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INTERNATIONAL LABOUR OFFICE
INDIA BRANCH

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Industrial and Labour Developments in March 1959.

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

<u>Contents.</u>	<u>Pages.</u>
<u>CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.</u>	
22. <u>Activities of External Services:</u>	1
<u>CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.</u>	
25. <u>Wage-Earners' Organisations:</u>	
(a) Tenth Annual Session of INTUC, Dibrugarh, 8-9 February 1959: Labour Participation in Industry urged: Increased Food Production during Third Plan Period Stressed.	2-6
(b) Third Annual Convention of the National Federation of Indian Railwaymen, Patna, 8-8 March 1959: Effective Participation of Workers in Management urged.	7-10
(c) Textile Workers in Bombay: United Trade Union to be formed.	11
28. <u>Employers' Organisations:</u>	
Thirty-Second Annual Session of the Federation of Indian Chambers of Commerce and Industry, New Delhi, 7-8 March 1959: Simplified Tax Structure Urged.	12-16
<u>CHAPTER 3. ECONOMIC QUESTIONS.</u>	
32. <u>Public Finance and Fiscal Policy:</u>	
(a) Central Budget for 1959-60 presented: Uncovered Deficit of 583.2 Million Rupees: "No Reason for Pessimistic View" of Economic Situation.	17-25
(b) Railway Budget for 1959-60 presented: Surplus of 211.9 Million Rupees: No Change in Fares.	26-32

<u>Contents.</u>	<u>Pages.</u>
34. <u>Economic Planning, Control and Development:</u>	
(a) Second Annual Report of the National Coal Development Corporation for 1957-58 published.	33
(b) Promise of Continued Economic Aid to India: Five-Nation Meeting at Washington.	34-35
(c) Community Development Programmes to be Reoriented from 1 April 1959.	36-37
35. <u>Productivity:</u>	
Productivity Conference convened by A.I.M.O.: Need for increasing Productivity in Industries stressed.	38-39
36. <u>Wages:</u>	
(a) Index Number of Earnings of Workers in Mining Industry.	40-42
(b) Bihar: Minimum Rates of Wages in Agriculture fixed in Munaffarpur District.	43
(c) Punjab: Minimum Wages Act, 1948, extended to Employment in Ayurvedic and Unani Pharmacies.	44
(d) U.P.: Request to Exclude State Textile Mills from All-India Wage Structure.	45-46
(e) Interim 5 Per Cent Increase in Wages recommended by Wage Board for Sugar Workers.	47
38. <u>Housing:</u>	
(a) Central Government's New Middle Income Group Housing Scheme Announced.	48-49
(b) Subsidised Industrial Housing Scheme: Progress outlined.	50-51
(c) Rural Housing: Six Training Centres to be set up.	52
39. <u>International Economic Relations:</u>	
(a) Indo-Czech Trade Agreement Signed.	53
(b) U.S. Loan for River Projects.	54
<u>CHAPTER 4. PROBLEMS PECULIAR TO CERTAIN BRANCHES OF THE NATIONAL ECONOMY.</u>	
41. <u>Agriculture:</u>	
(a) Mysore Dhodan Yagna Bill, 1959.	55
(b) Madras: Plantations Labour Act, 1951, extended to Cardamom Plantations.	56
(c) Panel on Land Reforms to be reconstituted.	57-58

<u>Contents.</u>	<u>Pages.</u>
42. <u>Co-operations:</u>	
Formation of Service Co-operations: Programme approved by the Congress and the Lok Sabha.	59-60
<u>CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.</u>	
50. <u>General:</u>	
(a) Kerala Beedi and Cigar Industrial Premises (Regulation of Conditions of Work) Bill, 1959.	61-62
(b) Bihar Shops and Commercial Establishments (Amendment) Bill, 1959.	63-64
(c) Madras Industrial Establishment (National and Festival Holidays) Act, 1958, comes into force.	65
(d) Domestic Workers' Terms of Service: Government's Difficulties in framing Law explained.	66
52. <u>Workers' Welfare, Recreation and Workers' Education:</u>	
Working of Labour Welfare Funds in Central Undertakings during 1956-1957.	67-69
56. <u>Labour Administrations:</u>	
(a) Work of the Ministry of Labour and Employment during the Year 1958-1959.	70-88
(b) Andhra: Demand for Grants for Labour Department Voted.	89-91
(c) Bombay: Demands for Grants for Labour Department Passed.	92-94
(d) Madras: Demand for Grants for Labour Department Adopted.	95-99
<u>CHAPTER 6. GENERAL RIGHTS OF WORKERS.</u>	
64. <u>Wage Protection and Labour Clauses to Employment Contracts with the Public Authorities:</u>	
Payment of Wages (Madras Amendment) Bill, 1959.	100
67. <u>Conciliation and Arbitration:</u>	
(a) Rajasthan: Functioning of Works Committees in 1957.	101-
(b) Kerala Industrial Relations Bill, 1959.	102-108

<u>Contents.</u>	<u>Pages.</u>
<u>CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES OF WORKERS.</u>	
<u>71. Employees and Salaried Intellectual Workers:</u>	
U.P.: Higher Pay Scales for Teachers.	109-110
<u>73. Officials and Public Employees of National, Regional and Local Administrations, of Nationalised Undertakings or Undertakings Managed with the Participation of the Public Authorities:</u>	
X Certain Categories of Government Employees given Right to Strikes: Changes made in Service Rules.	111-112
<u>74. Indigenous Labour:</u>	
(a) Fifth Tribal Welfare Conference; Importance of Forest Co-operatives Stressed.	113-116
(b) Committee set up to Study Development Projects in Tribal Areas.	117
<u>CHAPTER 8. MANPOWER PROBLEMS.</u>	
<u>81. Employment Situations:</u>	
Employment Exchanges: Working during December 1958.	118-121
<u>83. Vocational Training:</u>	
(a) Labour Ministry's Training Scheme: Working during December 1958.	122-123
(b) Bombay: Employment Exchange for Disabled Persons Opened.	124
<u>BIBLIOGRAPHY - INDIA - MARCH 1959.</u>	125-127

CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - MARCH 1959.

12. Activities of External Services.

Lectures, etc.

The Director of this Office presided over a discussion group organised by the Indian Institute of Public Administration on 16 March 1959. The topic for discussion was "Pre-requisite for introduction and successful operation of the social security system".

Visitors.

Visitors to the Office included the U.S. Labour attache, the Labour Secretary of the Bombay Government and Mr. E.J. Riches and Mr. C. Wynne-Roberts of Geneva Office.

Supply of Special information, etc.

(a) At the request of the Prime Minister's Secretariat, information on legislative enactment covering domestic servants were supplied to the Government of India.

(b) At the request of the Ministry of Labour and Employment this Office undertook to prepare the manuscript of a pamphlet published by Ministry entitled "Employers' Obligation in Industry under Labour Enactments".

Meetings.

(a) On 16 March 1959, Shri V.K.R. Menon attended a regional conference on malaria control convened by the W.H.O.

(b) On 18 April 1959, Shri V.K.R. Menon addressed the Second Indian National Conference of Non-Governmental Organisations sponsored by the Indian Federation of the United Nations in collaboration with the United Nations Information Centre, New Delhi.

2

Chapter 2. International and National Organisations

25. Wage-Earners' Organisations.

India - March 1959.

Tenth Annual Session of INTUC, Dibrugarh, 8-9 February, 1959: Labour Participation in Industry urged: Increased Food Production during Third Plan Period Stressed.

The tenth annual session of the Indian National Trade Union Congress was held at Dibrugarh, Assam, from 8 to 9 February 1959. The conference was inaugurated by the Defence Minister, Shri V.K. Krishna Menon and addressed, among others, by the Central Labour Minister, Shri Gulzarilal Nanda. Over 1,500 delegates representing all trades from all over the country attended the conference. Fraternal trade union delegates were sent by the I.C.F.T.U., T.U.C., A.F.L.-C.I.O., and the Petroleum, Plantation and Mine-Workers' International Trade Secretariats. The ILO was represented by the Director of this Office, Shri V.K.R. Menon.

Among other matters the conference passed a resolution stressing the importance of labour participation in management. On the problem of unemployment, the conference felt that "in a country with a large surplus man-power, the approach to planning must be such that it enabled the maximum utilisation of man-power; this could be done by introducing decentralised labour-intensive methods of production and distribution in all fields of economic development".

Inaugural Address.- In the course of his inaugural address, Shri V.K. Krishna Menon said that in an industry those who put in labour should get the highest remuneration. In his opinion it was better to have collective effort and discussion to adjust employer-employee relations which would ultimately regulate the economy of the country.

Shri Menon said that trade unionism in the world had originated as a protest against social evils of industry. The Labour movement to-day was something higher than that. It aimed at socialism in industry. Whatever be the form of Government it would not be possible to take away the rights of labour for bargaining in order to achieve social justice.

General Secretary's report: deterioration in employment situation.- Concern over the deterioration in the employment situation of the country, particularly the growing number of unemployed amongst the working classes, was expressed by Shri S.R. Vasavada, General Secretary of the Indian National Trade Union Congress, in his report presented to the conference.

The position, he said, had gone from bad to worse recently as a result of the closure of textiles and other units in the private sector. Besides, there was a question of installation of automatic looms. The INTUC, he emphasised, was not opposed to rationalisation provided it did not affect the employment.

The report dwelt at some length upon the code of industrial discipline and code of conduct adopted at the Waini Tal Indian Labour Conference. It reiterated that so far as the INTUC was concerned, the very principles underlying the code had been the guiding factors of their labour movement from the very inception. Shri Vasavada accused the Communist-controlled AITUC of braking the code at Jamshedpur and in the Kerala Plantation dispute in the High Ranges.

Shri Vasavada noted with satisfaction the decision of the National Development Council to take over the wholesale trade of foodgrains by the States. What was required was the regularisation of the prices in a way as to give the producer of foodgrains his due and save the consumers from hardships. The INTUC, he said, had already called upon the workers to form co-operative consumer stores.

The report stated that with the objective of a socialist pattern of society before them, the benefit of economic development would accrue more and more to the less privileged and that there would also be a progressive reduction of concentration of wealth and economic power in the hands of the few. To help creating this conditions he felt that the nation was following the correct policy of expansion of public sector rapidly. He however, felt that the attitude of persons holding managerial or supervisory position in the public sector enterprises must change so that the State might become a model employer.

4

Workers' participation.- Referring to workers' participation in management, the report expressed the hope that the management of those units which had volunteered to come forward should carry out the experiment in the spirit of understanding and mutual amity. Any difficulty arising out in the way should be solved with the help of advisers. Shri Vasuvada also gave the assurance that as the scheme was a natural outcome of the Gandhian approach it would have always the fullest support of the INTUC. Any difficulty in the way could be solved with the help of proper types of advisers.

Wage policy.- Welcoming the creation of the Central Wage Board for Cotton Textile Industry which had begun its work and for sugar and cement industries, the INTUC pressed demands for constitution of similar Wage Boards for the chemicals, engineering, plantation, cement, steel and other industries for revision of employees' wages.

The report further urged upon the Pay Commission that the pay-scales of different categories of workers employed in public sector should be decided in conformity with the report of the Fair Wages Committee and the norms set at the 15th session of the Indian Labour Conference. It pointed out that the I.N.T.U.C. was aware of the urgency for fixation of minimum wages for Class IV employees. For, once this minimum wage was settled, it would be easy to fix the differentials between the different categories of employees on principles of skill, responsibility, educational necessity, etc. Disparity for pay-scales between the State and the Centre should also be progressively eliminated. The I.N.T.U.C. further requested the Commission to submit its recommendations without delay.

Membership.- As regards membership, the report said that the comparative study made by the Working Committee at Jamshedpur revealed that the I.N.T.U.C. continued to be the largest central trade union organisation in the country. The Working Committee had made it clear that the I.N.T.U.C. stood for qualitative membership. The unions were directed to consolidate their position and they had succeeded in making themselves impregnable against the onslaughts of disruptionists. The report gave the total membership of the I.N.T.U.C. at 1,447,205 on 31 January, 1959.

5

Resolutions: Food prices.- The resolution on food prices expressed the INTUC's concern at the continuous and abnormal rise in prices of various commodities in all parts of the country.

This had led to severe discontentment amongst the low-income groups, the resolution said. It called upon the Government to take strong action not only to arrest further rise in prices of foodstuffs but also to bring down prices substantially.

The resolution suggested introduction of rationing and in certain cases of concentration of population, setting up of fair price shops.

The resolution called for requisitioning of hoarded stocks and launching of a campaign to prevent wastage of food in any form.

Third Five Year Plan.- The resolution on the third Five Year Plan which was moved by Shri Khandubhai Desai held that the success of the plan would be judged mainly by its achievements in the food front and insolving the unemployment problem.

The INTUC, therefore, expressed the view that the main emphasis in the Third Plan must be laid on increasing food production and secondly on its providing full employment by increasing the resort to decentralised and labour incentive methods of production and distribution.

The resolution also stated that the Third Plan should aim at balanced progress by all sections of people towards the socialistic objective by narrowing down the disparity in income and thereby diffusing the purchasing power among the masses in an equitable manner.

Workers' participation.- In its resolution on the participation of labour in management, the INTUC declared that workers taking part as an essential and inevitable accompaniment of the industrial system in a democracy was an important step in realisation of their legitimate status as co-partners in industry.

The INTUC therefore welcomed introduction of the scheme of workers participation on the basis of tripartite agreements which was a promising and significant advance in the field of industrial relations.

Arbitration and industrial peace.- By a resolution the conference expressed its concern at the tendency of employers to resort to courts for settlement of disputes and at their "go slow" tactics in regard to implementation of awards and settlements. The resolution urged the Government and the parties to restrict such appeals and writs to the absolute minimum and that too only to the Supreme Court, with a Special Labour Bench, and to ensure speedy disposal of such cases. It added that the workers and their unions have limited resources and they have not the means to conduct the cases before the Supreme Court and the High Courts, and therefore in the interest of justice the Government should arrange that they have the requisite legal assistance.

Implementation of awards and labour legislation.- A resolution of this subject welcomed the arrangement so far made by the Government in setting up a machinery for securing implementation of agreements and awards and enforcement of statutes. However, numerous and varied difficulties were still being experienced by workers including those in the public sector in getting the benefits due to them under various statutes and awards, due partly to defective legislation and largely because of failure in enforcement.

The resolution, therefore, demanded that the lacuna in the different enactments be removed and the workers concerned and their unions be given power to directly approach the appropriate courts to get expeditious relief. It urged upon the Government to take necessary steps in this direction. It further suggested that the Government should take prompt and vigorous action, in all cases of breach and the penalties for violation of legal provisions should be made sufficiently deterrent.

Office bearers.- Shri G. Ramanujam and Shri S.R. Vasavada were elected President and General Secretary respectively for 1959.

(The Indian Workers, Vol. VII, No. 20, dated
16 February 1959;
Amritabazar Patrika 9 and 10 February 1959)..

Third Annual Convention of the National Federation
of Indian Railwaymen, Patna, 5 - 8 March, 1959:
Effective Participation of Workers in Management
urged.

The third annual convention of the National Federation of Indian Railwaymen was held at Patna from 5 to 8 March 1959. Shri S.R. Vasavada, President of the Federation, presided. The convention, among others, adopted a resolution suggesting a three point programme as an initial step for the effective participation of workers in the management of the Railways. By another resolution convention proposed revision of the rules of the Permanent Negotiating Machinery to provide for joint consultation before the introduction of any change in an industrial matter and the getting up of arbitration machinery at different levels to enable matters to be settled without reference to a higher level.

Presidential address.- Shri S.R. Vasavada, in the course of his Presidential address, said that there would not be industrial peace in the railways unless the authorities took early steps to set up an effective arbitration machinery. He said that if the status of the worker in the country was not improved and he was not made to feel that he was a participant in the management of the industry, he would merely remain a wage-earner without any enthusiasm and initiative to improve his productivity. Workers must be contented. Such contentment came out of a feeling of security. Their grievances should be redressed by negotiations, and if negotiations failed, arbitration should be made available at all levels.

Shri Vasavada added that unfortunately the Railway administration had not yet realised the importance of this fundamental fact, which was the keystone of higher and better productivity. He alleged that the negotiating machinery was dilatory and evasive. Under the present rules, arbitration was made available only at the national level and that too at the discretion of the Railway Ministry. Many disputes were pending which should be referred to arbitration immediately industrial peace.

8

Speaking for railwaymen, Shri Vasavada continued: "We do not resort to strikes if arbitration is available. But the employers also have to see that no unfair and violent measures are adopted against the legitimate aspirations of the workers. They should give a fair deal to the workers and refrain from resorting to lockouts and victimization."

He reminded railwaymen that they had a duty to help in the implementation of the country's Five-Year Plans. If they wanted to enjoy the fruits of the Plan, they must find the necessary capital for it. He advised every railwayman to save a rupee every month and invest it in the national savings scheme and thus help in the implementation of the Plan.

Shri Vasavada referred to the recession in the railways' earnings and said genuine measures to eliminate waste, inefficiency and extravagance at all levels would be welcome.

Shri Vasavada also referred to the plight of casual labour and the problem of periodical mass transfer of staff.

Referring to the increase incidence of accidents in the railways, Shri Vasavada said that it was the duty of the Federation to help the administration in finding out the causes of the accidents and remove them. If the workers were over-worked, they should be given relief. If they were inefficient, they should be trained. If they were negligent or indifferent, disciplinary action could be taken against them. No railway employee, however big or small he must be in the administration, could afford to ignore the safety of the passengers. But mere punitive measures were not enough. Causes leading to overwork, fatigue and inefficiency should be removed. Grievances should be promptly redressed, working conditions should be improved and proper training should be imparted. He pointed out that the Indian Airlines Corporation had adopted a system whereby passengers were automatically insured against accidents. It would be worthwhile for the Railway Board, he felt, to undertake a study of the system and introduce a similar system on the Railways.

Duty of Railwaymen.— The President regretted that the Federation's efforts to achieve unity in the ranks had not yet met with success and pleaded for continued efforts in this direction.

Resolutions: Workers' participation in management.— The resolution on this subject regretted that no action had been taken by the Railway Ministry to introduce workers' participation in the railways. The resolution said:

"Realising that effective participation can thrive well only in an atmosphere of mutual faith and goodwill, this General Body of the National Federation of Indian Railwaymen urges upon the Railway Administration to create such conditions by respecting the workers' rights, by redressing their grievances expeditiously by negotiations and if negotiations fail by providing arbitration at all levels and by creating a sense of security and contentment among the workers.

"For the realisation of the above objectives, this General Body of the National Federation of Indian Railwaymen suggests the following measures to be adopted as initial steps:-

- i) To form Joint Productivity Committees in agreement with the National Federation of Indian Railwaymen and its affiliates in all shops, running sheds and yards;
- ii) To provide for increasing association of workers in all labour welfare schemes and housing programmes;
- iii) To associate the workers' representatives in the task of fulfilling the various developmental targets and periodical evaluation of the same."

Revision of Permanent Negotiating Machinery.- By a resolution the Convention expressed dissatisfaction over the existing negotiating machinery. The resolution said:

"The absence of any provision to necessarily settle a matter at its appropriate level has greatly contributed to the failure of the machinery at the Divisional and Railway levels. At the Railway Board level also, there is no finality to a dispute, for, there is no provision to take up an alternative solution once negotiations have failed. Though there is provision for reference to Tribunal of a dispute, in default of settlement, discretionary powers are given to the Administration to refuse such a reference and even when reference has been made, the Administration has retained discretionary powers to amend, alter, modify or reject the award. This discretionary nature of the machinery has shaken the faith of the employees in the efficacy of the machinery and has caused frustration. To allow disputes remain unsettled is the surest way of inviting discontent.

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"Under the above circumstances, this meeting of the General Body of the National Federation of Indian Railwaymen emphatically urges upon the Railway Ministry, to revise the P.N.M. Rules without any further delay, so as to provide for:-

- a) Joint consultations before introducing any change in an industrial matter; and
- b) setting up of arbitration machinery at each level - Divisional, Railway and Railway Board - to settle the matters at their very level, without making reference to a higher tier or shelving the matter without taking any decision."

Other resolutions.- Other resolutions related to early completion of the Pay Commission's Report, speedy implementation of the recommendations of Class IV Staff Promotion Committee, publication of the report of the Uniforms Committee and discontinuation of periodic mass transfers of staff.

(Text of Presidential Address and Resolution adopted, received in this Office from the Office of the Federation.).

11

Textile Workers in Bombay: United Trade Union to be
formed.

Leaders of the Praja Socialist Party, the Communist Party and Scheduled Caste Federation, meeting in Bombay on 23 November 1958 decided to form a new united union of textile workers to defend the interests of the workers.

A joint statement issued by Messrs. S.A. Dange, M.P., S.M. Joshi, M.L.A., R.D. Bhandare, Udhavrao Patil, M.L.A., and Datta Deshmukh, M.L.A., said that the proposed union would be an independent organisation which would carry forward the fighting tradition of Bombay's working class in the interest of the class and the country.

According to the Trade Union Record, official journal of the All India Trade Union Congress, the new union called the Mumbai Girni Kamgar Union had enrolled nearly 100,000 members by mid-March 1959.

The Mumbai Girni Kamgar Union is not affiliated to any national trade union centre. Shri S.M. Joshi is the President of the Union and Shri S.A. Dange, General Secretary. Shri R.D. Bhandare, M.L.A., Shri Udhavrao Patil, M.L.A., Shri Papurao Jagtap, M.L.A., Shri Datta Deshmukh, M.L.A., and Shri M.G. Mane, M.L.A., are Vice Presidents; Shri S.G. Patkar, Shri B.H. Rajhans, Shri N.D. Patil, Shri V.S. Pagare and Shri Yashwant Chaven are Secretaries. The union has an executive of 70, including the office-bearers.

(The Indian Textile Journal, Vol. LXIX,
No. 819, December 1958, page 163;
Trade Union Record, Vol. XV, No. 11,
5 April 1959, page 2).

28. Employers' Organisations.

India - March 1959.

Thirty-Second Annual Session of the Federation of
Indian Chambers of Commerce and Industry, New Delhi,
7 - 8 March 1959; Simplified Tax Structure Urged.

The 32nd annual session of the Federation of Indian Chambers of Commerce and Industry was held at New Delhi from 7 to 8 March 1959. Shri B.P. Singh Roy presided. The Prime Minister inaugurated the session.

The meeting, among others, passed a resolution on the problem of economic development urging the Government to simplify the tax structure and adopt such fiscal policies that would encourage investment and production and expansion of trade.

Presidential address: Slow down in tempo of production.-
Shri B.P. Singh Roy, in the course of his presidential address, said that the tempo of development in the country was "slow down" and felt that import restriction was responsible for it. He said that although the general index of industrial production had registered an increase in 1958 the rate of increase was lower than in 1957. "Even in 1957 the increase was only of the order of 3.5 per cent as against 8.4 per cent in 1956".

Shri Roy admitted that the decline in the rate of increase last year had been ~~only~~ mainly due to lower production of cotton textiles but said: "By and large, the tempo of development is slowing down". There was a decline in railway traffic - both passenger and goods. Last year the increase of additional tonnage was only 5 million as against 10 million in 1956 and 8 million in 1957. The receipts of the railways had not maintained the rate of increase despite the increased freight rates.

"We must guard against this trend, for once the momentum is lost, it will be well nigh difficult to swing into forward action on any appreciable scale", he added.

Shri Roy said that in many cases the targets for the second Plan had already been achieved and the Government had also considered it necessary to raise the targets. "As against this, some industries are finding it difficult to market their products. This is evidenced from the fortunes of the textile industry, the biggest in our country. The offtake of cement and certain types of engineering goods has also declined. Agricultural production, particularly of foodgrains, caused concern during the major part of 1958, but the latest crop, which is reported a good one, may go a long way to ease, at least temporarily, the present critical period."

Having regard to the imperative need to develop resources and improve the low standard of living of the people at a measurable rate, the country could not afford to go slow.

"I would, therefore, appeal to the Government to give serious thought as to why in the middle of our second Plan, this slow trend has set in and as to why there is a fall in demand for some commodities. It may be argued - and rightly - that the paucity of finance, internal and external, constitutes the reason. I feel that the cuts in imports necessitated by our foreign exchange position, however, wisely husbanded, have affected production rate."

Shri Roy urged the Government to devise ways to improve the foreign exchange position.

Shri Roy suggested the lowering of taxes as an inducement to desired investment. This was "one of the most potent incentives which Governments can offer", he added.

While asking for a lowering of taxes Shri Roy said, he was not discounting the need for raising public revenues on an appreciable scale to implement development programmes.

Referring to the proposal for co-operative farming, Shri Roy said there could be no two opinion on the need for a co-operative effort on the part of small farmers to improve their common lot. "As, however, the co-operative approach is desirable and on this I lay the greatest emphasis, I feel that there is scope for service co-operatives in the sense that short of joint production, people in the village may get together to obtain on a joint basis the technical know-how and capital equipment."

14

In regard to the third Plan, Shri Roy demanded the revival of the Planning Advisory Board. Although he said, the main burden of carrying out the programme of economic development on a massive scale must fall on the people of the country, Indian business men were prepared to share that burden. All that they asked for was that they must be given sufficient opportunities and adequate facilities to contribute their best.

"I feel that the Government and the Planning Commission must associate business men at the various stages of formulation of the third Plan and the Planning Advisory Board, which for some reason is not functioning, should be revived to activity", he added.

Prime Minister's address: Prejudice against Co-operative Farming Criticised.- The Prime Minister in his inaugural address, said he had been astonished by some critics of co-operative farming who chose angry words and whose approach was full of passion.

"I was under the impression that one of the universally accepted things in the world today is the co-operative principle. Even in India, backward as we are, we have made some progress. If some say that co-operative farming will lead to collectivization and that in turn will lead to Communism then it will certainly lead to those things. But I am not frightened".

Continuing the Prime Minister, added, "Collective farms are on a fair scale in Canada and as far as I know, it is not going towards collectivization. Then why all this tremendous shouting? Have we lost the capacity for reason at all? Vested interests progressively will have no place in this world. Any vested interest that comes in the way of the well-being of the common man will have to go".

Shri Nehru referred to the Government's views on co-operative farming ceiling on land and the taking up of wholesale trade in foodgrains by the State. There had been a fair amount of vocal opposition and it had provided "quite an extraordinary educational experience for me". In the old days co-operatives were essentially credit co-operatives. Even now there were hundreds of private co-operative farming societies. In India land holdings were terribly small and the average might probably be just one acre. Without co-operative farming those small holdings could never hope to obtain the benefits of modern techniques. Land had to be worked in a co-operative way. The Government had not started the co-operative farms all at once. They had suggested service co-operatives in the first three years. When these co-operatives began functioning it would be open to them to have co-operative farming. They would not be forced to do so "but certainly we will induce them", said Shri Nehru. If the co-operative movement was to succeed it had to be preceded by careful training and education and he confessed that not enough progress had been made in this direction. "It is in the measure that we train people to run co-operatives that the movement will succeed", he added.

15

Agreeing with the suggestion that business men should also be associated in the preparation of the third Plan, the Prime Minister said he was sure the Planning Commission would consider it favourably. Their aim was a Welfare State but eight years ago this word was considered by some as being part of a revolutionary doctrine.

Resolutions: Problems of economic development.- The resolution on economic development urged the Government to simplify the tax structure without loss to the total revenue needed by the Government and adopt fiscal policies that would encourage investment and production and expansion of trade. It called for special efforts to increase national income in agriculture and industry, and expressed the view that large investments in the third Plan would be possible only if a very substantial amount of foreign exchange was acquired by the country, preferably in the form of foreign investments rather than loans.

The Federation expressed concern over increasing unemployment and the dim prospects of attaining the employment targets under the second Plan.

It welcomed the development of small-scale industries as a means of relieving unemployment while maintaining that large-scale industries were equally essential for the creation of national income and that the former would be better fostered as auxiliaries to large-scale industries.

It welcomed the Government's desire that the third Five Year Plan should be bigger than the second.

It urged the Government to treat the industries in the public and private sectors alike.

Moving a resolution Dr. A. Ramaswami Mudaliar, urged the Government to associate representatives of industry and trade in preparing the third Five Year Plan and not merely rely on economists and statisticians.

Speaking on the resolution, Shri B.M. Birla emphasised the need for raising the standard of living of the people and expanding employment opportunities. At the present rate, he said, it appeared that nothing less than 200 years would be needed to raise the standards of living of the people in the country to the level of the existing standards in countries like the U.S.A.

A solution to this problem, he said, was within the scope of the industry and trade in the country. Regardless of the Plans, they had been able to produce surpluses in items which were in short supply in the country only 10 years ago through their own efforts and enterprise. He suggested that 60,000 million rupees should be allocated for productive enterprises in the third Plan.

Foreign Trade.- The resolution on foreign trade urged the Government, industry and trade to look upon the task of export promotion as a national endeavour and suggested for this purpose a number of steps, including formulation of a broadbased programme of incentives for developmental exports, fiscal concessions for exporters and a review of railway and shipping freight rates.

Middle Class.- By a resolution on middle class the Federation criticised the incursion of the State in the distributive trade of foodgrains and asked industrialists to utilise the services of the distributive trade in the procurement of stores and raw materials and in distribution of their products.

Simplification of regulation.- By another resolution the Federation urged the need for simplification of regulations and procedures relating to industry, trade and commerce, called on the Central Government to set up an inter-State trading and commerce commission to ensure that various State regulations did not impede the free flow of goods and services between the States.

(The Statesman, 8 and 9 March 1959; Texts of Presidential Address and Resolutions adopted, received from the Federation).

Chapter 3. Economic Questions.

52. Public Finance and Fiscal Policy.

India - March 1959.

Central Budget for 1959-1960 presented: Uncovered Deficit of 583.2 million Rupees: "No Reason for Pessimistic View" of Economic Situation.

Shri Morarji Desai, Union Finance Minister, presented in the Lok Sabha on 28 February 1959, the Government of India's India budget for 1959-1960. The Minister reported that the economic situation was better than it was a few months ago and that there was no reason to take a pessimistic view of the situation.

The Finance Minister estimated, at the existing level of taxation, a deficit of 816.7 million rupees in the budget, the revenues being 7575.1 million rupees and expenditure 8391.8 million rupees. New taxation proposals, adjusted against tax relief to companies would yield 238.5 million rupees. The resulting deficit of 583.2 million rupees was proposed to be left uncovered.

The following statement gives the details of the ~~budget~~ budget:-

(In Millions of Rupees)

REVENUE	Budget 1958-59	Revised 1958-59	Budget 1959-60
Customs	1,700.00	1,350.00	1,300.00 + 27.70
Union Excise Duties	3,047.60	3,011.50	3,070.00 + 180.80
Corporation Tax	555.00	560.00	587.50
Taxes on Income other than Corporation Tax.	845.30	867.00	876.30
Estate Duty	1.20	1.20	1.40
Tax on Wealth	125.00	100.00	-105.00 + 25.00
Tax on Railway Fares	0.70	1.10	1.10
Tax on Expenditure	30.00	10.00	10.00
Tax on Gift	20.00	12.00	12.00
Opium	23.70	33.10	39.20
Interest	66.00	83.60	107.50
Civil Administration	442.40	455.30	358.00
Currency and Mint	366.20	347.60	556.00
Civil Works	28.70	28.70	30.00
Other Sources of Revenue	329.50	292.10	419.50
Posts & Telegraphs - Net contribution to general revenues	23.40	53.80	42.00
Railways - Net contribution to general revenues	70.40	64.00	59.80
Total - Revenue	7,679.90	7,282.00	7,575.10 + 233.50
EXPENDITURE			
Direct Demands on Revenue	944.50	996.30	1,016.50
Irrigation	1.30	1.60	1.60
Debt Services	400.00	420.60	578.80
Civil Administration	2,004.40	1,977.20	2,227.30
Currency and Mint	85.00	91.40	98.30
Civil Works & Miscellaneous Public Improvements	187.10	183.20	193.50
Pensions	94.00	95.30	96.30
Miscellaneous:			
Expenditure on Displaced Persons.....	204.80	247.50	196.90
Other Expenditure	503.30	578.10	713.00
Grants to States etc.	470.30	469.50	490.20
Extraordinary Items	284.00	152.10	352.60
Defence Services (Net)	2,781.40	2,688.70	2,425.80
Total - Expenditure	7,960.10	7,881.50	8,391.80
Deficit (-)	- 280.20	- 599.50	- 583.20

*Effect of Budget Proposals.

19

Finance Minister's Speech.- In the course of his speech, the Finance Minister reviewed the present economic situation in the country. (The Government of India's Official Economic Survey, presented as part of the budget papers, ^{has} ~~had~~ been reviewed separately in Section 34, pp. of ^{the} ~~this~~ Report).

Financial Year 1958-59.- Shri Desai stated that as against the budgetted revenue of 7,679.9 million rupees the actuals this year was likely to amount to 7,282.0 million rupees while the expenditure met from revenue was placed at 7,861.5 million rupees against the original estimate of 7,960.1 million rupees. In the result, the deficit of 280.2 million rupees provided in the Budget was likely to rise to 599.5 million rupees. The increase of 319.3 million rupees in the revenue deficit for the year was entirely due to a fall in the anticipated revenue, mostly in the revenue from customs; being the effect of restrictions on imports on revenue. Civil Expenditure this year was now ~~estimated~~ estimated at 5,212.8 million rupees against the original budget of 5,178.7 million rupees and Defence Expenditure at 2,650.7 million rupees against the original estimate of 2,781.4 million rupees.

Financial Year 1959-60.- The Minister stated that for the coming year, at the existing level of taxation, he was budgeting for a total revenue of 7,575.1 million rupees and an expenditure of 8,391.8 million rupees, leaving a deficit of 816.7 million rupees. With the continuing restriction on imports, the downward trend in the revenue from customs is likely to continue and for next year he was taking credit for a sum of 1,300 million rupees against the current year's revised estimate of 1,360 million rupees. The revenue from union excise duties next year was likely to show an improvement of 58.5 million rupees and the receipts from corporation tax and income-tax an improvement of 65 million rupees. Under the other principal heads of revenue, the receipts next year will be more or less the same as in the current year. The principal heads as a whole will thus show an improvement of 72 million rupees. Receipts under other heads next year will in all be 252.6 million rupees more than in the current year. This was the result of three major changes. Firstly, the grants under the P.L. 480 Programme were expected to amount to 150 million rupees against 10 million rupees this year. Secondly, the profits from the Reserve Bank next year had been placed at 400 million rupees against 300 million rupees this year. Thirdly, the profits from the circulation of coin for which credit had been taken next year amount to 131.5 million rupees against 27.5 million rupees this year. This increase was mainly due to the transfer of 100 million rupees from out of the accumulated surpluses in the past on the circulation of rupee and small coins which had been kept under suspense.

These increases ~~partly~~ will be partly balanced by a drop of 44.1 million rupees in the receipts from the surplus cement account of the State Trading Corporation ~~and~~ and 33.1 million rupees in the receipts on account of Steel Equalisation Fund. The contribution from the P. & T. Department will be 11.8 million rupees less. The contribution from the Railways creditable to revenues will also be 4.2 million rupees less.

Payments to State Governments on account of their share of income-tax, estate duty and tax on railway passenger fares next year, on the estimates of revenue taken for these taxes, will amount to 922.2 million rupees against 890.7 million rupees in the current year. Civil expenditure next year will amount to 5,965 million rupees and expenditure on Defence Services to 2426.8 million rupees. The net expenditure on Defence Services in the coming year will be 241.9 million rupees less than in the current year. This improvement was the result of a reduction in the gross expenditure by 195.5 million rupees and an increase in receipts and recoveries of 46.4 million rupees.

Capital expenditure.- Including the adjustment for the transfer of capital assistance from the United States to the Special Development Fund which was technically treated as capital expenditure, the current year's budget provided 4,120 million rupees for capital outlay. The ~~Railway~~ corresponding figure was now expected to amount 3,950 million rupees. The Railways were expected to draw 180 million rupees less for their capital requirements which were not not from their Development and Depreciation Reserves. Investment in the three steel projects will be 140 million rupees less as the total equity investment of 3,000 million rupees in Hindustan Steel Limited would have been complete with this reduced investment; the balance of the finance required by the Company will be provided in the form of loans. Food purchases were likely to involve a net additional outlay of 242.6 million rupees. The total capital outlay would have been higher than the figure mentioned but for the receipt of an additional sum of 133.3 million rupees (£ 10 million) from the U.K. Government as advance payments under the Sterling Pensions Arrangement.

The corresponding provision for capital outlay next year is 4,200 million rupees. It included a sum of 952.4 million rupees for the payment of the additional subscription to the International Monetary Fund. The Railways will be drawing 1,220 million rupees next year against 1,210 million rupees this year while Defence capital outlay was estimated at 327.4 million rupees, an increase of about 50 million rupees over the current year. Capital outlay on Posts and Telegraphs was expected to be 42.5 million rupees more and the net capital outlay on food purchases may be 20 million rupees higher. Increased provision had been made for investment in the various industrial concerns and for civil aviation, civil works, the Dandakaranya Project and development grants. The total provision which was mostly for development schemes or for inescapable expenditure would have been much higher but for the fact that, the entire requirements for the steel plants will be met by loans.

To complete the picture of the capital requirements of Government, mention should be made of the provision for loans and advances. In the coming year, loans to State Governments, mostly for enabling them to finance their development schemes, will amount to 5,150 million rupees against 5,270 million rupees this year. In addition, loans to Port Trusts, Statutory Corporations, Government companies, etc., will absorb 1,250 million rupees this year and 2,120 million rupees next year. Provision had been made for the grant of a loan of 520 million rupees to Hindustan Steel this year and 1,220 million rupees next year. The Railways will also take a loan of 109.8 million rupees this year and 108.8 million rupees next year for their development Fund to be repaid later.

Expenditure on Five-Year Plan.— The budget included a total provision of 8,430 million rupees for implementing the Plan, 1,500 million rupees in the revenue budget and 6,930 million rupees in the capital budget. Out of this, 630 million rupees from the revenue budget and 1,950 million rupees from the capital budget will be given as assistance to the States. In addition, the Railways will be spending 390 million rupees from their own resources and the States 2,390 million rupees. Thus, the total Plan outlay, including interest on loans on River Valley Projects which is added to Capital during the period of construction, and short-term loans, will amount to 11,210 million rupees. It had already been announced that in view of the strain on resources, internal and external, it had been decided to limit the five year ~~plan~~ outlay on the Plan to 45,000 million rupees. The estimated expenditure in the first three years of the Plan was about 24,500 million rupees, leaving a balance of 20,500 million rupees to be incurred in the next two years. The budget provision at the Centre and in the States was, of the order of 11,200 million rupees. The resources position for the next two years will continue to remain difficult and a considerable further effort to augment the resources available for development will be necessary. With all the effort that has been made, the proportion of the national income accruing to the public exchequer still remained small. While with

the substantial external assistance received, the bulk of the Second Plan will go through, one had to remember that "we shall have sizeable repayments to make in the period of the Third Plan. This underlines the necessity for a determined effort to increase production and savings".

Ways and Means position.- The overall deficit for the current year was now estimated at 2,550 million rupees against 2,000 million rupees assumed in the budget. The increase of 550 million rupees is the result of a number of factors, including increase in revenue deficit (320 million rupees), less foreign assistance than was estimated (480 million rupees), more loans to States and Hindustan Steel Company (420 million rupees and 520 million rupees), food debits (240 million rupees), balanced partly by higher realisation from internal borrowings. For the next year's budget a credit of 2,250 million rupees as market borrowings had been taken.

The overall position for the next year thus was, the Minister said, at the existing level of taxation and expenditure, there will be a revenue deficit of 820 million rupees. Capital outlay will amount to 4,200 million rupees, loans to State Governments and others to 5,250 million rupees and debt repayments to 1,300 million rupees. This total outgo of 11,570 million rupees will be met to the extent of 1,110 million rupees by repayments of loans to Government, 2,400 million rupees from public borrowings in India, 850 million rupees from small savings, 3,370 million rupees from foreign assistance, 950 million rupees from the issue of special securities to meet the payment of the additional subscription to the International Monetary Fund and 440 million rupees from miscellaneous receipts under Debt and Deposit heads, leaving a deficit of 2,450 million rupees which will be met by the issue of treasury bills.

New tax proposals.- The Finance Minister then made his new taxation proposals, a brief review of which is given below:-

Refined diesel oils and vapourizing oil: Increase from 40 nP per imperial gallon to 80 nP. Low-speed diesel oil: From 40 rupees per ton to 50 rupees per ton. (Yield 78.5 million rupees).

Art silk fabrics: From 6 pies per sq.yd. to 6 nP per sq.yd. Exemption in respect of products of first nine looms will be reduced to four looms. (yield 12 million rupees).

Rayon yarn and staple fibre: Rise in effective rates by 60 per cent (yield 0.50 million rupees).

Motor vehicle tyres: From 30 per cent ad valorem to 40 per cent ad valorem. No change in the rate of duty on cycle tyres (yield 17.5 million rupees).

Vegetable products: From 7 rupees per cwt. to 8.75 rupees per cwt. with corresponding adjustment in exemption in favour of small producers, (yield 9.5 million rupees).

Vegetable non-essential oils: Withdrawal of exemptions in Heavy to power-driven units (yield 44 million rupees).

Khandsari sugar: Basic excise duty 5.60 rupees per cwt. with an additional duty of 70 nP in replacement of sales taxes (yield 18.2 million rupees).

Cigarettes: Adjustments in duty on various kinds involving an increase of 16 per cent (yield 15 million rupees).

Teas: Readjustment in the rate of excise duties on the teas grown in certain areas of the country and reduction at the same time in the effective rate of export duties from 26 nP per lb to 24 nP per lb, (gross net yield 0.35 million rupees).

The total additional revenue from these measures of indirect taxation would amount to 203.5 million rupees from basic duties and 4.5 million rupees from the additional duties in replacement of sales taxes which accrued to the States. As the basic duties on tobacco, vegetable product, tea, sugar and vegetable non-essential oils were to be shared with the States in accordance with the award of the last Finance Commission, twenty-five per cent of the net additional revenue from these commodities will have to be distributed to the States, after deducting the cost of collection. This payment will be of the order of 22.7 million rupees. Allowing for this and for the additional duties to be paid to them, the net additional revenue from changes in Union excise duties would stand at 180.8 million rupees.

Unexposed cinema films: Increase in duty to yield 0.5 million rupees a year for the benefit of the Film Finance Corporation (yield 27.7 million rupees).

Wealth tax: Increase in wealth tax payable by individuals and Hindu undivided families by 1/2 per cent at each slab. New rates of wealth tax on individuals will be 1 per cent on wealth in excess of 0.2 million rupees but up to 1.2 million rupees; 1 1/2 per cent on the excess between 1.2 million rupees and 2.2 million rupees; and 2 per cent on any excess above that. For Hindu undivided families corresponding changes will be made (yield 25 million rupees).

Expenditure tax: Withdrawal of certain exemptions now available to provide that the husband, wife and minor children will be regarded as one unit for the exemption limit of 30,000 rupees in the matter of non-taxable expenditure and not as separate assesses if they have incomes in their individual rights (yield 25 million rupees).

Abolition from 1960-61 of wealth tax and excess dividend tax on ~~companies~~ companies and replacement of these by suitable increase in the rates of super tax.

Advance payment of tax by companies under Section 18-A of the Income-Tax Act: 20 per cent for the income-tax and 25 per cent for super tax.

Foreign companies which declare dividends outside India: Increase from 61.5 per cent to 63 per cent with effect from 1960-61.

Tax from 1960-61 on bonus issues made out of share premium accounts.

Net effect of proposals.- Summing up, the Minister stated that the net effect of the taxation proposals was the changes in the Union excise duties, excluding the shares that accrue to the States, will yield 180.8 million rupees. The changes in Customs duties will bring in 27.7 million rupees and the increase in the Wealth Tax 25 million rupees, a total of 233.5 million rupees. This will reduce the deficit on revenue account from 816.7 million rupees to 583.2 million rupees, about the same amount as in the current year, which ^{is} proposed to ~~leave~~ ^{be left} uncovered. The overall budgetary deficit will also be reduced from 2,450 million rupees to 2,220 million rupees.

Conclusion.- Concluding, the Minister stated: "In recent months, we have been passing through a difficult period and, as the Prime Minister summed it up so aptly when he presented the budget last year, our crisis is a crisis of development, a crisis of resources. I feel we have passed through the most difficult phase and that there is no reason for taking a pessimistic view of the situation. Many of the major development schemes will be completed in the course of the remaining period of the Plan and will start yielding results. The country's foreign exchange difficulties are being steadily surmounted and the overall budgetary deficits have started moving down significantly."

Although the price situation is still a matter of some concern, there is no reason to doubt the inherent soundness of the country's economy and its ability to weather the current difficulties. These difficulties are purely transitional and should act as a spur to greater efforts and ^{on the part of} ~~more sacrifices~~ by the community for ensuring a better ~~no question~~ of looking back or of slowing down the country's economic development. What is required is greater production, greater saving and more restraint in consumption - in other words, greater efforts and more sacrifices by the community ensuring a better future for the country. I am certain that these efforts and sacrifices would be forthcoming and that we could go forward with a stout heart and with confidence in our high destiny."

There can, in any case, be

(For a review of the budget for 1958-59, see Section 52, pp. 24-29 of the report of this Office for March 1958).

(The Gazette of India, Extraordinary, Part I-Section 1, dated 26 February, 1959, pp. 53-74).

Railway Budget for 1959-1960 presented:
Surplus of 211.9 Million Rupees: No
Change in Fares.

Shri Jagjivan Ram, Union Minister for Railways, presented the Railway Budget for the Government of India for 1959-60, in the Lok Sabha on 18 February, 1959.

The Budget estimates the next year's gross earnings at 4,220.3 million rupees, marking an increase of nearly 280 million rupees over the revised estimate for the current year. The net revenue surplus for 1959-60 was placed at 211.9 million rupees against the current year's surplus of only 130 million rupees. There is no proposal to increase the passenger fares or goods freight.

The table below shows the main features of the Budget as also the previous year's accounts:-

	<u>(In Million of Rupees)</u>		
	Actuals	Revised	Budget
	1957-58	Estimate	Estimate
	1957-58	1958-59	1959-60
Gross Traffic Receipts	3,797.8	3,943.8	4,220.3
Ordinary Working Expenses	2,641.8	2,742.2	2,837.1
Net Miscellaneous Expenditure	125.6	120.3	176.1
Appropriation to Depreciation Reserve Fund.	450.0	450.0	450.0
Payments to Worked Lines	2.8	1.0	1.1
Total:	<u>3,220.0</u>	<u>3,515.5</u>	<u>3,464.3</u>
Net Railway Revenues	577.8	630.3	756.0
Dividend to General Revenues	444.0	500.3	544.1
NET SURPLUS.....	<u>133.8</u>	<u>130.0</u>	<u>211.9</u>

The main points of the Minister's Budget Speech are given below.

Railways and Second Five Year Plan.- During 1956-57, the first year of the Second Five Year Plan, the total tonnage lifted was 124 million tons against 114 million tons in 1955-56; that is, an increase of about 8.8 per cent. In 1957-58, the tonnage lifted rose to 132 million tons, a further increase of about 6.5 per cent over 1956-57. For the current year, the further increase in traffic is not likely to be more than 5 million tons over the 1957-58 figure, as against the anticipated increase of 12 million tons over 1957-58. Except for the increase in coal traffic, the rest of the increase in goods traffic has been much less than anticipated; and, in fact, there has been a drop in the case of agricultural products.

As regards the expenditure on the Railway Plan, the outlay rose to 2,514.7 million rupees in 1957-58, against an outlay of 1,790 million rupees in the first year. It is expected to be 2,452.5 million rupees in the current year. A provision of 2,350 million rupees is being made in the Budget. This will leave a balance of about 2,110 million rupees for 1960-61, the last year of the Plan, out of the total of 11,215 million rupees allotted to the Railway Ministry under the Plan.

Budget Estimates.- During the current year there had been a short fall in revenue both under the goods and the passenger traffic to the extent of 0.31 million rupees. The trend of earnings had, however, shown an improvement recently. After careful consideration, the estimate under this head for 1959-60 has been placed at 1,183.0 million rupees - an increase of only 20 million rupees over the current year's Revised Estimate of 1,163.0 million rupees. The estimate of Other Coaching Earnings has been placed at 240 million rupees, i.e. 4.5 million rupees less than the current year's Revised Estimate of 244.5 million rupees, in order to allow for any drop in parcel traffic.

The estimate of Goods Earnings has been placed at 2,725.8 million rupees - an increase of 267.5 million rupees over the Revised Estimate of the current year. This includes an increase of 50 million rupees to cover the effect of a full year's increase in the goods freight rates introduced from 1 October 1958. This estimate is based on the expectation that, in the coming year, the Railways will be called upon to carry about 14 million tons of additional goods traffic, bringing the total freight traffic to about 151 million tons.

The ordinary working expenses for the budget year had been placed at 2,837.1 million rupees - an increase of 94.9 million rupees over the Revised Estimate of the current year. This increase is made up of the net effect of annual increments to staff and of other normal variations in personnel (about 20 million rupees) and is also due to increase of nearly 10 million rupees in the expenditure on Staff Welfare, increase of about 25 million rupees in repairs costs which covers the additional assets (i.e. newly opened lines, additional rolling stock, etc.) created in 1958-59 and to be created in 1959-60, and about 40 million rupees under operation (viz. staff, fuel etc.) necessitated by the anticipated increase in transport requirements.

The Minister said it was proposed to spend about 30 million rupees more on the programme of Open Line works chargeable to revenue and with further capital expenditure on works, there would be an increase of about 45 million rupees in the Dividend payable to the General Finance. Taking all these factors into account, the revenue surplus for the budget year was expected to be 211.9 million rupees to be credited to the Development Fund.

Progress of Electrification and the New Projects.-Shri Jagjivan Ram said that electrification from Howrah to Mughalsarai on the Eastern Railway and from Asansol to Tatanagar-Rourkela-Rajkharwan-Barajamda on the Southeastern Railway will be completed during the Second Five Year Plan period. In order to meet the urgent requirements of traffic in the coal belt area and in the Calcutta suburban sections in Sealdah Division, some rephasing of works, as necessary, was being done. For sections the electrification of which will be continued during the Third Plan, preliminary civil engineering works, like slewing of track, removal of infringements, etc., were also being taken in hand.

Though no new project was being initiated in the Budget year, the work on various projects already in hand was in full swing. The third year of the Plan witnessed the peak of constructional activity on the Railways. Out of the total of 1,848 miles of new lines and doublings under execution, 423 miles (i.e., 173 miles of new lines and 250 miles of doubling) were opened to traffic during 1958-59. Construction was in hand of 525 miles of new line projects. In addition to these, 900 miles of doublings were in progress.

Due to the improved supply position of rails and sleepers, the Track Renewal Programme had been considerably stepped up during the current year and the progress was expected to be maintained in the Budget year.

The provision for amenities for Railway users had been kept as usual at about 30 million rupees, while a provision of about 100 million rupees had been made for staff amenities and staff quarters.

Three new surveys were sanctioned during the course of the current year. One was for 250 miles line from Bailadilla to Kottavallasa via Koraput, in the context of Dandakaranya Scheme for the rehabilitation of the displaced persons from Bengal, the other for Kriburu-Bimlagarh link and the third for Korea Coalfields taking off from Bijuri-Karaunji Line.

Referring to the question of accidents, Shri Jagjivan Ram said that unfortunately, there had been a slight increase recently in the number of collisions and derailments. He attributed this to the abnormal periods through which the country is passing. An extensive development of line capacity was under execution on long stretches of trunk routes, upsetting settled conditions of working; at the same time, rapidly increasing volume of traffic had been passing over these sections, which were mostly working to saturation point. He said that to face this serious problem the Railway Administrations had been directed to initiate educative, psychological and punitive measures for instilling greater safety-mindedness among the staff. Considerable emphasis had also been given to initial training of and refresher courses for all categories of staff responsible for train working.

Foreign Loans.— The Minister said that last year, 90 million dollars were obtained in loan for rehabilitation modernisation and expansion of the Indian Railways, from the World Bank. Since then a further loan of 85 million dollars from the World Bank was taken. Besides, the Development Loan Fund authorities in U.S.A. also agreed to two loans of 40 million dollars and 35 million dollars. Apart from these loans, assistance was received under the Indo-American Technical Co-operation Programme and the Colombo Plan. A loan of 20 million dollars from U.S.A. and 8 million dollars from Japan became available for the Orissa Iron Ore Project in which the Railways were interested jointly with the Port and Mining authorities.

Progress of Rolling Stock Manufacture.- There has been steady progress towards the objective of self-sufficiency in the country in the manufacture of steam locomotives, carriages, underframes and wagons. In the Budget year, out of the total provision of about 800 million rupees for rolling stock, about 680 million rupees will be spent in the country and only about 120 million rupees (including Sea-freight, etc.) on imports.

There was significant increase in the domestic production of important railway equipment such as mechanical signalling, thermic syphons, pressure castings, signal glasses, vacuum and steam pressure gauges. Some of these were produced for the first time in India. In most cases, imports had been completely eliminated, and where these were inescapable, were now restricted only to the specialised items, ~~imported by the Government~~ of railway equipment. The production of mechanical signalling equipment in the country - both in Railway shops and in the private sector - had greatly reduced the difficulty in regard to the availability of signalling equipment.

The Chittaranjan Locomotive Works produced 154 locomotives in 1957-58, and expect to produce 158 locomotives in the current year and the same number in the next year. A Steel Foundry of 7,000 ton capacity was being set up at Chittaranjan as an essential adjunct to this production unit. TELCO works delivered 85 locomotives in 1957-58 and were expected to deliver 100 locomotives in the current year and the same number in the Budget year.

The Integral Coach Factory turned out 222 unfurnished coaches during 1957-58. Two hundred and ninety-five unfurnished coaches are expected to be produced during the current year, while the Factory would reach its present target of 350 unfurnished coaches in the next year with single shift working. The temporary furnishing unit set up within the factory furnished 178 coaches upto November 1958. It was hoped that this will soon be replaced by a permanent furnishing unit with the capacity to furnish all the coaches turned out.

Staff Matters.- Turning to other aspects of Railway Administration, the Minister referred to the progressive expansion of medical and welfare facilities for railwaymen and their families. Special facilities had been provided for the treatment of railway employees and their families suffering from T.B. Chest clinics for providing domiciliary and out-door treatment to T.B. patients and for controlling the spread of T.B. had been established in most of the Railway hospitals. Six hundred and eightyseven T.B. beds reserved at the end of 1957-58, 211 beds had been added in the current year, and 40 more beds will be available shortly. Dental clinics with part-time dental service had also been provided in some of the hospitals. In order to provide expert medical advice to railwaymen, the honorary services of consultants of eminence had been enlisted to advise and help in the treatment of cases in the principal Railway hospitals. Medical aid to staff at roadside stations and isolated sections was improved by increasing the number of mobile dispensary vans from 9 to 17.

The question of increasing housing facilities for the Railway staff had continued to receive attention from the administration. During the first two years of the Plan, about 25,000 quarters were constructed. Another 11,000 were expected to be added during the current year, and 9,000 in the Budget year. In addition to this, improvements to old type quarters, through provision of better ventilation, electrification, latrines and kitchens had also been undertaken.

As for the educational facilities, the Railways had continued to maintain a number of schools of various categories, expanding these facilities wherever required. Five hundred primary schools will be established on austerity standard and it was hoped that these will start functioning from June 1959. To mitigate the difficulties of the staff who had to send their children away from their headquarters for the purposes of education, schemes for setting up 13 subsidised hostels in the major linguistic areas had been approved.

The per capita contribution to the Staff Benefit Fund had been increased from 2 rupees to 4 rupees from 1 April 1958. This would meet the increased expenditure on account of scholarships, which were being awarded every year in deserving cases to the children of railway employees to assist them in the prosecution of technical education.

The necessity for imparting adequate training to recruits to the various Railway Services and of refresher courses to serving employees was constantly kept in view. A new training school at Bhusawal with a capacity for 650 trainees, was likely to be completed by October 1958. The Technical Institute at Jhansi had been taken over from the State Government of Uttar Pradesh, and a scheme for increasing its capacity from 32 to 150 for training mechanical and electrical apprentices was under consideration. The temporary technical schools at Bangalore and Lucknow were being converted into permanent ones. As recommended by the Estimates Committee, basic training centres had been, and were being, set up in the various workshops and running sheds on the Railways. The capacity of various existing training schools had been increased, and expansion of some others was under consideration. A new training school for the Railway Protection Force staff had been set up at Bulsar, and another at Khergaon was likely to be completed shortly. Arrangements for setting up a Central Advance Permanent Way School at Poona had been finalised, and the school was likely to start functioning soon. This school will serve the E.C.A.F.E. countries also.

The Minister also announced that it had been decided to set up two holiday homes in Kashmir. Such homes have already been provided for class III and class IV staff at other suitable place for which the employees had to pay nominal charges.

The co-operative movement was receiving increasing response on the Railways. Nearly 60 per cent of the railwaymen were members of the co-operative credit societies, whose working capital on 31 March 1958 amounted to 238.7 million rupees. Besides these, there were about 120 consumer co-operative societies and their turn-over during 1957-58 amounted to nearly 8 million rupees.

Labour Relations.— The Minister stated that relations with the Railwaymen throughout the year had been cordial. Regular meetings were held between the National Federation of Railwaymen and the Railway Board for discussion of the various demands of the Railwaymen. The unity move between the National Federation of Indian Railwaymen and the All India Railwaymen's Federation had not made much progress. With a view to help the Federations in the process of implementation of the unity agreement on matters like scrutinising the lists of the ~~anti-organism~~ membership, holding elections and settling any possible disputes that may arise. Services of an independent observer and a retired High Court Judge were made available to the Federations.

(Text of the Budget Speech and other documents, received in this Office.).

34. Economic Planning, Control and Development.

India - March 1959.

Second Annual Report of the National Coal Development Corporation for 1957-1958 published.

According to a review by the Government of India of the second annual report of the National Coal Development Corporation for 1957-58, the 11 collieries run by the Corporation have surpassed the target of 5 million tons of additional production by the end of 1958. The review says that starting with a production of 2.8 million tons in 1955, the actual performance in these collieries reached 3.48 million tons, showing a 25 per cent increase over the basic year 1955. In addition, 0.2 million tons were raised from the new collieries in that year. This production is likely to increase in the next two or three months.

According to the review significant progress has also been made in the areas - Kathara, Saunda, Bhurkunda, and Kargali - in which new mines are projected.

Adequate funds, including foreign exchange, have been placed at the disposal of the Corporation by the Government. So far, the value of orders placed abroad by the Corporation for the supply of machinery and equipment is in the region of 151.2 million rupees. Out of this, machinery worth 57 million rupees has already arrived. Allocations from the Export-Import Bank credit and the yen credit are also being utilised.

With the progress that has been recorded so far, the Government are reasonably confident that the Corporation would be able to give a good account of itself in attaining its target of production.

(The Hindustan Times, 22 March 1959).

Promise of Continued Economic Aid to India:
Five-Nation Meeting at Washington.

According to a World Bank announcement, after a two-day conference, held at Washington on 16 and 17 March 1959, India's five leading creditors and the World Bank have assured India that it can carry on its economic development plans without "undue strain on its external reserves".

The announcement, following two days of talks on India's balance of payments problems, said that from assurances made at the meeting India could maintain the momentum of its second Five Year Plan during the next 12 months.

No figures were given but advance forecasts said India would receive credits totalling roughly 300 million dollars for the year beginning 1 April 1959.

The five countries which met at the World Bank headquarters here were the U.S.A., Canada, Britain, West Germany and Japan.

A World Bank spokesman said in a statement: "The meeting took note of the improvement in the Indian situation since August, and in particular in the foreign exchange position."

It would appear from the statements and assurances which have been made at the meeting that during the coming year India can reasonably expect to maintain the momentum of its development programme and meet the essential maintenance needs of the economy without throwing undue strain on its external reserves.

The conference was the second of its kind. An earlier meeting of the same five countries held last August resulted in a 350 million dollars aid "package" to tide India over the six months ending 31 March 1958. This was the largest multination economic aid plan ever arranged for an underdeveloped country.

In his statement the World Bank spokesman said it was understood at the latest meeting that "...India would continue to pursue the economic and financial policies which had been discussed at the August meeting".

It was noted that, in accordance with earlier forecasts, the aid "package" tentatively agreed on in the latest round of talks only covered the next 12 months ending 31 March 1960. Informed sources said, however, it was "implicit" in the talks that assistance would also be available to India in the final year of its second Five Year Plan - beginning 1 April 1960.

(The Statesman, 19 March 1959).

Community Development Programmes to be Reoriented
from 1 April 1959.

In reply to a question in the Lok Sabha on 9 March 1959, Shri B.S. Murthy, Deputy Minister for Community Development and Cooperation, said that the Community Development programme had been revised with effect from 1 April 1959 and was undergoing a shift in emphasis, so as to further help the development of local leadership.

In a statement laid on the table of the House, he said, the shift in emphasis involved building up of people's representative institutions in the villages, like panchayats, cooperatives, etc., and making arrangements for their collaboration with other voluntary organizations such as yuvak mandals, mahila mandals, etc. It would also involve building up people's representative institutions at Block and District levels, he added.

Regarding action contemplated, the Deputy Minister detailed the following courses:

- (i) Progressively to bring about, wherever necessary, a reorganisation of the panchayats into compact homogeneous social units calculated to foster the growth of community spirit for the common welfare;
- (ii) Enactment of revised panchayat legislation in the States with a view to delegating adequate power and responsibility to the panchayats, and augmenting their resources;

- (iii) Broad-basing of panchayats by formation of functional sub-committees and co-opting suitable persons willing to serve the community;
- (iv) Training of panchayat personnel at all levels;
- (v) Execution of the local works portion of the block schematic budget through the panchayats;
- (vi) Pooling ~~and~~ of resources of the different welfare departments and boards at the block level and their utilisation through the panchayats;
- (vii) Intensification of the programmes of gram sahayaks' training in agriculture and other subjects;
- (viii) Orientation training of non-official members of block development committees; and
- (ix) Study camps for M.P.s and M.L.A.s.

(Indian Information, Vol.2, No.5,
1 April 1959, pp. 175-176).

35. Productivity.

India - March 1959.

Productivity Conference convened by A.I.M.O.:
Need for increasing Productivity in Industries
stressed.

A conference on productivity was arranged by the All-India Manufacturers' Organisation at Bombay on 9 March 1959, before its annual session. Owing to the unavoidable absence of the Union Minister for Industry, the Conference was inaugurated by Shri Murarji Vaidya, Chairman of the Bombay Productivity Council.

The conference, which was attended by prominent personalities, discussed the following topics:

- a) Why Productivity?
- b) Productivity Movement in India.
- c) Technical Possibilities through Productivity.
- d) Human Aspects of Productivity.
- e) Management's Role in increasing Productivity.

Welcoming Shri Vaidya, Shri N.D. Sahukar, chairman of the All-India Manufacturers' Organisation, said that the salvation of all problems lay in productivity. "If we are unable to maximise production it was because of lack of raw materials of which the Government was aware and the lack of awareness in a section of the labour", he added. He, however, felt that productivity was ultimately going to improve matters.

Shri Vaidya's address: Efficient use of machinery key to more production.- In the course of his inaugural address, Shri Murarji Vaidya said that productivity could be increased without an increase in the workload by efficiently using plant and machinery and better lay out.

Shri Vaidya traced the growth of productivity movement in the country and said that the All-India Manufacturers' Organisation had taken interest in the movement from the start. A team was sent to Japan by the Government of India two years ago to study productivity. On their return the Organisation took the initiative in setting up the first Council in Bombay and a National Productivity Council in Delhi.

He said the Council had done excellent work with Government's active co-operation in various fields. But there was a misunderstanding among a section of the labour force that the movement would be utilised to extract more work from them without paying for it. Shri Vaidya dispelled these fears and said that the idea was to get the maximum production and increase the efficiency of the equipment without extra labour load. In fact, in certain instances a greater degree of productivity was achieved by better attention. In the ultimate analysis, he said, labour was bound to gain without an increase in the workload.

Resolution.- The following resolution on productivity was adopted at the Conference.

This Conference of the All-India Manufacturers' Organisation on Productivity is of the opinion that in the context of the developing economy of the country and the necessity of utilising to the maximum extent possible all the resources, men, materials, machines, capital, and power etc., it is essential that all the elements in the industry and, in particular, management should concentrate their attention on increasing productivity. In the opinion of the Conference, while efforts are being made towards general development and expansion of industries, and while industries are exploring markets abroad with a view to competing with manufacturers of other countries, it is inescapable that our productivity should be increased, so that there is effective cost reduction, consistent with the maintenance of quality. The Conference is of the firm view that there is considerable scope for increasing productivity in our industries, and that management as well as workers must strive to create an appropriate climate, on the basis of mutual trust and confidence, so that the techniques and processes of productivity are introduced in the industries for the benefit of all.

36. Wages.

India - March 1959.

Index Number of Earnings of Workers in Mining Industry.

The following two tables give the index of earnings for mining workers, the first series in relation to base at December, 1951 and the second (which is actually projected) at base December, 1959. The revised index numbers presented here do not exactly tally with the earlier figures upto 1955 published in the February, 1956 and October, 1956 issues of the Indian Labour Gazette. The index numbers in respect of the year 1957 are not exactly comparable with the earlier figures, as the re-organisation of States had affected the scope and coverage of the States concerned. The figures, however, serve to give a broad idea of the earnings, since the above changes mentioned are only minor.

As can be seen from the tables given below the index showed a sudden increase in the years 1956 and 1957 and this increase was more predominant in the total coal and all-mining than in total non-coal. This was mainly due to the awards of the Payment of Wages Rules, 1956, and the awards of the All India Industrial Tribunal, 1957 for collieries.

41

Index of Earnings for Mining Workers during December Each Year, 1952-1957

(Base: December, 1951 = 100)

	1952	1953	1954	1955	1956	1957
Coal -						
Assam -----	112.4	114.7	111.3	115.2	139.4	153.9
West Bengal (Ramiganj) -	109.0	107.7	104.6	108.0	149.4	173.3
Bihar -----	107.5	107.8	112.4	113.2	159.9	173.7
Orissa -----	123.9	135.0	135.1	135.0	185.5	197.2
Madhya Pradesh -----	103.4	102.2	111.2	119.2	185.0	223.9
Vindhya Pradesh -----	94.9	99.0	112.0	115.4	187.2	223.4
Hyderabad -----	103.0	105.4	100.2	102.1	131.3	153.8
Rajasthan -----	114.7	121.1	134.9	111.7	203.2	187.2
Mica -						
Bihar -----	103.0	100.2	96.8	98.7	102.0	104.9
Rajasthan -----	99.2	101.4	101.7	95.6	97.8	105.7
Andhra -----	94.0	95.9	94.4	95.0	94.3	104.7
Manganese -						
Madhya Pradesh -----	102.8	100.2	105.0	109.9	111.1	125.0
Orissa -----	102.2	100.0	107.3	103.0	111.5	123.4
Iron-Ore -						
Bihar -----	109.2	110.1	112.8	113.2	130.6	137.6
Orissa -----	93.6	94.1	94.1	95.6	103.2	114.3
Copper -						
Bihar -----	104.6	105.7	102.7	102.8	113.4	121.5
Gold -						
Mysore (K.G.F.) -----	103.0	103.4	99.1	101.3	121.3	120.0
Limestone -						
Madhya Pradesh -----	103.2	111.3	126.5	133.7	127.0	145.8
Bihar -----	103.8	104.7	109.7	108.6	113.0	114.5
China Clay -						
Bihar -----	94.5	97.6	104.3	110.5	123.0	125.5
Stone -						
Bihar -----	107.2	108.0	118.1	121.0	126.5	118.2
Total Coal -----	107.4	107.5	109.7	112.2	158.7	178.9
Total Non-Coal -----	101.9	101.6	103.1	104.9	110.7	118.5
All Minerals -----	105.7	105.6	107.6	109.9	143.6	159.9

Projected Index of Earnings of Mining Workers During December Each Year, 1952-1957

(Base: December, 1939 = 100)

	1952	1953	1954	1955	1956	1957
Coal -						
Assam -----	306.6	312.9	303.6	314.3	380.3	419.9
West Bengal (Raniganj)-	485.15	479.3	465.5	480.7	664.9	771.3
Bihar (Jharia) -----	433.6	434.8	453.4	456.6	645.0	700.7
Madhya Pradesh -----	312.5	308.7	335.9	360.0	561.8	676.3
Mica -						
Bihar -----	445.8	433.7	419.0	427.2	441.5	454.0
Andhra -----	500.8	511.0	503.0	511.5	502.4	557.9
Manganese -						
Madhya Pradesh -----	479.4	467.3	489.7	512.5	518.1	582.9
Iron-Ore -						
Bihar -----	403.9	407.2	417.2	418.7	483.0	508.9
Limestone -						
Madhya Pradesh -----	433.1	467.1	530.9	561.1	533.0	611.9
China Clay -						
Bihar -----	364.7	376.7	402.6	426.5	474.7	484.4
Total Coal -----	433.6	434.0	442.9	453.0	640.8	722.3
Total Non-Coal---	446.3	445.0	451.6	459.5	484.9	519.0
All Mining -----	436.5	436.1	444.3	453.8	593.0	660.3

(Indian Labour Gazette, Vol. XVI, No. 8,
February 1959, pp. 626-628)

Bihar: Minimum Rates of Wages in Agriculture fixed
in Muzaffarpur District.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Bihar has fixed the minimum rates of wages payable in Muzaffarpur district to employees in different classes of work in agriculture such as ploughing, tanswing, embanking, *harrowing*, manuring, weeding, irrigating, threshing, winnowing, harvesting of paddy or rabi, digging and collecting potatoes, harvesting of chillies, etc., and for tractor drivers. The minimum rates of wages have been fixed in kind and it is provided that where the wages are paid in cash, the cash value of wages in kind shall be computed in accordance with the Bihar Minimum Wages Rules, subject to the condition that the minimum rates of wages in cash shall not be less than Rs.1-12⁰⁰ per day. The minimum wages for tractor drivers are fixed at Rs.60/- per month.

(Notification No.VI/WS-1088/59L-4068
dated 4 March 1959; the Bihar Gazette,
Part II, 1 April 1959, page 993)

44

Punjab: Minimum Wages Act, 1948, extended to Employment
in Ayurvedic and Unani Pharmacies.

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 of the said Act, namely,

- " 20. Employment in Ayurvedic and Unani Pharmacies".

(Notification No. 1218/2020-C-Lab-II-59/10500 dated 17 March 1959; Punjab Government Gazette, Part I, 27 March 1959, page 631).

U.P.: Request to Exclude State Textile Mills from
All-India Wage Structure.

According to a report in the Hindustan Times, 28 March 1959, the Uttar Pradesh Government is understood to have asked the Centre to exempt the textile mills in the State from the scope of the all-India wage structure, proposed to be formulated by the wage board for textile industry all over the country.

The State Government is convinced that the textile industry in Uttar Pradesh needs a separate wage structure based on "work load and efficiency".

The textile industry in the State, according to an official report, is working mostly on medium and coarse counts. As such they have to incur extra cost of production at least in two respects - the high price of Indian cotton and the larger number of operatives required for working on medium and coarse counts.

There are 30 textile mills in the State, of which 16 have suspended production during the last year because funds and other wherewithal to run them were not available. As a result, out of a total installed capacity of 841,432 spindles and 13,674 looms, as many as 283,816 spindles and 5,463 looms are lying idle. Several thousand workers have been thrown out of employment.

The State Government has come to the conclusion, after a thorough survey, that the industry is fast decaying and in need of substantial aid and assistance from the Centre. Several mills are in such a state of affairs as they have no liquid resources on hand even to pay wages.

The various Central aid measures the State Government had suggested include the reduction of excise duty. The rate of excise duty and other imposts together, the Uttar Pradesh Government holds, should not be more than 10 per cent on the mill products. The excise duty should be levied ad valorem as it was in force in 1952-53 on fine and superfine counts and in force at present on woollen and silk textiles.

The State Government also wants the State Bank of India to assure working capital requirements of the Uttar Pradesh mills at the Reserve Bank rate of interest, against the security available with each mill.

It has further suggested that the National Industries Development Corporation should sanction loans for their economic rehabilitation. These loans should be given even in those cases where blocks and other assets have been mortgaged as first charge with banks. The Corporation has been further asked to guarantee deferred payment.

The Union Government have been urged to give priority to the Uttar Pradesh mills in the allocation of wagons to transport raw materials and finished products.

Yet another concession asked for relates to the allocation of import quota for dyes and chemicals directly to the mills.

(The Hindustan Times, 28 March 1959).

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Interim 5 Per Cent Increase in Wages recommended
by Wage Board for Sugar Workers.

The Central Sugar Wage Board has recommended an interim wage increase of 5 per cent. This would mean a minimum rise of 3 rupees per month for each sugar factory worker. Announcing this in the Uttar Pradesh Vidhan Sabha on 11 March 1959 during question-hour, Dr. Sampurnanand, Chief Minister, said the Board's recommendation was being considered by the Union Government. Should it receive its approval, the State Government would readily implement it.

(The Hindustan Times, 13 March 1959).

33. Housing.

India - March 1959.

Central Government's New Middle Income Group Housing Scheme Announced.

The Government of India has decided to introduce, with immediate effect, the Middle-Income Group Housing Scheme. The scheme is intended to assist people with an income between 6,000 and 12,000 rupees per annum to build houses for themselves.

The scheme will be financed by the Life Insurance Corporation, which will advance loans at 5 per cent to State Governments, repayable over a period of 20 years. The State Governments will consequently have to recover the amounts advanced by them to individuals during the same period.

The amount of loan to be given to individuals by State Governments will be determined on the following basis: (a) 80 per cent of the estimated cost of construction, excluding land, subject to a maximum of 16,000 rupees, and (b) 80 per cent of the cost of developed land, subject to the condition that (i) the total of (a) and (b) does not exceed 20,000 rupees, (ii) the total cost of construction, excluding land, is not more than 25,000 rupees, and (iii) no assistance for land will be given to those who already possess a developed ~~part~~ plot.

In cases where a State Government does not have its own insurance department and decides to stipulate that the houses built under the scheme should be insured against fire etc., the insurance will be effected with the subsidiaries of the Life Insurance Corporation.

49

The Ministry of Works, Housing and Supply, which has formulated the scheme, has requested the State Governments to initiate immediate action to set up the requisite administrative machinery and draw up detailed rules. The State Governments may entrust its implementation to the same agency as the one administering the Low-Income Group Housing Scheme.

The State Governments have been asked to determine their approximate requirements of funds for the current financial year as well as for the next two financial years, so that the Ministry can advise the Life Insurance Corporation to disburse the amount for this financial year before 31 March 1959. Loans advanced to State Governments by the Life Insurance Corporation will not count against Central assistance for State Plan, or Centrally-administered schemes covered by the second Five-Year Plan.

The floor area of the house proposed to be built under the scheme should not be less than 700 sq.ft. The specifications, designs, estimates and layouts will be scrutinised and approved by the State Governments before sanctioning loans. The loans will be given in suitable instalments, and before sanctioning the last instalment, the State Government will ensure that the development of the site has been completed in accordance with the standards normally prevailing in the station in which the house is built.

The State Government will ordinarily recover the loan in 20 annual equated instalments of principal and interest, but it will be open to borrowers to repay the amount in a shorter period. The rate of interest to be charged will, in no case, exceed by more than 1/2 per cent per annum, the interest payable by the State Governments to the Life Insurance Corporation.

(The Hindustan Times, 5 March 1959).

Subsidised Industrial Housing Scheme: Progress outlined.

A note on the activities of the Ministry of Works, Housing and Supply for the year 1958-59, says that nearly 78,500 houses for workers had been built up to November 1958, under the Subsidised Industrial Housing Scheme begun in September 1952, and 28,500 were under construction. The Government of India sanctioned a sum of 316.4 million rupees to cover the cost of these tenements.

The note adds that to ensure better progress, the State Governments were authorised during the year to utilise allocated funds to acquire and develop sites for houses or sell them to employers or co-operative societies on a no-profit-no-loss basis. In addition, municipal bodies were also recognised for grants.

The amount of loan admissible to co-operatives and employers was increased and the mode of disbursement liberalised as a further incentive.

Under the low-income group housing scheme, a sum of 236.4 million rupees was loaned to various States up to 31 March 1958. Of 60,000 houses sanctioned up to 30 September 1958, construction work on about 32,000 had been completed.

Slum Clearance.- Since May 1956, when the slum clearance scheme was started, 103 projects were sanctioned for building 18,848 tenements and developing 9,743 open plots at an approved cost of 89.7 million rupees. To reduce the rents payable further, subsidy has been raised from 25 per cent to 37½ per cent.

The plantation labour housing scheme has not made much headway on account of inadequate response of planters.

The National Building Organisation arranged three short training courses for engineers in the design and construction of reinforced concrete shell structures, a new technique. An all-India competition for housing designs for the middle income and low income groups for arid and hot humid climates was also organised.

A number of research projects were undertaken to promote the use of new designing principles building techniques and materials.

(The Hindustan Times, 30 March 1959).

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52

Rural Housing: Six Training Centres to be set up.

The Government of India has decided to set up six regional research-and-training centres to train personnel for the State rural housing cells and other engineering field staff employed in the community development blocks.

Trainees will be taught the use of local building materials, improvement of construction techniques, planning and execution of projects.

These centres will be established under the Village Housing Project Scheme of the Ministry of Works, Housing and Supply.

The centres will be attached as separate wings to some of the existing engineering institutions in the country. They will be located at Birla Vishwakarma Mahavidyala Vallabh Vidyanagar, Bombay, the College of Engineering, Bangalore, Bengal Engineering College, Shibpur, University of Roorkee, Punjab Engineering College, Chandigarh, and the Delhi Polytechnic. Training will be for about three months.

It is estimated that 450,000 rupees would be required for the establishment of these centres. The Ford Foundation, which has taken keen interest in the scheme, has agreed to give a grant of 94,500 dollars.

(The Statesman, 9 March 1959).

39. International Economic Relations.

India - March 1959.

Czech-India Trade Agreement Signed.

A trade agreement was signed in New Delhi on 7 March 1959 between India and Czechoslovakia by virtue of which the two countries will buy goods from each other worth 115 million roubles during the course of the next 12 months.

Czechoslovakia will import one million tons of iron ore. The traditional imports from India, including hides and skins, mica and vegetable oils, and other imports, such as tea, coffee and handicrafts, which have been recently added, will be stepped up.

Indian imports from Czechoslovakia have been mainly capital goods, including sugar and textile machinery.

Indian ships will be used to the "maximum extent possible" for transport of goods imported by Czechoslovakia which usually sells her goods to India on CIF basis and buys from India on FOB basis.

(The Hindustan Times, 15 March 1959).

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U.S. Loan for River Projects.

On 18 March 1959, agreements totalling more than 1,000 million rupees in United States loans and grants for 14 public sector river valley development projects were signed in New Delhi. This contribution by the U.S. will finance all rupee expenditures for the balance of the second Five-Year Plan on the projects involved.

These U.S. Technical Co-operation Mission aided projects are in Bombay, Rajasthan, Mysore, Madras, Andhra, Orissa, Bihar, Uttar Pradesh, Madhya Pradesh and West Bengal.

The agreement signed now is on a 40-year repayment basis. Of the amount involved in it, the loan portion is 249.6 million rupees; the balance is a grant.

(The Hindustan Times, 19 March 1959).

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

INDIA - MARCH 1959.

41. Agriculture.

Mysore Bhoodan Yagna Bill, 1959.

The Government of Mysore published on 13 March 1959 the text of the Mysore Bhoodan Yagna Bill, 1959, to be introduced in the Legislative Council of the State. The Bill seeks to facilitate the donation of lands in connection with the bhoodan yagna (land gift movement) initiated by Acharya Vinoba Bhave and to provide for the distribution of such lands.

(The Mysore Gazette, Extraordinary,
Part IV-2A, 13 March 1959, pp.1-14).

Madras: Plantations Labour Act, 1951, extended to
Cardamom Plantations.

In exercise of the powers conferred under the Plantations Labour Act, 1951, and with the previous approval of the Central Government, the Government of Madras has applied the said Act on and from 13 March 1959 to all the plantations within the State of Madras, which are used or intended to be used for growing cardamom and whereon 30 or more persons are employed or were employed on any day of the preceding twelve months.

(Notification SRO A1632 of 1959,
G.O. Ms No. 624, Industries, Labour and
Co-operation (Labour) dated 21
February 1959; Fort St. George Gazette,
Part I, 1 April 1959, page 482).

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Panel on Land Reforms to be reconstituted.

Shri S.N. Mishra, Deputy Minister of Planning, Government of India, said in the Lok Sabha on 19 March 1959 in reply to a question that the Planning Commission panel on land reforms is being reconstituted. It was proposed to include in the panel 12 MPs, two representatives of the All-India Sarve Seva Sangh, three leading economists and about ten leading non-official from States.

"The State Chief Ministers will propose the names of these ten non-officials having special knowledge of, and interest in, land problems", he added.

He said that some States had already formulated proposals to implement the decisions taken in September 1957. In other States proposals were under "active consideration", he added.

State-wise Progress.- Shri Mishra gave the progress on land reforms in the States as follows:

Andhra.- Comprehensive legislation on tenancy reforms is under consideration. The life of the Andhra Tenancy Act, due to expire on 1 June 1959, is to be extended by another year.

Assam.- Legislation has been undertaken to abolish 'Inam' hold by religious and charitable institutions of a public nature.

Bihar.- The Bihar Land Reforms Act, 1950, is being amended to remove difficulties in implementing the Act and to expedite the payment of compensation to former intermediaries.

Bombay.- Comprehensive tenancy legislation has been enacted for Vidharbha and Kutch areas. In the same areas ceiling on future acquisition has been fixed at three family holdings.

58

Kerala.- Legislation was passed to abolish intermediary rights of 'Jemis' in Travancore area. Proposals have been formulated to abolish intermediary rights in Sree Padam lands and Pandaravaka lands.

Madhya Pradesh.- Legislation to abolish 'Muafis' and 'Inams', to fix ceiling on future acquisitions and to regulate tenancies has been introduced to provide for uniform land laws for the reorganised State.

Madras.- The State Government is considering comprehensive proposals.

Mysore.- A Land Reforms Bill, providing for the security of tenure and fixation of minimum rent at one-fourth the gross produce in the case of lands with assured irrigation facilities and one-fifth in other cases, has been introduced. The bill also provide for ceiling on future and on existing holdings.

Orissa.- Proposals for a comprehensive measure of tenancy reform, including ceiling on future acquisitions, have been formulated. Proposals for ceiling on existing holdings are under consideration.

Uttar Pradesh.- The ceiling limit on future acquisitions has been reduced to 12.5 acres. The question of ceilings on existing holdings is under consideration.

Rajasthan.- A Bill has been introduced to impose ceiling on future acquisitions and existing holdings. Ceiling area would be an extent of land yielding a net annual income of 2,400 rupees, ~~excluding~~ exclusive of the labour of the cultivator and his family but inclusive of all subsidiary incomes from the land.

West Bengal.- Provisions relating to ceilings on existing holdings are under implementation. About 67,000 acres have so far become available for re-distribution.

(The Hindustan Times, 20 March 1959).

5

42. Co-operation.

India - March 1959.

Formation of Service Co-operations: Programme
approved by the Congress and the Lok Sabha.

At its first meeting held at New Delhi on 15 March 1959, the new Congress Working Committee appointed by Shrimati Indira Gandhi decided to ask the party to work for increased agricultural production and formation of service co-operatives on a "top priority basis". The Committee devoted much time to consider concrete measures to implement the Nagpur resolutions, including a proposal to train workers to promote co-operation. Co-operative workers, for whom an "ideological background" was regarded necessary, will be trained at Government as well as party levels at the Centre and in the States.

While discussing measures to implement the Nagpur decisions, the Working Committee seemed anxious to see that the emphasis on the ultimate goal of joint cultivation did not divert party workers attention from their immediate task of promoting service co-operatives. The successful working of service co-operatives, it was agreed, would pave the way for joint cultivation.

Besides training of workers and preparation of a guide book to help Congressmen in their new task, the Congress President announced her decision to appoint a committee to examine the question of simplifying the co-operative law.

60

The Congress Party's programme for the creation of service co-operatives to lead to joint cultivation, evolved at Nagpur, was approved by the Lok Sabha, on 20 March 1959, when it accepted a non-official resolution on the subject.

The original resolution was moved by an Independent member, Shri U.C. Patnaik, who made several suggestions to make the experiment of co-operative farming a success. However, it was a substitute resolution tabled by the Congress Parliamentary Party's Secretary, Dr. Ram Subhag Singh, which Shri Patnaik accepted and the Lok Sabha finally passed.

Shri Jawaharlal Nehru, Prime Minister of India in his speech assured members that use of compulsion was not contemplated in establishing service co-operatives or introducing joint cultivation. He favoured application of the principle of co-operation ~~not~~ not only to agriculture but also to industry although agricultural co-operatives, he said, was the aim for the present.

The brief resolution which the House passed recommended that during the next three years every possible effort be made to organise service co-operatives all over the country and to develop a spirit of co-operation generally in order to prepare the ground for voluntary establishment of co-operative farms.

(The Statesman, 15 and 23 March 1959).

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - MARCH 1959.

50. General.

Kerala Beedi and Cigar Industrial Premises
(Regulation of Conditions of Work) Bill, 1959.

The Government of Kerala published on 3 March 1959, the Kerala Beedi and Cigar Industrial Premises (Regulation of Conditions of Work) Bill, 1959, to be introduced in the Legislative Assembly of the State.

According to the Statement of Objects and Reasons of the Bill, it has come to the notice of Government that the employees in the beedi or cigar industry are deprived of the protection and amenities contemplated by the various labour legislations. An examination of this question reveals that the position of the beedi and cigar industry in this State is peculiar and that it has been found impracticable to enforce the labour laws designed to improve the conditions of labour. Further it is found that there has been a tendency on the part of the employers in this industry to resort to devices to circumvent the operation of the Factories Act, 1948 (Central Act LXIII of 1948) by splitting the places of manufacture indiscriminately and also through contract system. With a view to eradicate these evils the Government have decided to prohibit the manufacture of beedi and cigar except in places licenced for the purpose.

The Bill seeks to prevent decentralisation of the beedi and cigar industry by insisting on licences being taken out for the places where manufacture of beedi and cigar is carried on.

62

It is also decided to regulate the conditions of labour employed in the manufacture of beedi and cigar with a view to prohibit the employment of young children in such places. The provisions of the Factories Act, 1948 (Central Act LXIII of 1948) relating to health, welfare, working laws, employment of young persons, leave with wages etc., have been adopted in this Bill with suitable modifications. The present Bill seeks to achieve the above object.

Provision is made for the licensing of beedi or cigar industrial premises. No such premises is to open on any day earlier than 7 a.m. or close later than 7 p.m. No adult employee shall be required or allowed to work in any beedi or cigar industrial premises for more than nine hours in any day, or more than 48 hours in any week. No employee in any beedi or cigar industrial premises shall be required or allowed to work therein for more than five hours in any day unless he had had an interval for rest of at least one hour. Wages for overtime work are fixed at twice the ordinary rate of wages. Every employee in a beedi or cigar industrial premises shall be allowed in each week a holiday of one whole day.

Other provisions of the Bill relate to leave with wages (at the rate of one day for every 20 days of work performed during the previous year calendar year), latrines and urinals, first-aid, cleanliness, ventilation, appointment, powers and duties of inspectors, etc.

(The Kerala Gazette, Extraordinary,
Vol. IV, No. 21, 3 March 1959, pp. 1-12).

Bihar Shops and Commercial Establishments(Amendment)
Bill, 1959.

The Government of Bihar published on 7 February 1959 the Bihar Shops and Commercial Establishments(Amendment) Bill, 1959, to be introduced in the Legislative Assembly of the State. The Statement of Objects and Reasons of the Bill declares that according to section 26(1) of the Bihar Shops and Establishments Act, 1955 (Bihar Act VIII of 1954), no employer can discharge his employee who has been in such employment continuously for six months except for reasonable cause and without giving such employee at least one month's notice or one month's wages in lieu of such notice. Sub-section (2) of the said section confers a right of appeal on the employee against the order of discharge by the employer and under sub-section(3), the decision of the appellate authority has been made final.

The High Court of Judicature at Patna by its judgement dated 26 February 1958, (Jugal Kishore Bhadani vs. Labour Commissioner, Bihar and Others) held sub-sections (2) and (3) of section 26 of the said Act to be unconstitutional and illegal.

The Bill, therefore, seeks to remedy the defects by substituting a new section for section 26 of the Act in the light of the observations of the High Court.

Under the new clause substituting a new section 26, no employer shall dismiss or discharge from his employment any employee who had been in such employment continuously for a period of not less than six months except for a reasonable cause and without giving such employee at least one month's notice or one month's wages in lieu of such notice.

Such notice shall not be necessary where the services of such employee are dispensed with on a charge of such misconduct as may be prescribed by the State Government, supported by satisfactory evidence recorded at an inquiry held for the purpose.

64

Every employee, so dismissed or discharged may make a complaint in writing, in the prescribed manner, to a prescribed authority within 30 days of the receipt of the order of dismissal or discharge on one or more of the following grounds, namely:-

- (i) there was no reasonable cause for dispensing with his services; or (ii) no notice was served on him as required by sub-section(1); or (iii) he had not been guilty of any misconduct as held by the employer.

The prescribed authority may condone delay in filing such a complaint if it is satisfied that there was sufficient cause for not making the application within the prescribed time. The prescribed authority shall cause a notice to be served on the employer relating to the said complaint, record briefly the evidence adduced by the parties, hear them and after making such inquiry as it may consider necessary, pass orders giving reasons therefor. In passing such order the prescribed authority shall have power to give relief to the employee by way of re-instatement or money compensation or both. The decision of the prescribed authority shall be final and binding on both the employer and employee.

(The Bihar Gazette, Extraordinary,
7 February 1959, pp. 1-4).

65

Madras Industrial Establishment (National and Festival
Holidays) Act, 1958, comes into force.

In exercise of the powers conferred under the Madras Industrial Establishments (National and Festival Holidays) Act, 1958 (vide page 48 of the report of this Office for December 1958) the Government of Madras has appointed the 1 April 1959 as the date on which the said Act shall come into force.

(Notification No. SEC No. A 1851 of 1959,
GOMs 1277 Industries, Labour and
Co-operation (Labour) dated 21 March 1959;
Fort St. George Gazette, Part I,
1 April 1959, page 452).

66

Domestic Workers' Terms of Service: Government's
Difficulties in Framing Law explained.

Shri Gulzarilal Nanda, Minister for Labour and Employment, Government of India told the Lok Sabha on 19 March 1959, that while expressing sympathy with the legitimate grievances of domestic servants who have been demonstrating in Delhi for the last few days for better service conditions, that there were difficulties in implementing any legislation in such matters. Shri Nanda said that even in regard to agricultural workers the enforcement of the Minimum Wages Act had proved very difficult. He agreed that in regard to domestic servants there were a number of cases where some kind of relief was called for. Their conditions had to be ameliorated whether by law or by social pressure. The discussions in ~~the~~ the House, he said, would prove useful.

The real difficulty was that in the matter of legislation State Governments had to be consulted and they had all expressed ~~and they had~~ the view that they would not be in a position to enforce legislation.

Shri Nanda, however, said that certain minimum aspects of service conditions could be considered either at the consultative committee of Parliament in labour matters or at the forthcoming Indian Labour Conference.

Earlier, the Deputy Labour Minister, Shri Abid Ali, had also expressed inability to apply the Minimum Wages Act to domestic servants. Shri Abid Ali said domestic servants' demands included eight-hour working days, medical benefit, servants' quarters, one month's notice before termination of service, one month's leave with pay, bonus, etc. He said that it would be difficult to enact legislation on these lines, but the Domestic Servants' Union which had been formed should be able to look after certain aspects of their service conditions.

To a question by Shri D.G. Sharma whether there was any country where service conditions of domestic servants had been laid down by legislation, the Deputy Minister said information had been collected from some countries. There were some regulations in the Federal Republic of Germany, and in some States of U.S.A. There was no legislation in U.K.

(The Hindustan Times, 20 March 1959).

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

India - March 1959.

Working of Labour Welfare Funds in Central Undertakings during 1956-1957.

As early as in 1946, an experimental scheme was formulated for the constitution of labour welfare funds in central industrial undertakings (excluding the establishments under the control of Railway Board and major ports) for the purpose of financing those welfare activities for which no statutory provisions existed. Though the scheme was initially meant for a period of four years, it is now being extended from year to year.

The Fund in each undertaking is constituted mainly out of the contributions made by the workers. The Government also makes an annual grant. In addition, there are certain other sources which accrue to the Fund such as, receipts realised from sources like fines fund; premium from contractors catering to the needs of the workers like fruit stalls, cycle stands, etc., and yields from certain welfare enterprises of a productive nature like canteens, dramatic performances, consumer stores, vegetable gardens, etc.

The Government's contribution to the Fund is subject to certain conditions, viz., (i) there should be in existence a Welfare Fund Committee consisting of the representatives of the Government and workmen engaged in the undertaking to administer the Fund; (ii) the form of welfare activities should be left to the discretion of the Welfare Fund Committee; (iii) the Fund should be utilised to meet the current expenditure but not capital expenditure; and (iv) an annual statement of income and expenditure should be prepared for the scrutiny of the Audit Officer of the employing department.

68

The Government's grant for the year under report was equal to employees' contribution or Rupee one per worker whichever was less, subject to further proviso of adequate funds being available in the sanctioned budget of the Ministry concerned. In practice, however, no uniform policy was followed by the Ministries in regard to their share of the contribution. The Funds are being utilised for initiating and promoting various non-statutory welfare activities, such as, indoor games and out-door sports; reading rooms and libraries; celebration of special festivals like Deepawali, Republic Day; organisation of recreational and educational excursions; entertainment through films, dramas, and bhajans. The Funds are also utilised for advances to meet initial expenditure towards canteens and co-operative societies which are repayable to the Fund; interest-free loans to workers; charity grants for funeral expenses and for other special cases of economic and social hardships. During the year under review, the Funds existed in 160 undertakings. Of these, 140 were in the Ministry of Defence and the remaining in other employing Ministries. The total number of workers employed in 160 undertakings was 136,511 of which 57,257* workers contributed to the Funds. The total contribution made by them was 70,440 rupees. The Government's contribution which was available to only 45 undertakings out of 160 participating in the scheme amounted to 25,138 rupees. The total receipts of the Funds in the various Ministries amounted to 136,576 rupees during the year under review. The total expenditure of these Funds during the year under review was 140,638 rupees excluding the amount of interest-free loan granted to workers. The expenditure on different activities was: (i) Sports - 36,890 rupees; (ii) Health Schemes and medical aid - 10,260 rupees; (iii) Education - 36,883 rupees; (iv) Entertainment - 34,900 rupees; and (v) Relief to workers - 21,705 rupees. Due to the distribution of a huge amount to the tune of 1.09 million rupees to workers as interest-free loans, the welfare activities suffered a setback. The Labour Officers had been requested in 1955 to persuade the Welfare Committees to limit the interest-free loans to 10 to 15 per cent of the amount available in the Funds and to organise Co-operative Credit Societies amongst the workers in case their need for loans was great. The welfare activities from the Funds have been expanding from year to year but without increase in the source of income to the Funds. However, the keen interest evinced by the workers was mainly responsible for the continuance of these Funds in many undertakings during the year under report.

The Funds are administered by Welfare Committees specially set up for the purpose in each undertaking. These committees consist of representatives of workers and employers. In some undertakings, the responsibility of administering the Fund was entrusted to the Works Committees. The Labour Officers in the undertakings were also associated with the working of the Fund in an advisory capacity.

It has been suggested, among others, that the employing Ministries should pay their share of contribution to each and every Fund entitled to it, as the same is essential for the proper working of the scheme and that a limited portion of the Fund should be invested in the activities run on business lines.

(Indian Labour Gazette, Vol. XVI, No. 8, February 1959, pp. 611-612).

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56. Labour Administration.

India - March 1959.

Work of the Ministry of Labour and Employment during the year 1958-1959.

The activities of the Ministry of Labour and Employment in the field of labour legislation, industrial relations, welfare, health and social security of workers during 1958-59, are briefly reviewed in a report just published in connection with Parliament discussions on the demands for grants of the Ministry of Labour and Employment. A brief review of the Report* is given below.

I. Legislation.- Two enactments providing respectively for the establishment of a committee to recommend wage rates for working journalists and for some changes in the formulae laid down by the Bank Award Commission for payment of dearness allowance to bank employees. The first of these enactments, namely, the Working Journalists (Fixation of Rates of Wages) Act, 1958, arose out of the judgement of the Supreme Court setting aside the decision of the earlier wage Board for ~~fixing~~ working journalists on the ground that it did not take into account the industry's capacity to pay. Since the parties ~~was~~ not possible to come to an agreement, the Working Journalists (Fixation of Rates of Wages) Ordinance 1958 was promulgated in June 1958, which was later replaced by an Act. The second Act, the Industrial Disputes (Banking Companies) Decision Amendment Act, 1958 amends the Industrial Disputes (Banking Companies) Decision Act, 1955.

* Report 1958-1959. Ministry of Labour and Employment, Government of India, New Delhi, pp.59.

The Payment of Wages (Amendment) Act, 1957, which inter alia, provides for a higher wage limit of 400 rupees, for extension of the Act to construction workers, and revises the definition of wages, was brought into force from 1 April 1958.

The Workmen's Compensation (Amendment) Bill, 1958, which was introduced in the Rajya Sabha in September 1958 was passed by that House on 27 November 1958. It is now pending in the Lok Sabha. Some of the important amendments the Bill seeks to make relate to: (a) removing the distinction between an adult and a minor for the purposes of workmen's compensation; (b) reducing the waiting period of seven days to 3 days for being entitled to compensation and, in cases where the period of disablement is twenty-eight days or more, providing for payment of compensation from the date of disablement; (c) providing for penalty for failure to pay compensation, when due; (d) enlarging the scope of Schedules I, II and III. Two other important proposals for amendment of the Act, namely, to revise the rates of compensation and to increase the wage limit from 400 rupees to 500 rupees have been referred to an Actuarial Committee to assess their financial burden on industry.

Proposals for legislation.- Certain proposals for fresh legislation were under consideration during the year. These relate to amendment of the following Acts: Working Journalists (Conditions of Service) and Miscellaneous Provisions Act, 1955, Working Journalists (Fixation of Rates of Wages) Act, 1958, Industrial Disputes Act, 1947, and Factories Act, 1948. The question of legislation for motor transport workers is also under consideration. The report of the tripartite Committee set up to examine the draft legislation proposed to regulate the working conditions of motor transport workers was received in February 1958. The Committee could not come to any agreed conclusion on the issues relating to working hours, spreadover and overtime. The matter was placed before the 17th Session of the Standing Labour Committee in October 1958. The Committee recommended that the matter should be examined by the Government and that the decision taken should be communicated to the State Governments before undertaking legislation. A proposal to amend the Mines Act, 1952 in order to remove certain ambiguities and to bring the provision in line with certain I.L.O. recommendations is under consideration.

72

Implementation.- Draft Dock Workers (Regulation of Employment) Schemes for Vishakapatnam and Cochin ports, on the lines of similar schemes in operation at Bombay, Calcutta and Madras ports, have been notified and are expected to be finalised soon.

The piece rate scheme for Calcutta Port evolved by the Calcutta Piece Rate Committee could not be brought into force due to opposition from certain sections of labour. It was, therefore, decided that the report of the Committee should be reviewed by a single-member Committee consisting of Shri Jeejeebhoy who should be asked to make his recommendations to Government after hearing all parties concerned. Accordingly, a single-member Committee was set up in March 1958, which submitted its report in August 1958. The Review Committee made suitable modifications in the piece rate Scheme evolved by the Calcutta Piece Rate Committee, wherever considered necessary. Certain sections of labour are still opposed to it. The matter is under further consideration.

A Committee, known as 'Joint Fixation and Revision Committee', has been constituted under Section 5(1) of the Minimum Wages Act, 1948 under the Chairmanship of the Chief Labour Commissioner, for making recommendations to the Central Government, on matters relating to the initial fixation of wage rates as well as revision of minimum wage rates notified earlier, for the employees in the Central Sphere Undertakings.

II. Industrial Relations: Industrial Disputes and work stoppages.- The man-days lost through work stoppages from January to September 1958 were 5,361,888 as against 4,980,872 for the same period during 1957. The number of fresh disputes leading to work stoppages during January to September 1958 was 970 as against 1,186 for the same period during 1957.

Labour Appellate Tribunal.- On 1 September 1956 when the Industrial Disputes (Appellate Tribunal) Act, 1950 was repealed by the Industrial Disputes (Amendment and Miscellaneous Provisions) Act, 1956, 439 appeals and 823 applications were pending before the Labour Appellate Tribunal. These were reduced to 8 appeals and two applications on 1 November 1958. Out of these 8 appeals, 5 cases were held up on account of writ petition filed in the High Courts and 1 has been remanded for investigation. In the remaining two cases, admission of the State Government to whom these cases have been referred by the Labour Appellate Tribunal, is awaited.

Public Sector Undertakings.- The Standing Committee of representatives of the Ministries of the Government of India set up to consider steps to consider points of disputes in public sector undertakings has held seven meetings since its inception (29 August 1957).

Coal Award.- The period of the operation of the Coal Award was extended upto 25 May, 1959.

Working Journalists Wage Committee.- Under the provisions of the Working Journalists (Fixation of Rates of Wages) Ordinance, 1958 - since repealed by the Working Journalists (Fixation of Rates of Wages) Act, 1958 - a Committee was appointed for fixation of rates of wages in respect of working journalists. The final recommendations of the Committee are expected to be submitted to the Central Government some time in March 1959.

Works Committees.- These committees are set up to discuss and settle day-to-day grievances of workers and promote measures for ~~managing~~ securing amity and good relations between them and the employers. The total number of the Central sphere undertakings which were required to constitute such works committees as on 30 September 1958 was 1,122; in 701 establishments, works committees are actually functioning.

Unit Production Committees.- Unit Production Committees were also set up in some of the Central sphere undertakings. These committees are not formed under any statute; but they work on voluntary basis and in some cases the Works Committees themselves function as Unit Production Committees. These Committees discuss, among other things, production questions in so far as they pertain to specific problems in which labour has a direct interest. The number of Unit Production Committees functioning on the 30 September 1958 was 102.

Labour Participation in Management.- A Labour Management Co-operation Seminar was held at New Delhi on 31 January and 1 February 1958, to consider the constitution and functions of Joint Management councils and administrative problems connected with such councils. Representatives of Central Ministries, State Governments, All India Employers and Workers Organisations and the representatives of employer and workers from the units in which it is proposed to introduce the scheme of labour management cooperation attended the Seminar. The Seminar considered various matters of detail regarding the setting up of the Joint Councils and reached conclusions on certain points. Follow up action has been taken on the decisions taken in the Seminar by writing to the participating units requesting them to send us names of the members of the Joint Council if set up and the functions that they have allotted to the Joint Council. The Scheme, is at present, functioning in 18 undertakings and about 20 more have promised to give the scheme a trial. It is hoped that ~~the~~ in the coming few months many more units will introduce the scheme.

Grievance Procedure.- For prompt settlement of grievances, a Model Grievance Procedure was drawn up. The principles which should guide the parties in laying down this procedure have already been adopted by the Indian Labour Conference. The Draft Model Grievance Procedure drawn up by the Sub-Committee of the Indian Labour Conference in its meeting held on 14-15 March 1958, was sent for comments to all concerned. Their comments have been received and are being examined.

Steering Group of Wages.- The tripartite Steering Group on Wages set up last year held two meetings during the year. The Group has approved a research programme on Replacement Costs in cement, jute, sugar and heavy chemicals (fertilisers) industries. The Group has also decided that for obtaining a picture of wage trends over a period of time experimental wage maps may be drawn up for one or two industrial centres with the help of available data, the object being to draw up a national wage map for the country. The Group has also appointed a Sub-Committee to define the contents of the term 'Wage Costs' and has approved a scheme for a statistical survey of absenteeism pattern of colliery workers in Jharia Coalfields.

Workers' Education Scheme.- The first phase of the Workers' Education Programme viz., the training of Teacher-Administrators commenced in May 1958. In the first session 48 candidates were recruited from the open market and 14 candidates were nominated by three All India Workers' Organisations. The training has been completed in November 1958. These Teacher-Administrators, will be posted in ten centres in different parts of the country where they will undertake the training of worker-teachers.

The Central Board for Workers' Education consisting of representatives of Government, both Central and State, organisations of employers and educationists has been registered as a society under the Societies Registration Act. The Central Board will take up all matters relating to the implementation of the subsequent stage of the scheme viz., training of worker-teachers and through them the training of the rank and file. It is estimated that by the end of the Second Plan period, about 400,000 workers would have been trained.

Evaluation and Implementation Division.- The question of evaluating the implementation of labour laws, awards, agreements, settlements, etc., was considered by the Standing Labour Committee at its 16th Session held in October 1957. In pursuance of the recommendations of this Committee, Government of India set up an Evaluation and Implementation Division to assess the extent of non-implementation of labour laws, awards, etc., and to evaluate the results achieved by such measures. A Central Implementation and Evaluation Committee comprising 4 representatives each of the Central organisations of employers and workers was also set up. The Committee held its first meeting on 20 September 1958, and considered inter alia the problem of non-implementation of awards, agreements, enactments, code of discipline, etc.

The State Governments were also requested to set up similar machinery. The Governments of Punjab, Rajasthan, Uttar Pradesh, Delhi and West Bengal have already set up official sections and tripartite Implementation Committees. The Governments of Andhra Pradesh, Bihar, Kerala and Madras have decided to set up Committees; except Kerala all others have already constituted official sections to deal with non-implementation cases. The Governments of Mysore and Orissa are entrusting the implementation work to a sub-committee of their State Labour Advisory Committees respectively. Similarly, the Government of Madhya Pradesh propose to make the State Labour Advisory Board, responsible for the cases of non-implementation. The Government of Bombay is of the view that as the number of cases on non-implementation in Bombay is not large, a separate committee is not necessary at present. Each of the four States - Mysore, Madhya Pradesh, Orissa and Bombay - has, however, designated one of its officers to look into the cases of non-implementation. The Administration of Himachal Pradesh has, designated an Officer to look into this work. Manipur has no labour problems to necessitate the setting up of a committee. Other State Governments are considering the proposal.

With a view to assessing the extent of non-implementation of awards, etc., the Evaluation and Implementation Division issued circular letters, in January 1958, to all State Governments and to all-India Organisations of Employers and Workers requesting them to furnish, in specified questionnaires, information regarding cases of non-implementation or partial, delayed or defective implementation of labour enactments, awards, etc. Members of Parliament were also requested to offer their suggestions in this connection and to bring to the notice of the Evaluation and Implementation Division any case of non-implementation of labour laws, awards, etc. In response, 934 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 October 1958. Besides, 337 suggestions for carrying out amendments of labour enactments were received in the Division. Of the 934 cases of non-implementation, 402 related to labour enactments while the remaining 532 were in respect of awards, agreements and settlements.

Screening Machinery.- In accordance with the recommendations of the Standing Labour Committee made at its 16th and 17th Sessions the Organisations of Employers and Workers were also requested to set up a machinery to screen cases where appeals to higher Courts were contemplated. One of the Employers' Organisations has entrusted this work to an existing Committee on Industrial Relations. Others are considering the proposal.

Code of Discipline.- One of the important functions of the Evaluation and Implementation Division is to ensure the observance of the Code of Discipline in Industry. A questionnaire for collecting instances of infringements of the Code was circulated to all-India Workers' and Employers' Organisations. At its first meeting, the Central Implementation and Evaluation Committee decided that the Code of Discipline in Industry having been ratified at the Indian Labour Conference held at Nainital in May 1958, became effective from 1 June 1958. By the end of October 1958 about 70 cases of infringements of the Code were reported.

III. Employment and Training.- Regarding employment exchanges, two new colliery employment exchanges were opened at Raniganj and Jharra respectively. To assist university students, it has been decided to set up pilot employment bureaux at the universities of Delhi, Bombay, Aligarh, Kerala and Banaras.

The employment situation during the period under report judged by the number of placements effected by the employment exchanges reflected improvement as compared to the corresponding period last year. On an average a larger number of employers utilized the services of the employment exchanges each month during the year under report and the number of vacancies notified by them was also much higher than for the corresponding period of the previous year. The number of applicants who remained on the Live Register of the exchanges shows a steep rise from 922,099 at the end of December 1957 to 1,159,031 at the end of November 1958.

There were 155 employment exchanges in the country at the commencement of the Second Five Year Plan. Sixty-eight employment exchanges were sanctioned during the first two years of the Plan and 28 have been sanctioned upto 15 November 1958 during the current year. Out of the 96 exchanges so far sanctioned, 72 have started functioning.

77

The minimum programme for the current year is to collect employment information in respect of the public sector throughout the country and from the private sector in areas of industrial importance in each State (excluding Jammu and Kashmir). Collection of Information in the Public sector has already commenced in all States. The first round of enquiries in the private sector started in March 1958 at Coimbatore, Bangalore, Kanpur, Cuttack and Gauhati. Enquiries have started subsequently in other areas also.

Against the physical target to open 53 Vocational Guidance Units during the entire Plan period, 8 units were sanctioned during the first two years and 7 more have been sanctioned so far during the 1958-1959. It is proposed to sanction one more unit during the current year.

Extension of Existing Units Under the Occupational Research and Analysis Scheme 13 Occupational Information Units were proposed to be opened in the country during the entire plan period. Ten units were sanctioned during the first two years. It was proposed to open the remaining three units during the current year, of which one unit in Kerala has been sanctioned and a proposal for the opening of one in Mysore and two units in Rajasthan is under consideration.

Occupational Testing at Exchanges.— This Scheme envisages the introduction of oral trade tests at Employment Exchanges in respect of selected occupations and the work is limited to the Directorate General of Resettlement and Employment (Headquarters) only. Trade tests (Occupational specifications and interview aids) are under preparation.

Central Committee on Employment.— The Government of India has decided to set up a Central Committee on Employment to advise the Ministry of Labour and Employment on problems relating to employment, creation of employment opportunities and the working of the National Employment Service. Steps have been taken to constitute the Committee early.

In regard to training in order to meet the requirements for trained personnel for various schemes under the Second Five Year Plan in the public sector as well as the private sector, it has been decided to increase the present target at least three-fold. In addition to the existing 10,500 seats under craftsman training schemes, it is proposed to sanction 25,000 seats during the Second Five Year Plan. A total of 21,630 additional seats have so far been sanctioned in various States.

During the year under report the Directorate General of Resettlement and Employment published an 'All India Handbook on Training Facilities' in two volumes besides the 16 volumes of 'Handbook on Training Facilities' for each State which had been published last year. A separate all-India volume on 'Handbook on In-plant Training' in the country was also published during the period under report.

The work for the collection and compilation of data relating to training facilities available in the country was handed over to the Manpower officers of the State Governments in May last. The next edition of the handbook for each State will be brought out by the State Governments concerned and the Directorate General of Resettlement and Employment will only be responsible for the compilation of the all-India series volume.

The publication of Career Pamphlets as a part of the overall programme of occupational information was continued. Four new pamphlets in English were printed. Eighteen more were with the Press, and 26 were at different stages of preparation. Twentythree pamphlets in Hindi were also printed and 26 were under print. The Career Pamphlets continued to be distributed to educational institutions and organisations free and sold at nominal prices to the public.

In collaboration with the Delhi University and the Manpower Division of the Planning Commission the Vocational Guidance Unit of Directorate General of Resettlement and Employment has been conducting a survey of the employment pattern of Delhi University Alumni. The survey and tabulation will be completed by 31 December 1958.

Employment for Surplus Personnel.- Efforts to provide employment assistance to surplus and retrenched personnel of defence installations and certain river valley projects continued during the year. Up to the end of November 1958, 2,736 retrenched persons from Ordnance factories had been placed in alternative employment. Onehundred and nineteen retrenched persons from Ordnance Factories still remain to be provided with alternative employment. Out of 4,544 retrenched from the Damodar Valley Corporation, 3,795 workers were provided with employment upto the end of November 1958. Twohundred and thirtyfive selected workers are awaiting offers of appointment from different employers. As a result of the decision of the National Development Council employment assistance is being rendered to retrenched workers of Kaiser Engineers and Overseas Corporation who have erected the additional plant of TISCO at Jamshedpur. Out of 6,912 retrenched, 3,505 offered for assistance, of whom 2,400 are now under the consideration of different employers. Out of 200 persons being rendered surplus in the Central Tractor Organisation of the Ministry of Food and Agriculture offers of employment have been made to about 80.

About 3,000 skilled workers were supplied to the Project 'Amar' for the construction of houses for the military personnel. Six hundred; 1,200 and about 400 ex-trainees have been supplied to the Heavy Electricals Private Ltd., Bhopal, Steel Plants, Bhilai and Rourkela, respectively. Shortages of Scheduled Caste and Scheduled Tribes applicants in the South-Eastern Railway and the Central Reserve Police are being met by making special efforts to supply employees from these communities.

Working Group of the Employment Service.- In accordance with the terms of transfer of day-to-day administration of employment exchanges to State Governments, policies and procedures governing the work of employment exchanges are to be evolved by the Government of India in consultation with the State Governments. For this purpose it was decided at the 'Labour Ministers' Conference held in 1956 at New Delhi that a Working Group consisting of representatives of the Government of India and the State Governments be set up. The working Group met twice during the year 1958 first at Hyderabad in January 1958 and then at New Delhi in September 1958. During these meetings, many questions relating to employment exchange policy and procedure were discussed and agreed decisions taken.

According to the decision of the Central Economy Board, a Special Cell was set up in the Directorate General of Resettlement and Employment on behalf of the Ministry of Home Affairs, to whom the Central Government establishments have been directed to notify their vacancies and surplus personnel for their adjustment in alternative employment. Up to the end of November 1958, of 123 surplus persons reported to the Cell, 61 have already been placed in employment.

Special Schemes for the Educated Unemployed: (i) Work and Orientation Centres.- In the first instance it was decided to set up only three centres on pilot basis one each in Kerala, Delhi and West Bengal. The centres in Kerala (Kalamassery) and Delhi (Pusa) started functioning in March-April 1957. The centre in West Bengal (Kalyani) started functioning in May 1958. The instructions and orientation given at these Centres were mainly directed to give the educated unemployed persons the necessary 'know how' of the various trades to enable them to take up, after completion of training, work as organisers of cottage and small scale industries, co-operatives, sub-contractors, small businessmen and entrepreneurs of various kinds who will, with a small capital, be able to set up activities of their own individually or in groups.

80

During the year ending November 1958 two batches had completed training in Kerala and Delhi and in West Bengal the first batch was still under training. The experience of the batches who had completed training in Kerala and Delhi Centres revealed that the trainees were anxious to acquire at least that much of skill which is imparted in the Industrial Training Institutes and Centres under the crafts-man training scheme. In the absence of adequate skill in a trade it had not been possible for them to establish independent business. Accordingly the scheme was revised in some essential details and the revised scheme forwarded to the State Governments for implementation.

(ii) Training in Small Scale Industries.- Training of 345 trainees for absorption in the Production Centres at Thiruvella and Ettumanoor was completed. It has not been possible for the Ministry of Commerce and Industry to establish more production centres as proposed originally, due to Foreign Exchange difficulties.

(iii) Co-operative Goods Transport Societies.- The Ministry of Transport and Communications has modified the original scheme and has decided to introduce the modified scheme on pilot basis. To start with, one Co-operative Society will be set up in each of the following States: West Bengal, Bombay, Madras, Kerala and Delhi. The modified scheme has been circulated to these States for implementation.

Apprenticeship Training of Educated Unemployed in Public Undertakings.- In addition to the Scheme recommended by the Study Group on Educated Unemployed, arrangements are also being made to place educated unemployed for apprenticeship training under the National Apprenticeship Training Scheme, in the various public establishments and undertakings. The Ministry of Defense has agreed to admit every year 50 educated unemployed persons in the nine Ordnance Factories. Arrangements are also being finalised for placing persons for such training in Railway Workshops, Bharat Electronics Ltd. and Hindustan Aircraft Ltd. Negotiations are also being conducted with other Ministries to provide similar facilities in their establishments and undertakings.

Work of Training Centres.- In order to meet the requirements for trained personnel for different schemes under the Second Five Year Plan in the Public sector and for the increasing requirements of private industrialists, it has been considered necessary to train a large number of craftsmen. The estimated number of trained craftsmen required for the private sector would be of the order of 700,000 according to the Advani Committee of the Ministry of Commerce and Industry. In addition, there would be the requirement for trained personnel in the public sector also. Although it is not possible to train all the men required, as suggested by the Advani Committee, attempts are being made to increase the present target at least three-fold.

Expansion of Craftsmen Training Facilities.- In addition to the existing 10,500 seats, it is proposed to introduce further about 26,000 additional seats during the Second Five Year Plan. There is also a programme for training 7,050 men under the National Apprenticeship Training Scheme and 3,050 under the scheme for Evening Classes for Industrial Workers. Out of a total number of 26,000 additional seats proposed to be sanctioned by the end of the Plan, 21,630 additional seats have so far been sanctioned in the various States, either by providing a second shift in the existing training centres or by way of opening new industrial training institutes. Similarly under the National Apprenticeship Scheme and the scheme for the training of industrial workers (Evening Classes) 1,461 and 1,452 seats respectively have been sanctioned upto November 1958. So far as the sanction of the Government of India is concerned, the targets fixed are being reached but the implementation of the schemes in the States has been presenting difficulties. The first difficulty is in regard to the availability of accommodation and the second regarding the procurements of tools and equipments. These problems were discussed in the State Representatives meeting held on September 22-24, 1958 and certain decisions were taken.

The total number of Craftsmen Training Centres and Institutes working at the end of October 1958 was 108. Training was being imparted in 28 technical trades and 20 vocational trades. During the period under report i.e., upto October 1958, 7,938 persons were ^{under} training bringing the total number of persons trained to 38,095 at the end of October 1958.

The Central Training Institute for Instructors in Koni-Bilaspur and Central Training Institute, Aundh(Poona) turned out 310 trainees upto October 1958. The total number of Instructors and Supervisors trained upto the end of October 1958 were 2,167.

82

A scheme to train women as Craft Instructors which was introduced in 1955-56 at the Industrial Training Institute for Women, New Delhi continued to operate during the year under report. Training under this scheme was given in (1) cutting and tailoring and (2) embroidery and needle work. One hundred and fifteen women had been trained in these two trades at this Institute upto the end of October 1958.

Equipment.- Equipment worth approximately 705,900 rupees was received by the various industrial training centres and institutes and the Central Training Institutes under the I.C.A. aid programme from 1 January 1958 to 30 November 1958 thus bringing the total amount of materials received under this aid programme to approximately 2,968,500 rupees. Russian equipment worth approximately 192,709 rupees has also been received under the I.T.A.A. aid programme.

IV. Labour Welfare: i) Coal Mines.- The Coal Mines Labour Welfare Fund entrusted with the promotion of the welfare of labour has entered the fourteenth year of its existence. It continues its endeavours to improve the living and social conditions of the coal mining population and maintaining a steady progress in all spheres of its welfare activities. A big step taken in this direction during the year is the introduction of the New Housing Scheme envisaging direct construction of about 50,000 houses for the coal mine workers.

The income of the Fund which was 14,663,410 rupees during the last year is estimated at 16,497,351 rupees during the current year. The levy of cess on despatches of coal and coke from the collieries, which is the main source of income, continues at the rate of 37.5nP per ton. The change in the ratio of apportionment of cess between the general welfare account of the Fund and its housing account from 7:2 to 6:31, which was brought into force from 1 April 1957, has been continued during the current year in order to provide adequate funds in the housing account for construction of houses under the New Housing Scheme. The budgetted expenditure during the current year on general welfare measures is 9,656,350 rupees and that on housing 15,840,950 rupees.

ii) Mica Mines.- The budget of the Mica Mines Labour Welfare Fund provided for an expenditure of 1,247,400 rupees for Bihar, 360,300 rupees for Andhra and 243,500 rupees for Rajasthan.

83

iii) Mines Other than Coal and Mica Mines.- Further progress was made regarding the provisions of creches in non-coal mines in accordance with the Mines Creche Rules, 1946. At the end of September 1958, 183 creches were functioning and 26 creches were under construction in the mines other than coal mines. Besides these, 16 joint creches and 124 temporary creches were also functioning. As in the previous year, considerable difficulty was experienced in the strict enforcement of the Mines Creche Rules due to shortage of building materials such as steel, cement, etc., and delay in the grant of final mining leases in certain areas.

Due attention was paid to the provisions of drinking water, firstaid stations, sanitary conveniences and rest shelters, etc., at mines as required by Mines Rules, 1955. The larger mines were also asked to provide canteens for workpersons and to employ qualified welfare officers.

iv) Plantation workers.- It was reported that plantations were being fragmented into small units by some employers with a view to evading their liabilities under the Plantations Labour Act. The Industrial Committee on Plantations which inter alia considered this question at its 8th session held at Shillong in January 1958, agreed that suitable steps should be taken to check fragmentation of plantations but desired that care should be taken to ensure that no new burdens were imposed on small units already in existence. It is accordingly proposed to amend the Plantations Labour Act to empower State Governments to apply it to plantations less than 25 acres in area and employing less than 30 workers subject to the condition that such plantations already in existence prior to the date of amendment will not be brought within its scope. Opportunity is also being taken to carry out some other necessary amendments in the Act. All the proposed amendments are being finalised in consultation with the State Governments concerned.

Maternity Benefits.- Maternity protection is at present provided under the different State Acts on the subject and three Central Acts, viz., the Mines Maternity Benefit Act, 1941, the Employees' State Insurance Act, 1948 and the Plantations Labour Act, 1951. There is, however, considerable diversity in the provisions of these Acts with the result that maternity benefits ~~are not uniform~~ are not uniform in all States and industries. The disparity in benefits cannot, however, be justified and it appears desirable that all women workers should get maternity benefits on a uniform basis. It is accordingly proposed to undertake Central Legislation on the subject, in order to prescribe uniform standards in respect of maternity protection. The proposal has been referred to the State Governments and employing Ministries for their comments.

84

The Gorakhpur Labour Organisation.- The Organisation continued to serve as the sole indenting agency for the supply of Gorakhpur labourers to the various collieries under the Coalfield Recruiting Organisation. In addition, this organisation also undertook to supply labour to State Governments for different projects. It recruited 15,176 labourers (from October 1957 to September 1958) for employment in the various collieries under the Coalfield Recruiting Organisation.

V. Social Security: Employees' State Insurance Scheme.- During the year, the Employees' State Insurance Scheme has been extended to Sawai-Madhupur in Rajasthan; Fathras, Aligarh, Bareilly and Shikohabad in Uttar Pradesh; Bangalore in Mysore; Trivandrum in Kerala; Gauhati, Dhubri, Dibrugarh and Tinsukia-Makum in Assam; Salem, Tiruppur, Kettur and Udumalpet in Madras.

There has been a persistent demand that the Scheme should provide medical care also to the families of the workers. This benefit was extended to the families of insured persons in the following areas during the year: Jaipur, Jodhpur, Bikaner, Pali (Marwar), Bhilwara, Boisar, Sawai-Madhupur - 2 October 1958; Patna, Katihar, Monghyr, Samastipur - 2 October 1958; Bangalore - 26 October 1958; Batala, Bhiwani, Jammu, Ambala, Amritsar, (Chheharata), Jullunder and Ludhiana - 1 November 1958; and Gauhati, Dhubri, Dibrugarh, Tinsukia-Makum - 28 December 1958.

It is expected that Kozhikode, Cannanore and Perole in Kerala, Trichy and Suburbs, Kollipatti, Sivakasi and other areas, having an insurable population of 1,500 or more in Madras, and Dhariwal in the Punjab will be brought under the purview of the Scheme in the current year.

So far 1,356,500 employees in 73 centres have been covered under the scheme. It is expected that by the end of the Second Plan period about 8,670,000 of employees and members of their families will be covered.

A separate hospital of 80 beds was established at Bangalore in a rented building at Sydney Road. Another building at 14 Sankoy Road, Bangalore has also been allotted for use as a hospital with a provision of 20 more beds under the Scheme. A Tuberculosis ward of 25 beds in the Mayo Hospital, Nagpur and 16 beds in the Irrumamma T.B. Hospital, Hyderabad were constructed and have started working during the year. In addition, about 425 beds were reserved in Government, Local Body, and private hospitals in different areas.

85

The foundation stone of the proposed 300-bedded Mahatma Gandhi Memorial Hospital at Bombay was laid on 18 September 1958. This hospital is expected to be constructed during the year 1959.

The Employees' Provident Funds Act, 1952.- The Act was extended to 19 additional industries during 1956-57 and to 12 additional industries during 1957-58. During the year under report, the Employees' Provident Funds Act, 1952 has been further extended to biscuit making industry including composite units making biscuits and products such as bread, confectionery and milk and milk powder with effect from 30 April 1958. At present the Act applies to 58 factory and non-factory industries.

The Act was not applicable to any establishment belonging to Government or a Local Authority by virtue of Section 16(1)(a). It was felt that this exception in favour of the establishments owned by Government or a Local Authority offended the principle of uniformity a treatment between the public and private sectors in the matter of application of labour laws. Clause (a) of Section 16(1) has therefore been deleted in May 1958. As a result of this amendment, the provisions of the Act have been made applicable to factories and establishments owned by Government or a Local Authority engaged in any of the industries covered under the Act employing 50 or more persons and having completed 3 years of their existence.

The number of factories and establishments and the number of subscribers covered under the Employees' Provident Funds Act, 1952 as on 30 September 1958 was as follows:-

	<u>No. of Factories and Establishments.</u>	<u>No. of Subscribers (In Millions).</u>
(a) Exempted -----	745	1.003
(b) Non-exempted -----	<u>6,444.</u>	<u>1,401</u>
TOTAL.	<u>7,189</u>	<u>2,404</u>

(This is exclusive of public sector, statistics for which are being collected).

A member of the Fund contributes at the rate of $6\frac{1}{2}$ per cent of his basic wages and dearness allowance including cash value. An equal amount is contributed by the employer. The total amount of provident fund contributions collected from exempted and unexempted factories upto the end of September 1958, was nearly 1,215 million rupees.

Coal Mines Provident Fund Schemes:- In February 1958 a separate Scheme called the Rajasthan Coal Mines Provident Fund Scheme was notified and made applicable to the Palana Coal Mines i.e. the only coal mine of Rajasthan. During the period from 1 April 1958 to 31 October 1958, 42,458 employees were enrolled as members of the Fund. A sum of Rs. 20,027,248.25 nP. was received on account of Provident Fund Contributions from members and employers, thus bringing the total collections of the Fund to 130,074,237 rupees. Amounts received in the Fund continued to be invested in Central Government securities. During the part of the year, the Government Securities and National Savings Certificates of a total nominal value of 21,750,000 rupees were purchased thus raising the total nominal value of securities of the Fund as on the 31 October 1958 to 148,407,400 rupees. For the year 1958-59 the members of the Fund are being paid interest 5.75 per cent per annum on their accumulations in the Fund.

Coal Mines Bonus Schemes:- The Schemes cover about 338 coal mines employing about 365,000 workers. The schemes provide for the payment of bonus to workers, at the rate of one-third of their basic earnings every quarter provided they fulfil certain conditions relating to attendance. It is obligatory on the part of employers to submit returns in prescribed forms within a period of one month from the last date by which any bonus is required to be paid under the provisions of the Schemes.

VI. Labour Conferences and Technical Assistance.- The report gives details of the participation of the Government of India at the various I.L.O. meetings during the year and the various national conferences, including the 15th session of the Labour Ministers' Conference, 16th Session of the Indian Labour Conference, Conference on Safety on Mines, 17th Session of the Standing Labour Committee and the Industrial Committees on Plantations, Mines other than Coal Mines and Jute.

The report also briefly reviews the technical assistance received from the I.L.O.

87

VII. Statistical Activities.— The report, inter alia, gives an account of the new statistical projects to be taken up under the Second Five Year Plan. Under the Plan, Labour Bureau has been assigned with the following projects: (1) Conduct of fresh family budget enquiries at 50 industrial centres and maintenance of new series of Consumer Price Index Numbers. (2) Conduct of Wage Census on an all-India basis. (3) Compilation of interim indices of labour productivity. (4) A survey of labour conditions in unorganised industries on an all-India basis.

As regards the first scheme, the field work of the enquiries was initiated by the National Sample Survey in the month of August-September 1958 and it would continue for one full year. The Labour Bureau had also started preliminary enquiries for organising retail price collection work at the various Centres. Such enquiries were completed at all the centres and the results are now being finalised on the basis of which the actual price collection work will be started through the agencies of State Governments.

Considerable progress was also made regarding the Wage Census Scheme. Pilot enquiries in four regions namely, Calcutta, Kanpur, Indore and Bangalore were completed. On the basis of material collected in the course of these enquiries, schedules instructions, etc., were finalised and the main field enquiries were launched in July 1958. These enquiries would be in progress for one full year.

The compilation of interim indices of labour productivity in regard to matches industry for all-India and West Bengal and Bombay regions and Paper Industry was completed. Compilation of similar indices for Woollen Textile Industry was taken up.

Technical details for the Survey of Labour Conditions Schemes were finalised in consultation with the Central Statistical Organisation and sampling frames were prepared for the industries of Cement, Cigar, Tobacco-curing, Sugar, Gur, Jute Mills, Paper Mills, Cotton Mills, Metal Products, Artificial Manure, Heavy Chemicals, Soaps, Paints, Varnishes, Fine and Pharmaceutical Chemicals and Manganese Mines. Schedules and instructions for the guidance of the field staff were prepared and pilot enquiries in a few units were conducted to test them.

88

Apart from the schemes under the Second Five Year Plan, mentioned above, the following schemes were also being operated by the Bureau: (1) Index of Earnings Scheme. (2) Enquiry into the conditions and problems of Contract Labour in certain industries. (3) Improvement and extension of existing statistics of employment and wages with a view to meeting the requirements of the National Income Committee. (4) Analysis of absenteeism pattern in Coal Mines. Under the Index of Earnings Scheme, samples of factories were selected according to the design finalised in consultation with the Central Statistical Organisation.

(The Report of the Ministry of Labour and Employment for 1957-1958 was reviewed at Section 56, pp. 80-92 of the report of this Office for March 1958).

Andhra: Demand for Grants for Labour Department Voted

The Andhra Pradesh Legislative Assembly voted on 9 March 1959, the demand for grants for the Labour Department.

Moving the demand, Shri D. Sanjeeviah, Labour Minister, said that it was a matter of satisfaction that a peaceful atmosphere prevailed in the labour field and thanks to the understanding of the labour leaders the threatened strike of over thirty-thousand workers a few months ago was withdrawn.

Shri Sanjeeviah said the APTUC, Mazdoor Sangh and the INTUC deserved thanks for averting the strike. The Government had accepted many of the recommendations of the Hanumantha Rao Committee. In spite of financial strain, they agreed to pay a basic wage of Rs.26 in all concerns controlled by it. The private managements were requested to follow suit. But, there was no legal remedy, if they failed to implement the recommendations. The only method was to raise industrial disputes.

The Minister assured the House that Government had not misused its power to refer disputes for adjudication. But the opinion of Union Labour Minister was that cases should be sent for adjudication as far as possible, but it was not proper to refer all the disputes to the tribunals. The Minister said there were some employers, who did not implement the decisions of the labour tribunals, and the Government had to look into these cases.

Shri Sanjeeviah said Government was taking steps to implement the Minimum Wages Act and hoped that reports of the various Minimum Wages Committees would be received shortly. There were only two employment exchanges in Telangana at the time of the formation of the Andhra Pradesh. Now they had exchanges in all the districts, except Mahbubnagar and Medak. The number of names in the live registers was more, but it did not indicate increased unemployment.

Shri P. Venkateswarlu (Com.) said it was regrettable that the average wage in this State was about 40 to 50 per cent. less than in some other States. Workers were denied even the minimum wage. More staff was necessary to implement the various labour laws. The wages paid to the workers were miserably low and Government must take firm steps to remove this grave injustice.

Shri Venkateswarlu said the decisions of the labour tribunals could be enforced only when Government passed orders on them. Therefore, the Government should delete these decisions, which went against labour. He accused the Ministers of creating rival unions in the Singareni Collieries, Nagarjunasagar and in road transport.

Shri T. Anjiah (Cong.) pleaded for the representation of labour on the boards of managements, to start with, at least on those concerns, in which Government owned a majority of the shares. Government should undertake legislation in regard to the recognition of unions, which should be on the basis of majority support and secret ballot. He denied the charge that the INTUC was creating rift in the unions. It was not correct to state that labour should have nothing to do with politics. The INTUC supported the Congress, as the APTUC supported the Communist Party. Shri Anjiah said that no liquor shops should be located within ten miles of an industrial area.

Srimathi T. Lakshmi Kanthamma (Cong.) pleaded for equal wages for men and women. Because of low wages, some of the women adopted immoral means for earning.

Shri Pragada Kotiah (Cong.) accused the Communists of "breaking up" other unions, which had been functioning for a long time. A clear decision ought to be taken as to whether labour laws should be made applicable to co-operative societies. Only when the workers had representation on the board of management, they would have a correct picture of things. He said Government was neglecting labour other than industrial.

Replying to the discussion, Shri D. Sanjiviah, Minister for Labour, refuted the allegation that the Ministers were encouraging the formation of rival unions in industry with vehemence.

The Minister said that in one breath the Opposition condemned the formation of rival unions and in another breath stressed the fundamental rights to form unions. If a Minister agreed to inaugurate a union the allegation was made that he was anxious to start a rival union and disrupt the unity of workers. It was most unfortunate and the allegation was unfounded.

Referring to the demand that outsiders should be prevented from holding offices in the unions, the Minister said that the idea was a good one. But he would inform them that an I.L.O. expert revealed to him that it took 65 years for an advanced country like England to give up such a practice. At this moment in the history of development of trade union he felt whether it would be possible to stick to that principle. He, however, hoped that the office-bearers of a union, though they might be outsiders, would be actuated with the purest of motives and work for the welfare of the working class without exploiting them for political purposes.

The Minister assured the House that the Government was following a liberal policy in the registration of trade unions. He gave facts and figures to support his contention.

The Minister rebutted the charge that the Factory Inspectorate were not doing their work properly. He pointed out that the number of inspections during the year under review had increased and the number of accidents decreased, which revealed that the Factory Inspectors were doing their work conscientiously.

Referring to the complaint that the wage levels in the industrial sector were not high, Shri Sanjiviah said that theirs was purely an agricultural economy. Their industries were not developed and not making huge profits, like the industries, say, in Bombay. The comparisons in this regard were odious. On the other hand a few industries had to be closed down. Private industries were not able to implement the recommendations of the Hammantha Rao Committee on the plea that their paying capacity was limited. They went to the extent of stating that they would have to close down their industries in that event. If, however, a dispute was raised over the issue, the Government were prepared to refer to the industrial court for disposal.*

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The Hindu, 7 and 10 March 1959.

Bombay: Demands for Grants for Labour Department Passed

The Bombay Legislative Assembly adopted on 13 March 1959, the demands for grants for the Department of Labour for 1959-60.

During the discussions on the demand, Shri Baburao Jagtap (Samiti) said that discontent over the Government's labour policy was growing among the working class people. While unemployment increased, the Government took no effective steps to check it.

He alleged that the Government was giving favoured treatment to the unions affiliated to the Indian National Trade Union Congress. He stated that the Government was also flouting the Naini Tal decisions on promoting industrial peace.

Shri Saqi Miyazi (Congress) denied the allegation that the Government was flouting the decisions of the Naini Tal conference. It was the leftist trade unions that were acting contrary to those decisions. He suggested that the penal sections in the existing labour legislation should be amended to provide for both fines and imprisonment for breaches.

Shri Uddhavrao Patil (Samiti) said that the Naini Tal conference had decided that a fund should be set up for taking over those textile mills which were mismanaged. He asked the Government why such a fund had not been set up. He hoped that immediate steps would be taken in that direction.

Shri Patil stated that the Government was not taking over mills which had gone into liquidation as an unemployment relief measure. That was not enough. The Government should take over all the units which had closed down owing to mismanagement, he said. He promised the Government the fullest co-operation in implementing such a policy.

Shri Khodabhar Patel (Mahagujarat Janata Parishad) suggested that the Government should not apply the Minimum Wages Act to local self-Government institutions, as their resources were limited.

Shri Manilal Parekh (Congress) referred to the Opposition complaints that the Haini Tal Decisions had not been implemented by the Government and said that there were three parties at the conference. The Government could implement the decisions only if all the parties were in agreement.

Replying to the discussion, Shri Shantilal Shah, Labour Minister, stated that with all the difficulties which the textile industry in India was now facing, unemployment in that sector was much less in Bombay State than anywhere else in the country. The problems of the textile industry were so complex that it would not be right to blame the owners of the textile mills for all the troubles of the industry.

The Labour Minister told the House that some of the problems of the textile industry arose from the fact that the price of Indian cotton was very much higher than that of foreign cotton. It would not be possible for cloth manufacturers in this country to import cotton from other countries. Indian manufacturers were, therefore, not in a position to compete with others in the foreign market.

With the changing tastes of the people, coarse and medium cloth produced by many mills in this country was having much less demand than before. Nor were the mills in a position to install machinery right now for the manufacture of finer counts of yarn as that had a bearing on India's foreign exchange position. So the entire blame for the difficulties of the industry could not be placed at the door of the employers, he said.

He noted that employment in the textile industry had gone down. It was also true that some of the mills in the Vidarbha region were in difficulties. Where the managements had been at fault, it might be possible for the Government to take over the mills in certain circumstances and under certain conditions.

One of the ways open to the Government to take over a textile mill was when it went into liquidation. But when it went into liquidation, there was always a time lag, of about six months, between obtaining the necessary permission from the High Court and re-starting the mill.

It was said that certain mills had committed illegal acts with regard to their sickness insurance contribution, provident fund contribution and dues to the workers' co-operatives. The Government always tried to do all that was possible in dealing with such cases. He would be prepared to consider any workable suggestion from the Opposition members to deal with the illegalities of the textile mills.

Referring to the demand often made by the Opposition, that the Government should take over the textile mills which were not being managed properly, Shri Shah said that, apart from several other difficulties, it presented a peculiar problem to the Government.

Such a step meant the creation of the public sector, even if it be temporarily, while it was surrounded by the private sector.

It being the policy of the Union Government to place the textile industry in the private sector - and within the limitations imposed - the Government was doing all that it could for the industry and those employed in it.

Referring to the statement that he was in sympathy with the I.N.T.U.C. unions, the Minister said he would not hide his sympathy for the organisation. The I.N.T.U.C. followed the Government's policy and he was, therefore, bound to have sympathy for it.

Shri Shah asked the Opposition members to point out any instance where the Government had not conformed to the decisions of the tripartite conference at Naini Tal.*

* The Times of India, 15 March 1959.

Madras: Demand for Grants for Labour Department Adopted

The Madras Legislative Assembly passed on 14 March 1959 the demand for grants for the Labour Department for the year 1959-60 after a discussion on labour policy.

Note on Labour Administration:

A note entitled "Labour in Madras State" was circulated to members of the Assembly, in connection with the debate. The note stated that the effective administration of labour laws, improvement in the real wages of workers and the implementation of social security measures which were advocated both in the First and the Second Five-Year Plans formed the main features of the State policy of labour administration. A total of 529,702 workers were employed in the State in 1958 of whom 321,682 were in factories and 208,020 in shops and establishments. In addition, about 80,000 workers were employed in plantations. The Government proposed to fix minimum rates of wages for employment in agriculture as early as possible. The number of accidents in factories in 1958 was 16,577 (including 20 which proved fatal) against 13,721 in 1957 (29 fatal). The inspectors of factories had been instructed to take suitable action to reduce the number of accidents particularly fatal accidents. Safety posters had been distributed to factories free of cost.

During the year 1958, there were 261 strikes including six strikes pending at the beginning of the year. The parties called off the strikes in 44 cases after mutual negotiations and in 63 cases the workers voluntarily resumed work. One hundred and forty strikes were called off on the intervention of conciliation officers and in six cases as a result of adjudication. The number of man-days lost was 792,723 in 1958 as against 722,771 in 1957.

Proposals for providing compulsory recognition of trade unions had been under the consideration of the Government for some time and a draft Bill for the purpose was considered. The

Government had accepted the recommendation of the State Labour Advisory Board that the working of the scheme for the voluntary recognition of trade unions contained in the Code of Discipline might be watched for some time before pursuing the Bill for the compulsory recognition of trade unions.

The Debate:

Shri S. Pakkiriswami Pillai (Soc.) moved a cut motion to reduce the allotment, to discuss "the failure of the Government to safeguard the interests of the workers against the exploitation by the employers in general". The member said that the workers were denied justice because the legal process involved in many labour cases was tiresome. Indeed, to get a final decision in many cases, it took a long time for the workers. Many industries had not introduced minimum wages in their establishments and he was sorry to bring to the notice of the Government that the agreements reached between the workers and the managements in many cases had not been acted upon. The progress made under the Industrial Housing scheme was not satisfactory.

Shri T.T. Daniel (Cong.) complimented the Government on providing more employment opportunities for the labour and pleaded for early legislation to give security of service for the agricultural labourers. He suggested that a scheme should be evolved for effecting compulsory saving from the emoluments drawn by all classes of workers. He referred to a recent judgment of the High Court and said that according to the decision, the management had powers to terminate the services of a labourer by giving one month notice and appoint another more competent person in that place. Such decisions had created great unrest among the workers and steps should be taken to restore peace in industry.

Shri P.S. Chinnadurai (PSP) urged for the establishment of new industries in the public sector and said that the Government appeared to be wooing the private sector too much.

Minister's Reply to Debates

Replying to the debate, Shri R. Venkataraman, Minister for Industries and Labour, stated that the total number of persons employed in industries additionally during the year under review, was 26,000. That figure had reference only to those who had got employment in the productive concerns to which the Factories Act applied. It should be remembered that a much larger number had obtained employment in other avocations and new projects. If they were also included, they might be hopeful that the target of providing employment for 2,84,000 more during the year would be easily fulfilled.

Regarding complaints of increase in the number of accidents, the Minister said that this increase was attributable to the fact that a large number of unskilled labour found employment in the new factories. It was also because they did not form unions through which they could learn how to avoid accidents and also get adequate amenities either through representation to the employers or to the Labour Officers which would go a long way to minimise accidents. However, the Minister said that he had given instructions to the Factory Inspectors to be more vigilant and to take prompt and adequate steps for minimising accidents.

The Minister said that it would not be correct to say that labour disputes had increased unduly in the year. The actual fact was that they could be called "labour demands" and not "labour disputes". Of course, there was nothing wrong in the labour making reasonable demands and getting them granted, and he believed nobody would be sorry that such demands had increased. It should give them satisfaction to note that whereas in 1957, the number of cases settled through conciliation was 569, that in 1958, had increased to 718. He would plead that every support should be given to the Conciliation Officers.

Discouraging resort to strikes, the Minister said that labour laws provided various avenues of settlement of disputes and he found no reason why resort to strike should be had in that circumstance.

He referred to a recent decision of the High Court in which it had been held that, if an employee was dismissed under the "standing orders", the Labour Court had no jurisdiction to interfere with it. The Minister said that in 1947, a similar ruling had been given and there was an appeal to that. The decision of the appeal court was that a labour court was not an ordinary civil court. The civil court decided "what is the contract", whereas the function of the labour court was to see "what should be the contract". Depending on the decision, the Government referred to labour courts cases between the employers and employees in which the latter had asked that the existing contracts should be changed.

The Minister said that a large number of labour cases arose out of dismissal of individuals. To remove this difficulty the Government were considering if a legislation should be brought providing right of appeal to an officer appointed by the Government against such dismissal. A provision of the kind had been made in some recent legislations like those pertaining to hotel workers and beedi workers. He was of the view that if a legislation of the kind was made cases arising out of "Personnel causes", which were large in number at the moment, would diminish. Because the matter was in the "Concurrent List", the State Government had addressed the Central Government and he hoped that a legislation would be passed soon for that.

Implementation of Labour Awards

In regard to the complaint that labour awards were not properly implemented, the Minister said that, though the Government had the right to launch prosecution against the management, they could do nothing if the management had gone in appeal to the court and obtained a "stay order". They were all aware that the right of appeal to a court could not be taken away.

The best solution was that employers and employees should confer together and arrive at an agreement. That would be in the best interests of both parties. The Government would encourage such negotiations and agreed solutions. The advantage of such agreement was that there would be peace in the industry, the labour would get some benefit and production would also increase. There was not much point in rushing to

the court. The court would not go into the other aspects of industrial relation and was not interested so much whether there was absenteeism or increased production. Hence, he would earnestly appeal that the managements and employees should confer together and amicably settle their problems.

Shri Venkataraman said that the Employees State Insurance Scheme could not be extended to the whole State on account of paucity of doctors. If the Government extended it to nine more centres, they would cover the entire State. After this was done, he would take up the question of extending the benefits of the scheme to the families of workers. The Government had in fact addressed the Central Government and the Central Board on the question.

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labour in

As regards private industries, Shri Venkataraman referred to the conference he convened in August last to discuss the question and said that though the representatives of workers were not present then, it was agreed that each employer employing more than 1,000 workers should provide houses for his workers at the rate of four per cent of the workers every year. He proposed to call for another meeting in April next and indicated that if nothing had been done by employers in terms of the agreement, the Government would bring in legislation for the purpose so that at least 50 per cent. of workers in industries employing more than 1,000 workers could be provided with houses in a period of 12 years.

The satisfactory implementation of labour laws, the Minister said, depended upon trade unions. Without trade unions, the defects in the present laws would not be brought to the notice of the Government. Legislation alone, he said, would not bring about the welfare of labour. A sense of justice and mutual goodwill and understanding between the employers and employees were necessary. Labour welfare could not be assured if the two parties assumed that they were ranged in opposite camps. Trade Union leaders had as much responsibility as managements in establishing industrial peace. Industrial growth and efficiency could not be brought about if the managements were guided solely by self-interest. Both should help to advance industrial progress and prosperity.

The cut motion was rejected and demand for grant was voted.*

*The Hindu, 15 March 1959.

Chapter 6. General Rights of Workers.

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

India - March 1959.

Payment of Wages (Madras Amendment) Bill, 1959.

The Government of Madras published on 10 March 1959 the Payment of Wages (Madras Amendment) Bill, 1959, to be introduced in the Legislative Assembly of the State.

According to the Statement of Objects and Reasons of the Bill, one of the recommendations made at the meeting of the State Labour Advisory Board held on 10 October 1956 was that the Payment of Wages Act, 1936 (Central Act IV of 1936), might be extended to all types of employment. The Payment of Wages Act, 1936, has been recently amended by Central Act 68 of 1957, so as to bring construction industry including building operation and construction and maintenance of power and irrigation systems within the purview of the Act. However, the Central Amending Act does not cover motor and other transport undertakings. It is, therefore, proposed to amend the Payment of Wages Act, 1936, so as to extend the provisions of the Act to all motor and other transport undertakings, other than those already covered by that Act. It is also considered necessary that the State Government should have power to extend the provisions of the Act to such of the establishments as they may consider necessary from time to time. The Bill seeks to achieve the above objects. The Bill also seeks to make amendments necessary consequent on the enactment of Central Act 68 of 1957 i.e. empowering the employer to make the deductions for house accommodation from the wages of the employed person and remit the money in the prescribed manner.

(The Fort St. George Gazette, Part IVA -
Extraordinary, 10 March 1959, pp.109-110).

67. Conciliation and Arbitration.

India - March 1959.

Rajasthan: Functioning of Works Committees in 1957.

The Government of Rajasthan has recently prepared a report on the functioning of the works committees constituted under the Industrial Disputes Act, 1947 during the year ending 31 December, 1957. According to the report, 50 units were required to constitute such committees by the end of 1957. However, Works Committees existed only in 33 of these establishments. The industry-wise distribution of the Committees was: Textiles - 8; metal and engineering - 8; sugar - 2; glass and cement - 1 each; and others - 13.

The committees mainly discussed such matters as, (a) absenteeism and its causes, (b) paid-holidays, (c) overtime and overtime payments, (d) investment in National Savings Schemes, (e) safety, (f) supply of uniforms, (g) facilities provided under various labour laws, or by custom and/or tradition and (h) miscellaneous problems relating to individual adjustments and common relationship arising out of day-to-day working. In spite of several impediments in the smooth working of these committees, the position on the whole was quite assuring. The report recommends that the unanimous recommendations made by these committees should be honoured by both the employers and workers. To this end the employers should take immediate steps to implement the unanimous recommendations made by these Committees and the workers' representatives should convey the decisions, etc., of the committees to workers.

(Indian Labour Gazette, Vol. XVI, No. 8, February 1959, page 631).

Kerala Industrial Relations Bill, 1959.

The Government of Kerala published on 14 March 1959, the Kerala Industrial Relations Bill, 1959, to be introduced in the Legislative Assembly of the State. The Bill seeks to regulate the relationship between employers and workmen for the prevention, investigation and settlement of industrial disputes by negotiation and for certain matters incidental thereto.

According to the Statement of Objects and Reasons, the Bill seeks to give shape to the policy of the Government and the aspirations of the workers and employers in the matter of resolving industrial disputes by peaceful and friendly negotiation. When there is a difference of opinion between the employer and workman the tendency should be 'to discuss and not to dispute'. It is the only sure means of achieving industrial peace and creating a proper climate for industrial progress. This is the supreme need of the hour.

It has been stressed in the labour policy envisaged in the Second Five Year Plan that the pre-requisite of industrial peace is the primacy of importance given to the settlement of disputes by negotiations and conciliation and the minimising of references of industrial disputes to adjudication. Because of the tortuous course of adjudication and acerbity feelings that inevitably result from the attempts of the disputants to win their case, the estrangement will persist even after an award has been passed and will handicap collaboration between the parties for peaceful working in the future. The arrangements envisaged in the Industrial Disputes Act are not sufficient to give full scope for negotiation and conciliation. Therefore, the Bill seeks to provide by way of supplementing the provisions in the Industrial Disputes Act, further machinery for conciliation such as the Industrial Relations Committees, and the Industrial Relations Board.

The provisions in the Bill are not in derogation of those contained in the Industrial Disputes Act, but only by way of supplementing them. The constitution of these committees and the Board is so arranged as to instil confidence in all sections of the workers and employers. Of course, Industrial Relations Committees are even now functioning in almost all important industries in the State, but the one inhibiting factor in their working is that they are not clothed with statutory authority. The Bill seeks to rectify this defect.

It is widely admitted that a strong trade union is a condition precedent to healthy industrial relations and industrial peace. Too many unions in one industry especially the emergence of splinter and mushroom unions often come in the way of settlement of industrial disputes in as much as workers lose the bargaining power and the employer loses confidence in the capacity of the union to deliver the goods. Therefore, the Bill seeks to give due recognition to the union which commands the confidence of the majority of workers as the sole negotiating agent for collectively bargaining on behalf of all workmen on issues which affect the industry as a whole and bind them by collective agreement. At the same time, respecting democratic rights of workers, the other unions will be given an opportunity to function but only with respect to issues pertaining to the particular establishments. All unions which satisfy certain minimum conditions would be compulsorily recognised by the employer concerned.

Another pre-requisite to healthy industrial relations is the acceptance of a code of discipline in the industry both by workmen and employers. Such a code of discipline has been accepted by all Central Trade Union organisations and representatives of employers ~~met~~ at the Mainital conference. It is the conviction of the Government that the code if faithfully accepted and implemented will go a long way to evolve a proper climate for the emergence of a cordial atmosphere in the industrial field. The Bill therefore seeks to give statutory force to the code of discipline.

The Bill on the whole envisages the maintenance of sound and healthy industrial relations which alone will ensure and accelerate industrial progress.

The more important clauses of the Bill are summarised below.

Clause 2 of the Bill deals with the definition of various terms in the Act.

The definition of "employer" has been widened in its scope. Provision has been made that under certain circumstances, contractors' or agents' employees can enforce their rights against the ultimate employer who engages the contractor or agent.

"Establishment" is defined to mean a unit of employment in any trade, business, etc., including any unit of employment under the authority of the Government or a local authority. But units of employment in which not more than 10 persons are employed are excluded. Power is however vested in the Government to declare any unit of employment employing ten or less than ten persons also to be an establishment.

The definition of "workman" is more or less the same as in the Industrial Disputes Act, 1947, except that workmen, employed directly or through a contractor as well as casual workmen or badli workmen have also been included.

Clause 4 of the Bill deals with constitution of works committees. Under this clause, where there are fifty or more persons employed, the employer shall be bound to constitute a works committee within six months of the commencement of the Act. The purpose of the works committee shall be to promote measures for securing and preserving amity and good relations between the employer and the workmen and to make suggestions for improvement in the method and organisation of work. The committee is to consist of equal number of representatives to represent the employer and the workmen. The representatives of the employer are to be nominated by the employer and representatives of workmen are to be chosen in the manner provided for in the rules from among workmen and in consultation with the recognised trade unions in the establishment.

Clause 6 - provides for the constitution of Industrial Relations Committees. These committees may be constituted for any specified establishment in a specified area or for any specified industry. The committee is to consist of members representing workmen and employers in equal numbers. Any majority decision of the committee is to be considered to be a settlement arrived at by agreement between employers and workmen in so far as that decision relates to those parties who were represented at the election of the members of the committee. Such a settlement shall be binding and enforceable on those parties and is not liable to be questioned in a court of law. Within 14 days from the date of conclusion of the proceedings, the committee is bound to send its proceedings, in the form of a report, to the Government. Government are to publish the decision of the committee ~~within~~ within one month.

105

It is also open to Government in case the Government are satisfied that in view of the vital character of the issues involved and the importance of the industry it is necessary to do so to enforce the decisions of the committee on all parties to the dispute whether they are represented at the meeting for election of members or not. Of course, before ordering the enforcement of those decisions, Government are bound to issue notice to the parties or their representatives in the prescribed manner.

Clause 7 - provides for the constitution of a State Industrial Relations Board for the purpose of promoting industrial ~~dis~~ peace in the State and for aiding and advising Government on matters regarding industrial and labour relations. This Board will also be competent for settling and deciding industrial disputes that may be referred to them by Government. Government may allot such other functions as they may think fit from time to time to the Board. This Board is to consist of 11 members excluding two ex-officio members. Of the 11 members 10 shall be chosen to represent in equal numbers employers and workmen. The chairman is to be a person who is or has been a judge of a High Court. The representatives of the workmen are to be chosen in consultation with branches of national trade union organisations functioning in the State and representing at least 10 per cent of the total number of workmen in the State who are members of the registered trade unions. Representatives of the employers shall be chosen in consultation with the principal associations of employers functioning in the State.

Clause 8 - provides for the recognition of trade unions by an employer. The recognition is subject to certain conditions. Where there are more than one trade union in an establishment only such of them which shall have at least 15 per cent of the workmen in the establishment as their members shall be entitled to recognition. A recognised trade union is to have certain rights. These are mentioned in clause 9.

Provision is made for appeal in case recognition is not granted and for withdrawal or suspension of recognition under certain specified conditions.

Clause 12 - provides that a recognised trade union shall be entitled to be certified as a negotiating agent of workmen for the purpose of collective bargaining in relation to an appropriate unit in case that trade union has the support of a majority of the workmen of the establishment. If there is no union having such majority that union which has the largest support of the workmen in that appropriate unit shall be entitled to be certified. Similar provision is made for recognition of representative association of employers in relation to an appropriate unit, where a recognised trade union or unions has or have been certified as a negotiating agent of workmen.

Clause 19 lays down the procedure to be followed in regard to settlement of disputes by negotiation between the parties. Under this clause the employer or the executive of a recognised trade union or a negotiating agent of workmen may send a notice to the other party setting out the nature of the disputes and the demands that the other party is required to meet. The matters of dispute to be so referred to are classified in Schedules I and II. Within 7 days of the receipt of the notice or within such longer time as the conciliation officer may in a particular case allow, the party receiving the notice is to furnish to the other party a statement specifying the demands which are acceptable and the demands which are not acceptable or which are acceptable only subject to conditions and then enter into direct negotiations. Any negotiations carried on under this clause shall be concluded within 14 days, but by agreement between the parties the period may be extended beyond 14 days. Any settlement arrived at in pursuance of the negotiations is to be reduced ~~to writing~~ into writing and signed by the parties and a copy furnished to the conciliation officer. If the parties are not able to come to a settlement they may make an application to the conciliation officer for settlement of the dispute. The conciliation officer shall as soon as possible try to mediate and effect a settlement. If, however, he is of opinion that it will be advantageous to have a settlement effected through the Industrial Relations Committee, he shall make a report to the Labour Commissioner or such other officer who may forward the application to the Industrial Relations Committee for the settlement of the dispute. Every conciliation proceedings by the conciliation officer or the Industrial Relations Committee is to be completed within 14 days, unless the parties to the dispute agree that the time may be extended. But in no case the time shall be extended beyond one month. If no settlement is arrived at the conciliation officer or the Industrial Relations Committee, as the case may be, shall, after conclusion of the proceedings, forward a report to Government. If Government are satisfied that it is necessary to do so, they may make a reference of the dispute for adjudication by an Industrial Tribunal as provided for in the Industrial Disputes Act, 1947, or make a reference to the Industrial Relations Board.

Industrial Relations Board. - Clause 21 - provides for reference of disputes to the Industrial Relations Board. Under this clause, if Government are of opinion that an industrial dispute exists or is apprehended in an industry and the dispute involves questions which are of importance to the interests of the State or of the industry, they may refer the dispute to the Board for settlement of the dispute. On such reference the Board may endeavour to bring about a settlement.

Collective agreement.- A collective agreement between an employer and the workmen is binding on all workmen and employers whom the parties to the agreement deem to represent. It shall not be reopened during the period for which the settlement is in force.

Dismissal of workmen.- An employer shall not dispense with the service of workmen employed continuously for a period not less than six months unless it be for misconduct supported by satisfactory evidence. On ground of continued ill-health also, such workmen may be discharged in which case he shall be treated as having been retrenched. A workman is given the right to appeal to the prescribed authority on the ground that the employer has violated the conditions aforesaid in the discharging him. The order of the prescribed authority in appeal shall be binding on the parties and shall be enforceable as if it were a settlement.

Strikes and lockouts.- Clause 25 - imposes certain restrictions on strikes and lock-outs. A workman shall not go on strike or an employer shall not declare a lock-out in connection with an Industrial disputes:- (a) during the pendency of negotiations; (b) during the pendency of proceedings before any authority under this Act and 7 days after conclusion of such proceedings; (c) during the period of operation of any settlement or collective agreement. A strike or a lock-out in contravention of these conditions shall be considered to be irregular.

Clause 26 - provides that a workman who commences or continues an irregular strike shall forfeit his claim to wages for the period during which he is on strike. In the case of an employer, for the period of the lock-out he will be liable to pay to the workman $1\frac{1}{2}$ times the wages, leave, bonus, contribution payable by the employer and other emoluments which the workman might be entitled to if there had been no lock-out and the workman had been continuously in employment during the period of the lock-out.

Unfair practices.- Schedule IV lists the unfair practices on the part of a recognised trade unions and employers. Any employer committing an unfair practice shall be punishable with fine which may extend to one thousand rupees. The court ordering the fine may direct that the fine realised shall be paid to the party who was injured by such unfair practice, by way of compensation. The recognition of a trade union is liable to be withdrawn or suspended if it has committed any unfair practice.

The provisions of the Bill when passed are to have effect notwithstanding any provisions inconsistent therewith contained in the Industrial Disputes Act, 1947 (Central Act) but shall not be in derogation of any other provisions of that Act.

(Kerala Gazette, Extraordinary,
Vol. IV, No. 30, 14 March 1959,
pp. 1-36).

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES
OF WORKERS.

INDIA - MARCH 1959.

71. Employees and Salaried Intellectual Workers.

U.P.: Higher Pay Scales for Teachers.

The Uttar Pradesh State Assembly announced on 19 March 1959, introduction of new scales of pay for teachers of private higher secondary schools and degree colleges from next July. ~~The new scales are:~~

In private higher secondary schools, the salary of a principal will begin at 250 rupees and rise to 375 rupees as against present scale of 250 rupees to 500 rupees. Headmasters of high schools will now be in the scale of 225 rupees to 425 rupees in place of 200 rupees to 350 rupees.

The new scales for others are: Assistant master in intermediate colleges, 175 rupees to 350 rupees in place of 150 rupees to 250 rupees; trained graduates 125 rupees to 300 rupees (125 rupees to 200 rupees); trained undergraduates 75 rupees to 200 rupees (75 rupees to 175 rupees); JTC-trained 60 rupees to 125 rupees (60 rupees to 110 rupees).

In the case of principals of degree colleges, the new scales will be 650 rupees to 900 rupees in place of the present scale of 600 rupees to 750 rupees.

For the principals of post-graduate degree colleges, the scale will be 800 rupees to 1,200 rupees, in place of 700 rupees to 1,000 rupees. Heads of departments in degree colleges will receive 300 rupees to 500 rupees (250 rupees to 400 rupees); heads of departments of post-graduate degree colleges Rs.350 to 600 rupees (300 rupees to 600 rupees); senior teachers in degree colleges 275 rupees to 580 rupees (250 rupees to 500 rupees); senior teachers in post-graduate degree colleges 325 rupees to 625 rupees (300 rupees to 500 rupees); junior teachers of degree colleges 225 rupees to 450 rupees (200 rupees to 400 rupees); junior teachers of post-graduate degree colleges 250 rupees to 500 rupees (200 rupees to 450 rupees).

A flat increment of 2.50 rupees has been given to all primary school teachers, raising their pay to 48.50 rupees.

(The Statesman, 20 March 1959).

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

India - March 1959.

Certain Categories of Government Employees given Right to Strike: Changes made in Service Rules.

Striking changes have been made by the Government of India in civil service conduct rules lifting forthwith the ban in the case of certain categories of its employees on joining demonstrations and strikes. The vital amendments in the service rules, which affect non-gazetted Government employees drawing 500 rupees and less, and working in State-owned or State-managed establishments other than the Railways, will allow them to join associations, acquire movable and immovable property, raise or accept subscriptions, and speculate in investments.

Besides, under the relaxed rules, an employee in the specified non-gazetted class need no longer seek the permission of the Government to contract a second marriage provided such a marriage is permissible under the law.

Government employees have also been exempted from the rule enjoining them in the past "not to bring or attempt to bring any political or other outside influence to bear upon any superior authority" to further their interests in respect of matters pertaining to their service under the Government.

The rule prohibiting Government employees from taking recourse to any court or to the Press for the vindication of any official act which has been the subject matter of "adverse criticism or attack of ~~extreme~~ defamatory character" has also been relaxed.

The amendments to the Central Civil Service (Conduct) Rules, 1955, have been made by the President in the exercise of the powers conferred on him under Article 309 of the Constitution.

(The Hindustan Times, 11 March 1959).

74. Indigenous Labour

Fifth Tribal Welfare Conference: Importance of Forest Co-operatives Stressed

The fifth Tribal Welfare Conference was inaugurated at Bordi (Bombay State) on 12 January 1959 by Dr. Rajendra Prasad, President. Shri Vaikunth L. Mehta, Chairman, Khadi and Village Industries Commission presided.

Inaugurating the Conference, Dr. Rajendra Prasad stated that India would stumble and falter on the road to economic and social progress leading to the early establishment of a socialistic pattern of society, if adivasis were not uplifted from this slough of ill-iteracy, ignorance, economic backwardness and the "loss of nerves". He observed that the task was himalayan in its magnitude and required the earnest, patriotic and disinterested labour of an army of social servants to carry on the work of bettering the conditions of adivasis in every nook and corner of the country.

Shri G.B. Pant, Union Home Minister, stressed that the nomadic and semi-nomadic adivasis all over the land should be settled in selected areas providing facilities and amenities to enable them to live a decent, honourable and purposeful life.

Shri V.L. Mehta, the President of the Conference, in the course of his address emphasised the need on the part of the people and State Governments to provide within the shortest space of time all the amenities and facilities to enable adivasis to lead a normal civilised life. He urged that concessions, grants-in-aid and various other facilities for promoting their social and cultural progress should be continued till such time when the social and economic disparities that now exist between the adivasis and non-adivasis were removed. He made a strong plea for the continuation of the special representation of adivasis in the legislatures of the country.

Speaking about the adivasis who were assisting the Government to exploit the forest wealth he urged that they should be provided with all facilities such as schools for their children, housing and medical aids, etc. by the Government themselves. Further, in any future programme of the Government for exploitation of the forest, the adivasis must be given the highest priority. With regard to cultivation of lands by adivasis he urged the formation of the cooperative farming societies wherever possible as he felt that it was the most effective means of bringing about the regeneration of the adivasis as well as the emancipation of the adivasis from contractors and middlemen who were

exploiting them. He also pleaded for a system of education specially suited to the genius of the adivasis. The instruction imparted to them should be in harmony with the life and surrounding of the adivasis. The criterion should be that any training that the adivasis received must be useful to him and to his community and should not render him at the same time an alien amongst his own people. He urged the starting of subsidiary occupations for the adivasis such as small pharmaceutical works wherever possible.

Sectional meetings: The Conference then divided itself into three sections which dealt with (1) Social Welfare under the chairmanship Shri Jugatram Dave, Vice President of the Raniparaj Seva Sabha, Vedchi, (2) Anthropology under the chairmanship of Dr. B.H. Mehta of the Tata Institute of Social Sciences, and (3) Tribal Section under the chairmanship of Shri Williamson Sangma, Minister, Tribal Welfare, Assam.

Shri Williamson Sangma, Chairman of the Tribal Section observed that policy makers and social workers should learn from adivasis the nature of their problems and ways of overcoming them. They must try to preserve and foster good customs and traditions.

Dr. B.H. Mehta, Chairman of the Section on Anthropology deplored the differences in approach to tribal problems between the anthropologists and those in authority and pleaded for more understanding and sympathetic approach to the problems from a scientific point of view.

Shri Jagatram Dave in his address dealt with the philosophy of social work among adivasis from the Gandhian angle and pleaded for genuine and sincere social workers who would completely identify themselves with the adivasis.

After each chairman had delivered his address, the papers submitted by the delegates were discussed. There were in all 43 papers dealing with various aspects of tribal welfare. Of these 11 papers dealt with social welfare, 8 with anthropology and the remaining 24 with tribal welfare.

In the discussions that took place, it was suggested that as the physical targets were dependent on resources and the time factor, it would be useless to evaluate the progress in any given item of welfare work without reference to these two factors. It was also emphasised that the state of society and its needs should also be taken into consideration. The question of assigning lands to adivasis figured prominently in the discussions. The tendency among the employers of adivasi labour such as the forest departments and the planters to pay them low wages should be put an end to and steps should be taken to insist upon them the payment of fair wages to adivasi labourers. As lack of communication in adivasi areas was responsible for their social and economic backwardness, it was unanimously agreed that adequate and immediate steps should be taken to provide communication to every adivasi village in adivasi areas. The starting of suitable handicrafts

and small scale industries for the benefit of adivasis was also emphasised.

The development of adivasi areas under special multi purpose blocks was then discussed. Emphasis was laid on roads, markets, ashram schools, social education, agriculture, irrigation, animal husbandry, poultry, health and rural sanitation, housing, multi-purpose cooperative societies, grazing grounds, etc. The Conference also discussed the ways and means by which the difficulties now experienced in working these special multi purpose blocks could be resolved. It was emphasised that for all these types of work, the cooperation and active participation of the adivasi communities in the area should be enlisted and for this it was necessary to enlighten the adivasi community in special multi purpose blocks that the benefits of the block development would accrue to their benefit and therefore, it was necessary for them to extend their share to the work.

In the course of discussion a suggestion was made that the adivasis should be re-tribalised. It meant in other words that the tribals should be permitted to continue their primitive mode of life and should be kept away from the civilizing influence of modern economic life. This was stoutly opposed by the adivasis themselves and the other delegates present.

Shri L.M. Shrikant, Commissioner for Scheduled Castes and Scheduled Tribes who participated in the discussions acquainted the Conference with the efforts made by Government to improve the social and economic condition of the adivasis all over the country. As the success of any measure in this direction depended fully on the cooperation of the State Governments, the social workers and the adivasis themselves, he felt that the progress so far achieved though creditable and remarkable in some respects did not fully come to their expectations. Efforts have, however, been made by all concerned to increase the tempo of progress in all directions and as far as the parties in this tribal welfare work were concerned there was neither lack of interest, nor lack of enthusiasm for work, nor lack of resources but there were certain psychological factors which now and then impeded their work. If while criticising the Government these facts were borne in mind by the critics they would realise on a dispassionate view of things that the Government on the whole had done everything in its power to promote the allround development of the adivasis. He added that 300 million of rupees had been spent so far on adivasi welfare work, through multipurpose projects, sarvodaya and intensive development schemes.

Resolutions: The more important resolutions adopted are briefly reviewed below:

(i) Life membership scheme: The Conference expressed its satisfaction at the Scheme of Life Members started by Bharatiya Adimjati Sevak Sangh with a view to give some security of service to social workers among the adivasis and believed that the scheme will create in the workers

enthusiasm to carry on the work continuously in a missionary spirit. It appealed to the educated and service minded youth of the country to dedicate their lives to the service of the tribals.

(ii) Forest Labourers' Co-operatives: The Conference drew attention to the experiment of forest labourers' cooperative societies started in Bombay which had put an end to exploitation of adivasis by middlemen and helped adivasis to enjoy the full benefit of the forests in the place of contractors besides developing a sense of self-reliance and corporate life. It had also brought about good relations between the adivasis and the Forest Department and resulted in the protection of the forests. The Conference therefore was of opinion that such forest cooperative societies should be started in other States as well.

(iii) Multi-purpose Blocks: The Conference expressed its gratitude to the Government of India for starting special multipurpose tribal blocks in adivasi areas and was of the opinion that in order to gain the confidence of adivasis in this work, it was desirable to take the help of experienced workers who had been working for a long time among them with a spirit of sacrifice and missionary zeal.

(Vanyajati, Vol.VII, January 1959,
pp.29-35)

Committee set up to Study Development Projects in Tribal Areas.

The Government of India has decided to set up on a high-powered committee under the chairmanship of Dr. Verrier Elwin, the anthropologist, to study the working of development projects in tribal areas.

There have been complaints from tribal M.P.s that national extension service and community development blocks are not functioning properly in many places. In most cases they are "managed" by outsiders, who lack sympathy with the customs and sentiments of the people they seek to serve.

The Planning Commission's study team on social welfare projects (the Biju Patnaik Ray Committee) has been going round tribal areas and its report, expected to be available in a month or two, will form the foundation on which the proposed Verrier Elwin committee will carry out further work.

It has therefore been decided to announce the personnel of the new committee, which is to include a number of top-ranking anthropologists and welfare workers, only after the Patnaik Ray Committee has submitted its report.

Among the development schemes on which the Central Government has laid emphasis is the one to wean away the tribals from their traditional, though wasteful, method of cultivation, called the Jhum cultivation.

(The Hindustan Times, 19 March 1959).

118

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - MARCH 1959.

81. Employment Situation.

Employment Exchanges: Working during December 1958.

General employment situation.- According to the Review of work done by the Directorate-General of Resettlement and Employment during the month of December 1958, the employment situation in general showed a marked improvement as compared with that of the previous month. The placements effected during the month under report were 21,037 as against 18,911 of the previous month recording an increase of 2,126. The number of employers also rose from 6,351 in November, 1958 to 6,638 during the month under report and so also the vacancies notified which were 30,590 i.e. 1,563 more than the figure of the last month. The number of registrations effected also rose which were 212,961 i.e. 4,481 more than the figure of November 1958. As an effect of the increase in registrations the figure in the Live Register of the Exchanges also recorded an increase of 24,268 and stood at the record figure of 1,183,299.

Widespread shortages continued to exist in respect of draughtsmen, experienced stenographers, fast typists, compounders, mid-wives and nurses. A number of exchanges experienced shortage in respect of trained teachers, doctors, overseers (civil), accountants, electricians, turners, Hindi-typists and cooks.

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

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

	<u>November 1958.</u>	<u>December 1958.</u>
Registrations -----	168,080	212,961
Placings -----	18,911	21,037

Register of unemployed.- The number of persons seeking employment assistance through the exchanges on the last day of month under report was 1,183,299 which was 24,268 more than the figure at the close of the previous month. The increase in the Live Register was pronounced in the State of Kerala ~~(8,255)~~ (9,829), Madras (7,523), West Bengal (5,943), Bombay (3,253), Orissa (1,910), Andhra Pradesh (1,659), Rajasthan (1,136), and Delhi (1,069). On the other hand, a notable decrease was observed in the States of Bihar (7,830), and Uttar Pradesh (2,505). In all 23,115 employed and self-employed persons of whom 512 were women remained on the Live Register of exchanges at the end of December 1958.

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

<u>Occupation.</u>	<u>Number on Live Register as on 31 December 1958.</u>
1. Industrial Supervisory -----	8,923
2. Skilled and Semi-skilled -----	88,565
3. Clerical -----	308,203
4. Educational -----	56,157
5. Domestic Service -----	43,823
6. Unskilled -----	620,249
7. Others -----	57,279
Total.	<u>1,183,299</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	-----	4,946	548	45,643
2. Ex-Service personnel	-----	6,050	792	28,284
3. Scheduled castes	-----	26,432	2,918	129,599
4. Scheduled tribes	-----	5,763	613	31,817
5. Women	-----	13,870	1,555	85,880

Employment Market Information.- Collection of employment market information in the private sector was undertaken for the first time at Patna, Dhanbad and Jamshedpur in Bihar and at Lucknow, Meerut and Allahabad in Uttar Pradesh during the quarter ended December 1958 thus bringing the total number of employment market areas under study to 18 against the target of 22 areas fixed for covering during 1958-1959.

The Third Training Course for Employment Officers in the collection of employment market information was held at the Regional Employment Exchange, Kanpur during December 1958. The Course was attended by 22 Officers from various States.

Youth Employment Service and Employment Counselling.- Three more units were sanctioned during the month viz., at Nagpur, Rajkot and Bangalore, thereby completing the target of 8 units for the current financial year.

Central Co-ordinating Section: Damodar Valley Corporation.- Out of 4,577 workers declared surplus in Damodar Valley Corporation upto the end of December 1958, 3,825 have been secured alternative employment; 228 surplus workers are awaiting offers of appointment from Posts and Telegraphs Department, National Coal Development Corporation, Civil Aviation, Port Commissioner, etc., etc.

Hirakud Dam Project.- Ninetytwo workers (45 skilled and 47 unskilled) were retrenched during the month under report. Fortyseven skilled workers voluntarily left the Project as they did not require any alternative employment. Fortyfive workers are still available who require employment assistance.

Ordnance Workers.- A total of 119 workers, of whom 67 are semiskilled are still available with the employment exchanges for employment assistance.

Kaisers Engineers & Overseas Corporation.- During the month, 1,217 workers were further released bringing the total number of retrenched workers to 8,624. The total number of such persons now with the employment exchange, Jamshedpur is 5,021. To expedite re-absorption of such workers, a meeting of the Development Sub-Committee was held on 19 December 1958 under the Chairmanship of the Director of Personnel, TISCO.

Extension of the coverage of Employment Service.- One more Employment Exchange (University Employment Bureau at Delhi University) started functioning during the month under report thus bringing the total number of employment exchanges functioning in the country to 213.

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

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83. Vocational Training.

India - March 1958.

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

According to the Review of Work done by the Directorate-General of Resettlement and Employment during the month of December 1958, the number of craftsmen trainees on the roll of various training institutes and centres on 31 December 1958 was 20,438. There were 18,694 trainees (including) 20 women in technical trades and 1,744 (including) 756 women in vocational trades.

Training of displaced persons.- The total number of displaced persons undergoing training in technical and vocational trades at the end of December 1958, was 1,797 of whom 1,494 were undergoing training in technical trades and 303 in vocational trades. A total of 312 displaced persons were undergoing training as apprentices in industrial undertaking and establishments in West Bengal against 1,000 seats sanctioned for the purpose.

Training of Women Craft Instructors.- Under the scheme for the training of women craft instructors at the Industrial Training Institute for Women, New Delhi, 31 women instructors trainees were receiving training at the end of month under review.

Training of School-going Children in Hobby Centre, Allahabad.- A total of 106 trainees were undergoing training at the end of the month under report at the Hobby Centre, attached to the Industrial Training Institute, Allahabad.

The following table gives the total number of training institutes and centres and the number of persons (including displaced persons) undergoing training as on 31 December 1958:-

<u>Number of Training Institutes and Centres.</u>	<u>Number of Seats sanctioned.</u>	<u>Number of persons undergoing training.</u>
236	25,881	22,547

Stores and Equipment.- Russian Equipment worth approximately Rs. 203,617.2 was reported to have been received at the various Training Centres and Institutes during December 1958 under the UNTAA aid programme. Total amount of aid so far received under this aid programme comes to Rs. 396,326.20. Orders for the tools and equipment of the value of Rs. 45,184.48 were placed for supply to the Central Training Institute, Aundh during the month under review.

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

174

Bombay: Employment Exchange for Disabled Persons
Opened.

An employment exchange for the physically handicapped in Bombay, the first of its kind in India, was opened here on 6 March 1959.

It is set up by the Union Government as a pilot project of the National Employment Service. Initially the scheme will be limited to the blind, mute and the orthopaedically handicapped, who are recommended for employment by recognised institutions or the Government training centre for the adult blind at Dehra Dun.

The exchange will give vocational guidance and collect information about the special employment needs of the disabled.

(The Statesman, 8 March 1959).

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