By B.S. Rao. (Oxford University Press. Rs.15/-).
- (h) Indian Railway Finance. By V.V. Ramanadhanam. (Atma Ram, Delhi. Rs.7/8/-).
- (i) Problems of Economic Planning in India. By O.K. Ghosh. (Kitabistan. Rs.5.50).
- (j) The Monetary and Fiscal Policy of India. By. K.C. Chacko. (Vora, Bombay. Rs.15/-).
- (k) Town and Country Planning (Bibliography): By Jack Wood; The Oxford Book and Stationery Co., New Delhi.
- (l) Democracy and Economic Development in Asia: By C. Loganathan; Nadaraja Ltd., Kollupitiya, Colombo-3.

* Publications received in this Office.

97

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

- * (a) "Indian Shipping Through the Ages". By Sunat Morarjee. pp.8.
- (b) Theory and Practice of Co-operation in India and Abroad (Vol.III): By K.R. Kulkarni; Co-operators' Book Depot, 9, Bakehouse Lane, Bombay; Rs. 22.50.
- (c) The Land Problem of Reorganised Bombay State. By G.D. Patel. (N.M. Tripathi, Rs.12.50).

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

- * (a) "Hyderabad". Issued by the Publications Division, Government of India. pp. 67.
- * (b) "Hyderabad City and Suburbs - A Guide". Issued by the Department of Information and Public Relations, Government of Andhra Pradesh. pp.47.
- (c) Basic Education in Practice. By C.S. Subbarao. Ajanta Publications, Secunderabad. Rs.5/-.
- (d) A History of Modern Burma. By John F. Cady. Oxford University Press, Bombay. Rs. 7.50.

'L'

* Publications received in this Office.