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INTERNATIONAL LABOUR OFFICE
INDIA BRANCH

Industrial and Labour Developments in April 1961.

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

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-29 MAY 1961

FIBN-3.3-7-26

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - APRIL 1961.

11. Political Situation and Administrative Action.

Central Cabinet: Reshuffle of Portfolios.

Consequent upon the demise of Shri Govind Ballabh Pant, Home Minister, there has been a reshuffle of portfolios, according to which Shri Lal Bahadur Shastri will take charge of the Union Ministry of Home Affairs and Shri K.C. Reddy of the Ministry of Commerce and Industry. Shri B. Gopala Reddy will become Minister of State in charge of the Ministry of Works, Housing and Supply.

(The Statesman, 5 April 1961).

12. Activities of External Services.

India - April 1961.

Meetings

- (a) The Director of this Office attended a conference of representatives of Local Productivity Councils held at Delhi on 12 April 1961 under the auspices of the National Productivity Council. The conference was inaugurated by Shri Manubhai Shah, Minister of Industries.
- (b) On 15 April the Director participated in the inaugural seminar of the India Branch of the British Institute of Management. The seminar was inaugurated by Shri V.K. Krishna Menon, Minister for Defence. The subject of the talk given by the Director was "Labour Relations".
- (c) On 8 April the Director attended an international seminar on the "Role of Governments in Industrial Relations" organised in Delhi by the ICFTU Asian Trade Union College.
- (d) The Director attended the 12th annual session of the INTUC held at Yamunagar (Punjab) on 16 and 17 April 1961.
- (e) On 28 and 29 April the Director attended the 19th Session of the Standing Labour Committee held at New Delhi.
- (f) On 1 May 1961 the Director attended a meeting of the Committee on Labour Management Co-operation held at Delhi.

CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

INDIA - APRIL 1961.

25. Wage-Earners' Organisations.

Twelfth Annual Session of INTUC, Yamunanagar, 16 and 17 April, 1961: Wage Boards for all Major Industries urged.

The annual session of the INTUC was held at Jagadhri (Yamunanagar) on the 16th and 17th April 1961. The session was inaugurated by Shrimati Indira Gandhi. The Chief Minister of Punjab, Sardar Pratap Singh Kairon also addressed the session, which was attended by about 2,500 delegates. The Director of this Office attended the session on behalf of the ILO and a message from ILO Director-General was read and translated to the audience on the 17th April. Fraternal delegates and observers from the I.C.F.T.U., Burma, U.S.A. and Malaya also attended the session.

The session adopted resolutions, among others, on the following subjects: Wage Boards, workers' participation in management, labour and the plans, prices, bonus commission, arbitration, schemes of social security, industrial accidents, security of service and States' and Local Bodies employees.

Inaugural address: Workers urged to Forge unity.- Shrimati Indira Gandhi in her inaugural address called upon the working class to increase production and help strengthen national unity and integrity. Shrimati Gandhi said that it may be true that many of the workers' expectations had not yet been fulfilled, but if one compared the present prevailing conditions with that a decade ago one could realise that the progress made has been tremendous.

Presidential address.- Shri Michael John in his presidential address stressed the need for ensuring increased employment opportunities to keep pace with the rising population and for improving the standard of living of the working class.

Shri John highlighted the urgency to bring about workers participation in industrial management and of voluntary arbitration by statute to maintain industrial peace and the increased national production.

He welcomed the proposed setting up of joint consultative machinery on the pattern of Whitley Councils to deal with the grievances of the Government employees and said the Government, which was the employer in the expanding public sector, should behave as an exemplary employer. This was the only way to immunise democracy from the surreptitious attacks of political conspirators, he said.

Among other topics on which Shri John spoke were the third Plan, agricultural workers, productivity, fair wage and wage boards, Minimum Wages Act, public sector and the workers' education.

Shri John described last year's general strike by Government employees as ill-conceived, unwarranted and anti-national and recalled how from the very beginning the INTUC had insisted that the Government as an employer as well as the representative of both the employer and the employees had a special responsibility to discharge which it ~~could~~ could not shirk.

However, he said the eventual acceptance by the Government of the Pay Commission's report and the principle of arbitration (in the public sector) had opened a new chapter in the history of the trade union movement.

On the need for full employment Shri John said social inequality could not be removed and standard of living could not be improved without a rapid and more equitable distribution of effective purchasing power.

The third Plan, therefore, had to ensure that opportunities *f employment increased and kept* pace with the increase in population, he said.

While declaring that despite the fulfilment of two Plans, the condition of the working class had not improved with the speed that was expected, Shri John said that mere rise in wages by itself did not spell an improvement in the standard of living.

With the continuous increase in the prices of essential commodities and the inevitable concomitants of deficit financing and inflation, price control had become an absolute necessity, he added.

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Demanding the setting up of a price control machinery, Shri John said it should be done by insulating the pay-packets, subsidising food and essential commodities, immediately enlarging and implementing schemes for housing on easy terms and by planning for a comprehensive scheme of social security.

Shri John said that with the advance towards the goal of socialism the worker had to cease to be a wage-earner and become a full, equal and dignified partner in industry. Labour and management were both trustees of their respective abilities and the efficient working of the industry was the joint responsibility of labour and management.

It was, therefore, necessary to work for the establishment of councils of management in which workers had an equally effective voice.

Shri John urged the Government to give legal sanction to the method of voluntary arbitration making it compulsory for the labour and employer to submit their disputes to arbitration.

He regretted that wage boards had not been appointed in several major industries like paper, chemical and engineering and that even in the case of industries in which wage boards had submitted unanimous reports a section of employers were not implementing the recommendations speedily and in full. Shri John hoped that the Government would take all necessary steps, including legislative action, if necessary, to ensure implementation of wage boards' recommendations in full.

In such industries, where wage boards could not be appointed, he urged the need for assuring the workers of such units the minimum wage. This should apply to agricultural workers as well.

On the question of outsiders functioning as trade union leaders, Shri John said there was no doubt that the employees should choose their own leaders. "But it is also true that the time has not yet come for us to say that the full-time worker who in a spirit of dedication devotes himself to the service of the working class has no place in the leadership of the trade union movement."

If legal sanction could be provided for settling disputes by voluntary arbitration, it would be possible for the public and the workers to isolate and expose irresponsible outsiders who were not genuine trade unionists.

General Secretary's Report.— Shri S.R. Vasavada, General Secretary, in his annual report has suggested the appointment of wage boards for industries every five years and that their recommendations should be fully implemented.

He also expressed the hope that the Bonus Commission would start functioning very soon and ultimately would put a stop to bonus disputes and help increase productivity.

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Shri Vasavada urged the Government to take effective steps to make the experiment of workers' participation in management a success. Social security measures, he said, were not only inadequate but suffered from many shortcomings.

Welcoming the new wage boards, the report urged the Government to appoint wage boards for other major industries also at an early date.

The Report emphasised the cordial relations between the INTUC and the International Labour Organisation. It added: "In the changed circumstances of the I.L.O. has to take a leading role of helping countries engaged in development work to increase their wealth rapidly so that it can be properly distributed, as well as give technical assistance on social problems of rapid economic development. The I.L.O. has realised the necessity of this new role and is taking steps in the direction of helping the developing countries to acquire new techniques of production, to improve the productivity within the limited resources of the under-developed countries and enable them to come in line with the industrially advanced countries both in the production methods and techniques and in the field of social justice."

As regards ratification of International Conventions the Report said: "It is said that India has not ratified certain important Conventions of the I.L.O. There is not much truth in this observation and the observation is incomplete. A statement of such a nature before being made public has got to be examined in every respect. The Indian Constitution, which has in it the best of all the modern democracies, confers on the Indian citizens rights which people in other countries have to attain after putting in struggle, agitation and the like. It can, therefore, be said that in view of the rights that accrue from the Constitution of India, many a Convention passed by the I.L.O. become superfluous and do not require to be ratified. All the same there is a Tripartite Committee on Conventions on which the workers are also represented. It is the object of this Committee to discuss the unratified recommendations of the I.L.O. and recommend as to which of the Conventions deserve to be ratified. Many of the Conventions are meant only for certain metropolitan countries. In respect of some Conventions situation in this country is such that these Conventions are not applicable to this country, e.g. fishing. We have yet no fishing industry. Fishing in this country is carried on family basis. Certain peculiar wordings in some Conventions make them unworkable and hence cannot be ratified. Even so this country has ratified maximum possible Conventions."

The Report referred to various meetings of the ILO and also to the agreement under the U.N. Special Fund, under which the ILO as Executing Agency will assist India in setting up three Regional Labour Institutes.

Resolutions.— Some of the resolutions adopted are noted below.

Wage Boards.- The session by a resolution welcomed the announcement by the Government to appoint a Wage Board for the Iron and Steel Industry as that will be the first occasion when industries in public sector will have a National Wage Board. It however regretted that even the unanimous recommendations of Wage Boards had not been implemented by certain employers. The conference noted that for some time past Government has been promising legislation to get the recommendations implemented. The conference therefore urged upon the Government to expedite the legislation.

Prices.- Another resolution noted that the problem of rising prices had been persistently defying a solution. The continuous rise in prices of essential commodities had led to a progressive fall in real wages and has made increase in wages illusory. Governments, both in the Centre and States, had failed to reduce the prices inspite of repeated protests by the working class. It demanded that immediate and effective steps should be taken by the Government to arrest any further rise in prices of essential commodities and stabilise them at a reasonable level.

Workers' Participation.- By a resolution the meeting urged the INTUC units and employers to create suitable climate for workers participation in management.

Labour and the Plans.- The resolution on this subject expressed deep concern over the fact that while the tempo of economic development was being speeded up, social objectives of planning had not advanced to any appreciable extent.

The resolution urged the Government to take adequate measures in future to curb tendencies which had hampered achievement of these objectives and secure equitable distribution of the increasing income opportunities created by heavy investments in public and private sectors.

It said the pace of development had not been such as to ensure the provision of employment opportunities on an adequate scale. The volume of unemployment and underemployment had been steadily increasing.

The Conviction was growing that the rich were getting richer and the economic power was getting concentrated in the hands of a microscopic minority.

The resolution demanded that these tendencies must be curbed during the third Plan period and first consideration be given to the satisfaction of the basic minimum needs of the common man. Production pattern should also be so arranged that there was adequate availability of essential goods and there was restraint on consumption of luxury and semi-luxury articles.

Other resolutions.- By a resolution the Session urged the Government not to delay the raising of provident fund contribution rate to 8-1/3 per cent and extend forthwith the fund schemes to all category of employees.

In another resolution the INTUC felt that bonus commission could be more effective if it was a tripartite one.

The meeting favoured the scheme of voluntary arbitration to avoid strikes but, if necessary, it could be made compulsory where necessary to promote a speedy settlement of industrial disputes.

The proposal to introduce no-strike legislation, it said, was a negative approach to the question of strike.

Office-bearers.- Shri Michael John and Shri S.R. Vasavada were re-elected President and General Secretary respectively for 1961-62.

(The Hindustan Times, 17 April 1961;
Texts of Resolutions adopted and General
Secretary's Report received in this Office).

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28. Employers' Organisations.

India - April 1961.

34th Annual Session of Federation of Indian Chambers
of Commerce and Industry, New Delhi, 25 and 26 March,
1961.

The thirty-fourth annual session of the Federation of Indian Chambers of Commerce and Industry was inaugurated by Shri Jawaharlal Nehru, Prime Minister at New Delhi on 25 March 1961. Shri A.M.M. Murugapapa Chettiar, President of the Federation presided.

Prime Minister's address: Need for new outlook.- The burden of Shri Nehru's speech was a renewed appeal to the captains of industry to recognise and respond to the fast changing world. People's lives and thinking, he said, had changed so much and so fast that both the classical economic theories and the Marxist doctrine had become outmoded, and the debate about the public and private sectors no longer had meaning.

The Prime Minister was certain that with the release of such powerful technological and social forces as could now be seen society had to be increasingly socialistic, and private enterprise must be controlled by the needs of the public good.

But he hastened to add that to take a doctrinaire or old-fashioned view of socialism or even Communism would be equally dangerous. To be a "prisoner of out-dated rhetoric" would not help society to face the challenge of changing times, but would rather plunge it into difficulties.

An important point the Prime Minister made during his speech was that the extensive and "vulgar" co-existence of private wealth and public squalor in India must be eliminated quickly.

India, he said, must advance towards a free and prosperous society. There should be freedom not only from political suppression but also from want, hunger and glaring inequalities.

Shri Nehru said that as society developed, public property increased - roads and bridges had become public property. Inevitably, they became public or communal property in the sense that it belonged to the whole community - or communism in its simplest form. With scientific developments, private enterprise also had a greater field but it had to be controlled. There was hardly any country in the world where private enterprise was not controlled. In the U.S.A. which was the most highly developed capitalist country, there were more controls ~~xxxx~~ of private monopoly. All the time the USA talked of regulations to control monopolies, trusts and combines. That was an inevitable development. Otherwise, there would be social disorder.

"One of the unfortunate things we have to face is while the world changes rapidly, our thinking does not change rapidly enough. Many of the slogans and rhetoric we employ in our speeches and arguments is possibly 100 years old if not more and oddly enough those who oppose each other (the capitalists and the Communists) are both equally 100 years old or more. Though no period in the world's history has changed humanity as the last 100 or 200 years, it does seem to me extraordinary - whether you judge it from the point of view of classical economists (capitalists) or Marxists who are considered to be very revolutionary - that they both date back to 100 years and the thinking of these people does not change", he said.

The Prime Minister referred to the resolutions passed by the Federation year after year and said that irrespective of the social and economic changes in the world, certain phrases were reported year after year just as in political speeches certain phrases were used.

"Would anyone suggest that the manufacture of atomic and hydrogen bombs be left to the private sector? Obviously not because it is too great a force to be given to private hands, however, competent those hands may be", he said.

Appealing to industrialists to create a sense of partnership in the minds of workers, Shri Nehru said that a factory was put up not merely for production but also for the benefit of those who worked for that production. That benefit was obvious in the managerial class. They were pretty well looked after. But when one went down lower, less interest was shown in their welfare. This was probably because the number became big. This kind of thing was not good even from the strict point of view of production. Unless a feeling of partnership was created in workers it was difficult to achieve the results aimed at.

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"We aim at a technologically mature society which results in far greater production and equitable distribution to even out the great differences in the social set-up. It takes considerable time to achieve this. But what is important in this process is the human being and the training given to him or her and not the money behind them. Japan, Germany and the Soviet Union had made rapid strides, despite the havoc caused by the war, because they had trained personnel."

Shri Nehru said that somebody had described India as a place where one saw examples of private wealth and public squalor. This of course, applied to other countries also. Private wealth in India as compared to world standard might be low. Still it was there and one did not mind it being there. But sometimes it flaunted itself too much. It was neither good nor socially desirable.

Presidential address.— In the course of his presidential address, Shri Murugappa Chettiar said that if consumer preferences were not to be offended, if the economic machinery was to function without friction, and if the output of different commodities was to equal the demand for them, it would appear that the pattern of investment envisaged in the third Plan needed revision.

The draft Plan, he added, envisaged a little over 28 per cent of the total investment in the private and public sectors in small and large industries. In his view, an investment of 40 per cent in the industrial sector suggested by the FICCI would be consistent with the size of the Plan contemplated.

Shri Chettiar also urged the Planning Commission and the Government to review the programmes of development and the tax proposals.

Nearly 27 per cent of the investment in the public sector was expected to be met from additional taxation and if the Plan was to be implemented, it was now necessary to increase the tax receipts.

Shri Chettiar said that what was really important was not so much sectoral investment as the level of investment in particular directions. Taxation was a self-limiting factor; after a stage it inevitably injured the economic incentives and would possibly inhibit the flow of private foreign capital which was considered in all informed quarters to be of critical importance to supplement domestic savings. It was in this light that he would request the Planning Commission and the Government to review the programme of development and the tax proposals.

Shri Chettiar then referred to some "major difficulties" confronting those in business. The question of adequate power supply to existing industries and to industries which were about to be started was posing a serious problem to most of the State Governments. Apart from seasonal failures of hydro-electric power, there was an overall shortage in most States with the result that existing industrial units had to slow down production.

On the one hand emphasis was laid on increased production, while on the other, through no fault of the organisers of industrial units, a compulsory limit was automatically placed on such production.

The problem had become more complex on account of "vacillations" in the Government's coal policy under which the private sector was not allowed to develop certain areas, Shri Chettiar said.

The delay in the setting up of coal washeries had created further difficulties in the efficient working of the steel plants. It was, therefore, imperative that full facilities be given for the setting up of coal washeries to meet the needs of different industries.

Shri Chettiar said that the bottlenecks in rail transport which recently had come to a head showed all too clearly the lack of co-ordination. The railways should look upon road transport as an ally rather than a competitor.

He said the increased availability of steel had not resulted, however, in satisfying the growing requirements of industry and this in part was due to the faulty manner of distribution.

Shri Chettiar also referred to the shortage of raw materials such as cotton and stressed the need for a balanced agricultural development so as to produce both foodstuffs and cash crops.

He said that there were some tax provisions which in a sense penalised common business practices. When a company capitalised its reserves by the issue of bonus shares, the latter were subjected to tax.

The Federation was thankful to the Finance Minister for agreeing to reduce the tax rate from 30 per cent to 12½ per cent. He would have thought that this tax was an unreasonable one and would have been abolished. In any event, bonus issues made out of the share premium account should not be taxed.

The amendment of the Company Law had imposed fresh restrictions on the expansion of the industrial activities of existing units. One of the amendments made it extremely difficult for a company to invest its surplus funds beyond certain limits in the shares of other companies.

Shri Chettiar said that a conference of the Afro-Asian Organisation for Economic Co-operation (with a membership of 38 countries, including India) would be held in New Delhi in the first half of December.

The suggestion of the FICCI that trade talks might also be held at that time had been accepted, he said.

Shri Chettiar also reviewed the economic trends during 1960 which, he said, were not unfavourable. Not only was industrial production increasing but the pattern of industrial growth was also changing. Economic forces, which had diversified industrial production, had also widened the industrial base and enlarged the area of industrial operations.

Resolutions.— The more important of the resolutions adopted by the session are briefly reviewed below.

a) Land Ceiling and Productivity.— The resolution on this subject said that if agricultural production was to be improved, as it must be, ways and means should be devised for increasing productivity in agricultural sector. This will be possible only if agriculture was operated as an industry and modern methods were utilised. Agricultural productivity cannot be enhanced in any other ~~ways~~ way. In the view of the Federation, the policy of land ceilings went against these economic objectives. The Federation urged upon both the State and Central Governments not to proceed with measures, in the name of land reform, which will undermine agricultural productivity and therefore of industry, with serious repercussions on our production and export programmes.

b) Third Five Year Plan.— This resolution welcomed the third Five Year Plan, in so far as its principal aim is to secure an advanced rate in economic growth. While no doubt, the process of development was a continuous one, at the same time it was of utmost urgency that, in the short run as well, the people were enabled to effect an increase in and diversification of their consumption made possible by allround increase in production. Democratic planning will succeed only if all sections of society take initiative and make the fullest possible contribution of which they were capable. The Federation considered that it was in context of time perspective and the extent to which people were able to attain a higher level of living that the Third Plan must be considered. Judged by reference to this criteria, while the overall size of the Plan was the minimal requisite consistent with our resources and financial potentialities, the distribution and outlay of sources needed careful reconsideration. Any avoidable wastage or imbalance in the pattern of production and the misuse and malallocation of resources which they involved will affect not only the rate of consumption

but also the rate of savings and therefore the overall rate of economic growth. It was of necessity to ensure that the outlay on industries, power and transport sectors was maximised to the fullest extent practicable. Only then the foundation for self-sustaining growth could be laid. And it was also the surest way of ~~restrictions~~ restraining inflationary pressures. ~~xxx~~ Agricultural production also required to be stepped up, and policies in this behalf must be evolved on a pragmatic basis and implemented with vigour. Industrial production can be accelerated quicker if climate was created for the purpose, and industry and trade were given comparative freedom to go ahead with their business. There were many idle factors in India, both human as well as material that could be activated. The growth of technical, managerial and entrepreneurial skill was of basic importance in this regard. The Federation was convinced that having regard to the unexploited resources in the country, which were estimated to be large, they should be brought into productive use speedily. And this will be possible through domestic effort supplemented by foreign collaboration provided the forces of development are assisted to play their rightful part. In this connection, the Federation strongly recommended that the tax policy of Government should view management and entrepreneurial ability as a key economic resource that requires to be released and fostered through incentives so as to make possible and successful widespread capital investment for productive activity.

c) Transport capacity and movement bottlenecks.- This resolution drew the Government's attention to the deteriorating transport situation and urged a five-point solution to the transport problem including better operational efficiency of the railways and greater utilisation of river and road transport.

d) Coal production and movement.- In regard to this subject, the Federation drew the Government's attention to the mounting difficulties confronting industries to secure timely and adequate supplies of coal of the requisite quality, and pointed out that the shortfall in the coal production target during the Second Plan had been occasioned through failure to utilise effectively the available production potential. It suggested that following measures to ensure adequacy of coal production and distribution.

1. Immediate steps to ensure the fullest co-ordination between authorities responsible for production, allocation and movement of coal so that the tempo of development in different sectors of the industry is not impeded but positively enhanced.
2. The creation of conditions conducive to increased production of better grade coals by removal of irksome restrictions on development of new mines by private parties.

3. Initiation of immediate steps to effect beneficiation of lower grade coals to ensure supplies of the requisite quality, the lack of which has in the past affected seriously the efficiency of industrial units dependent upon quality coals.
4. Prompt implementation of the scheme for subsidising realistically mines handicapped by adverse mining factors to ensure immediate availability of quality coals pending ~~immediate availability of quality coals~~ arrangements for beneficiation already referred to.
5. Maximum utilisation of the various modes of transport so that coal reaches the consumers in time and in adequate quantity and as cheaply as possible.
6. Sufficient number of wagons must carry coal supplies to the discharging points if they are to be carried by ships so that there is a better turn-round of ships. Only then can the movement of coal be speeded up to the final destinations.

The Federation also adopted recommendations on export promotion and on streamlining the administrative machinery.

(The Hindustan Times, 26 and 27 March, 1961;
The Statesman, 26 and 27 March 1961;
Text of Resolutions adopted at the Session
received in this Office)

Chapter 3 Economic Questions
India : April 1961

33. Full Employment Policy.

India - April 1961.

Pattern of Employment and Unemployment in India:
Results of the National Sample Survey* published.

The National Sample Survey (NSS) undertook nationwide surveys on employment and unemployment from May 1955. The whole of Indian Union excluding the islands came under the coverage of the enquiry. The following are some major findings of the tenth round.

Some General Characteristics of the Population: Sex.-

According to the Survey, males are more in number than females, both in rural and urban areas. In the rural areas 50.63 per cent of the population are males and the rest females. The sex ratio, defined as the number of males per 100 females, is 102.6 in rural areas, and 110.7 for urban areas. This relatively high sex ratio in urban areas is possibly due to a large number of persons coming to towns for employment without bringing along their families. Some indirect evidence of this is provided by the fact that a high proportion of the households in urban areas are single-member households.

Age.- Both in rural and urban areas more than 40 per cent of the population are young persons below the age of 16 years. About 53 per cent of the rural population belong to the age group 16-61 years, the corresponding figures in urban areas being slightly higher (about 56 per cent).

* The National Sample Survey, Tenth Round: December 1955 - May 1956, Number 34, Tables with Notes on Employment and Unemployment; Issued by the Cabinet Secretariat, Government of India. Published by the Manager of Publications, Civil Lines, Delhi-8, pp. 207.

Economic status.- All persons have been classified into three groups namely, earners, earning dependents and non-earning dependents. An earner is one who usually earns enough to maintain himself, while an earning dependent is one who earns something but not sufficient even for his own maintenance and consequently depends on others. The rest are non-earning dependents.

Earners account for 28.95 per cent of the total population. Only 15.40 percent are earning dependents. The rest (55.39 per cent) are non-earning dependents. Of the urban population, 30.07 per cent are earners, 6.66 per cent earning dependents and 63.12 per cent non-earning dependents.

Pattern of Employment.- The following table gives percentage distribution of gainfully employed persons by general education:-

General Education.		Rural	Urban
Illiterate	---	81.06	44.29
Literate but below matric	---	18.50	45.86
Matric and above	---	0.42	9.75
Not recorded	---	0.02	0.10
Total	---	100.00	100.00
Number of sample persons	----	49,229	17,916

The proportions of employees, employers, own-account workers and unpaid family enterprise workers are shown in the following table:-

Industrial status		Rural	Urban
Employees	---	24.42	51.19
Employers	---	1.80	1.41
Own-account workers	---	47.64	36.69
Unpaid family enterprise workers	---	26.14	10.71
Total employed persons	---	100.00	100.00
Number of sample persons	---	18,987	17,916

In rural areas about half (47.64 per cent) of the employed are own-account workers, and 26.14 per cent are unpaid family enterprise workers. These two categories together form the self-employed and come to about 75 per cent of the employment in rural areas. Employees form 24.42 per cent of the employed in rural areas. Only 1.80 per cent are employers.

In urban areas, the pattern is different. More than half (51.19 per cent) of the gainfully employed persons are employees. Own-account workers also form a substantial proportion (36.69 per cent). The proportion of unpaid family enterprise workers (10.71 per cent) is very low in comparison with rural areas.

Agriculture including forestry, fishing, livestock and hunting provide employment to more than 80 per cent of the employed in rural areas. After agriculture, manufacturing comes in the order of importance absorbing about 8 per cent of the gainfully employed. The proportions for the remaining industry groups are very low and only those of services (4.17 per cent) and trade and commerce (2.34 per cent) are worth noting.

In urban areas manufacturing occupies the leading position in providing employment to 29.71 per cent of the employed. Next in order comes services with about 22 per cent. Agriculture also has a relatively important position and nearly a fifth of the employed persons are engaged in it.

Due to absence of rapid industrial development in ~~our~~ the country and the consequent limitation in employment opportunities people crowd more and more in household enterprises where productivity and remuneration are low. This aspect of employment has been brought out by classifying employed according to a number of sectors. These sectors denote the nature and size of the working establishments. Firstly, the establishments have broadly been divided into public, private and domestic service sectors. All persons employed in government and in local bodies including organisations mainly financed by government have been grouped in the public sector. Domestic servants, cooks, etc., have been shown in domestic service sector. The rest have been shown in private sector. Private sector has been further divided into large scale and small scale. Establishments employing ten or more workers with power and those employing twenty or more workers without power have been included in the large scale group. The remaining private establishments have been taken as small-scale and these are again ~~kind~~ divided into two groups, those mainly using household labour and those mainly using hired labour. The distribution of employed persons by all the various sectors is given in the table given below:-

Sector	Rural	Urban
Public	2.74	17.58
Private:		
(a) small scale: mainly using household labour..	77.95	50.77
(b) small scale: mainly using hired labour..	15.91	17.54
(c) large scale	1.90	10.57
Domestic service	0.56	2.33
Not recorded	0.94	1.21
Total	100.00	100.00
Number of sample persons	18,987	17,916

In rural areas, about 78 per cent of the gainfully employed are working in private small establishments mainly using household labour and it is needless to say that agricultural work accounts for the most. In urban areas, about 50 per cent of the persons are employed in this type of establishments. The proportion employed in private small establishments mainly using hired labour is roughly the same for rural and urban areas. Private large establishments play a relatively more important role in urban areas accounting for about 11 per cent of the employed as against about 2 per cent in rural areas. The establishments in the public sector employ about 18 per cent of the urban employed population as compared with a proportion of only about 3 per cent in rural areas.

In urban areas, naturally the occupational structure is entirely different. Agricultural and allied occupations still have a somewhat important role as they provide employment for nearly 20 per cent of the economically active population. About 10 per cent have subordinate administrative and executive occupations and about 13 per cent occupations connected with distributive and financial operations. Other subordinate technical occupations which is a miscellaneous group accounts for about 30 per cent of the persons.

Measurement of underemployment.— In this report gainfully employed persons will be treated as under-employed or fully employed on the basis of weekly hours worked and availability for additional work. There is no intention to suggest suitable norms for this purpose but only arbitrary norms have been used here for illustrative purposes. A person who works 28 hours or less during the week or on an average 4 hours or less per day and reports as available for additional work is treated as severely underemployed. Similarly persons who work 29 to 42 hours per week and report availability for additional work are moderately underemployed. According to this definition the severely underemployed form 6.70 per cent of the gainfully employed in rural areas. This is equivalent to 2.63 per cent of the total rural population. Thus though only 0.87 per cent of the rural population are unemployed, the severely underemployed, who may be considered as practically unemployed constitute a substantial proportion of the rural population. In addition to this there are the moderately underemployed who form 2.20 per cent of the employed or 0.87 per cent of the total rural population.

Even in the urban areas where there is a more or less regular pattern of employment, with regular working hours, a considerable proportion of the employed are found to be working less than 28 hours during the week and reporting availability for additional work. Though compared to the rural areas, it is very low, the severely underemployed constitutes for 4.65 percent of the gainfully employed in urban areas. This is equivalent to 1.52 percent of the total urban population. Similarly the moderately underemployed forms 2.80 percent of the employed or 0.91 percent of the population in urban areas.

Incidence of unemployment.— Majority of the unemployed are found in the lower-age-groups. In the rural areas, about 38 per cent of the unemployed fall in the age-group 18-26. In the urban areas about 52 per cent of the unemployed are in this age-group. This no doubt indicates the seriousness of the unemployment problem among the youth, but is not a satisfactory measure of the degree of unemployment. The degree of unemployment in any segment of the population should be studied in relation to the number of persons in that segment available for productive work. Unemployed as percentage of labour force is used here for studying the degree of unemployment in different segments of the population. This percentage is termed the rate of incidence of unemployment.

Both in the rural and urban areas the rate of incidence of unemployment is relatively very high in the younger age-groups. But compared to the urban areas, the rural figures are low. In the urban areas among persons belonging to the labour force in the age-group 18-21, roughly 16 out of every 100 in labour force are unemployed. The reason for high rates of incidence of unemployment among the younger persons is that most of the fresh entrants into the labour force fall in these age-groups and they may not be able to secure jobs immediately in view of their lack of experience.

In the rural areas, the percentage of 'matriculates and above' is very low. Yet they constitute a substantial proportion among the unemployed. It is estimated that 6.50 per cent of the rural unemployed are either matriculate or above, the corresponding percentage in urban areas being 19.02.

The rate of incidence of unemployment among the unemployed of each standard of education is a better indicator of the degree of unemployment. In the rural areas, the rate of incidence of unemployment is 17.66 per cent among persons who are matriculates and above. In other words, out of every 100 persons in the labour force who are matriculates and above roughly 18 are unemployed. The corresponding figure in urban areas is about 10.

Registration with the Employment Exchange.— The following table gives percentage distribution of unemployed persons in rural and urban areas by registration particulars is given.

Registration particulars.		Rural.	Urban.
Currently registered	---	3.83	14.46
Registered before but not now never registered.	---	1.32	9.08
Due to ignorance	---	36.79	24.10
Remoteness of exchange	---	4.52	3.49
Lack of faith	---	2.54	8.17
Due to other reasons	---	25.81	32.48
Never registered	---	69.66	68.24
Not recorded	---	25.19	8.22
Total	---	100.00	100.00
Number of sample persons	---	404	5,287

It is noticed that only 14.46 percent of the unemployed persons in urban areas are currently registered with the employment exchanges. About 9 per cent were registered before but not currently on the live register of the exchanges. The rest have never registered due to various reasons, ignorance about the exchanges being a dominant reason.

34. Economic Planning, Control and Development.

India - April 1961.

Rehabilitation and Modernisation of Art Silk Industry:
Central Government's Orders on Conclusions and Recommendations
of the Working Groups Published.

By a ~~major~~ Resolution dated 30 March 1961, the Ministry of Commerce and Industry, Government of India, published its orders on the conclusions and recommendations made in the report of the Working Groups for the rehabilitation and modernisation of the art silk industry.

It may be recalled that the National Development Corporation set up a Working Group in January 1960 for the art silk industry and the task assigned to the Working Group was to review the present position of the Art Silk Industry and in particular, the condition of its plant and machinery and to make recommendations for the rehabilitation and modernisation, thereof, in as short a time as was feasible and to assess the extent of finances required for modernisation, the sources from which the same could be tapped and also to study other allied problems of the Industry.

During the course of its inquiry, the Working Group held discussions with the Industry's representatives and its Associations and labour Unions. The members of the Working Group visited the important Art Silk manufacturing centres in the country for an on the spot study of the conditions prevailing in the Industry and also collected factual data relating to the same from the Industry.

The Working Group, has submitted a unanimous report in which it has emphasised the urgency of tackling the problem of rehabilitation and modernisation of the Industry in view of the fact that a substantial part of the machinery installed is obsolete. The Working Group has emphasised that the set-up and organisation of the Industry has developed in an uncoordinated and haphazard way resulting in a lot of wastage of productive forces. Several other factors such as fluctuating demand of the products, lack of technical know-how etc., have also contributed to the present unsatisfactory condition. The recommendations of the Working Group are embodied in an Annexure to the Resolution.

The Government is generally in agreement with the recommendations of the Working Group. The Working Group has recommended that the indigenous manufacturer of art silk yarn should improve the quality of the yarn produced by them and for this purpose the Indian Standards Institution should lay down suitable standards. It has also been recommended that Government should fix appropriate price differentials for different qualities of yarn. The Government has decided to take up the question of laying down standards for the different qualities of yarn with the Indian Standards Institution. The Government has already set up a Committee to go into the question of fixing suitable price differentials for the different qualities of yarn.

The Working Group has recommended that to meet the demand for varied types of fabrics in the overseas markets, replacement of ordinary powerlooms by automatic powerlooms should be freely permitted in the case of units having 25 or more powerlooms. The Government agrees that the exports of Art Silk fabrics can be stepped up if the industry has at its disposal the latest specialised equipment. However, in view of the present foreign exchange difficulties it is proposed that permission for import of machinery may be granted only against specific exports and a certain percentage of export earnings made available for replacement of machinery by imported machinery of a type not readily available in the country. The Government does not consider that any limit on the number of powerlooms in a unit need be imposed for effecting replacement by modern machinery as recommended by the Working Group.

The total expenditure on the rehabilitation and modernisation of the Industry has been estimated by the Working Group at 150 million rupees, i.e., about 125.0 million rupees for machinery and equipment, and 25.0 million rupees towards buildings, installation charges of equipment etc. The Working Group has further assessed that out of the expenditure of 150 million rupees, 90 million rupees worth of foreign exchange would be required for the import of machinery and equipment. It has also been estimated that out of the anticipated expenditure of 150 million rupees on modernisation, the industry will be able to find about 100 million rupees from its own resources and 50 million rupees may be required from Government lending institutions like I.F.C. and N.I.D.C. The Working Group has recommended that the N.I.D.C. and I.F.C. should extend assistance to this Industry by relaxation of their standard terms and conditions for grant of financial assistance to enable (i) non-joint stock concerns i.e., partnership and proprietary concerns also to avail themselves of the loan assistance (ii) units in the Industry to mortgage only machinery and plant which are normally owned by them and not the land and buildings. Looking to the general economic condition of this industry the Government does not consider necessary to include it in the rehabilitation and modernisation loan assistance programme of the N.I.D.C. The industry can finance modernisation from its own resources or from I.F.C., and other credit institutions.

The Working Group has recommended that the industry could step up exports substantially provided it is rehabilitated and modernised. This necessarily involves considerable outlay of foreign exchange. The Working Group has, however, stated that in view of the present foreign exchange difficulties and in view of the importance of modernisation, the industry should be permitted to import machinery and spare parts against exports under a suitable export incentive Scheme which should be unrelated to the existing scheme for import of yarn against export of cloth. This recommendation, is under the active consideration of Government considers the early modernisation of this industry as necessary.

The Government has accepted the recommendations of the Working Group that those units which are able to export their old machinery may be permitted to utilise the ~~xxx~~ export earnings thereof, for import of machinery and equipment for replacement purposes.

The Working Group has recommended that exemption from the levy of excise duty should be confined to a unit having one powerloom only which is run by the weaver himself. The exemption limit has been reduced to units with two powerlooms in this year's budget.

The recommendation of the Working Group to remove the restrictions on inter-state transfer of powerlooms which have been lying unused for a long time inspite of the best efforts of the State Government, has been accepted.

The Working Group has recommended that the Government should take rigid steps with regard to the continued running of unauthorised looms and the physical scrapping of old looms which are replaced by new ones. Government have already decided to take action on these lines.

It has been recommended that applications for imports of machinery etc., by individual units should be routed through the Silk and Art Silk Mills Association, who may also appoint a Technical Advisory Committee for the purposes. This recommendation has been accepted by the Government in principle and details are being worked out in consultation with the Textile Commissioner.

The Working Group has further recommended that the Organisations of the Industry in each region should appoint a panel of technicians for making available the services of experts to the smaller units. It has been decided by Government to commend this proposal to the Industry.

(The Gazette of India, Extraordinary, Part I, Sec.1, 2 April 1961, pp. 871-873)

36. Wages.

India - April 1961.

Working of the Minimum Wages Act, 1948, during 1958*.

Employments covered.- Available information on employment in some of the industries covered by the Act during 1958 is given below:-

State	Employments											
	Wool- len Carpet Making or Shawl Weav- ing Estab- lish- ments.	Rice Flour or Dal Mills.	Tobacco (includ- ing Bidi Making) Manufac- tory.	Planta- tions.	Oil Mills.	Local Autho- rity.	Road Const- ruct- ion or Build- ing Opera- tions.	Stone Break- ing or Stone Crush- ing.	Lac Manu- fory.	Mica Works. and ther Manu- fact- ory.	Tanns- ries Lea- ther Manu- fact- ory.	Public Motor Trans- port.
Andhra --	46	20681	30860	-	6673	33	-	213	-	860	934	4670
Bihar --	-	10154	8004	-	2099	-	-	580	1852	12282	978	-
Bombay (Vidarbha Area)(e) -	-	130	1065	-	613	-	54	-	-	-	-	92
Madhya Pradesh (e) -	-	5718	44335	-	2259	30629	150050	3500	400	-	250	3690
Madras(e) --	168	62100	13696	150000	17772	151800	(d)272(d)438(a)112	-	-	-	8708	13549
Mysore* --	-	2773	3400	-	2350	1587	2500	3000	-	-	50	1431
Punjab --	24	1645	-	2120	298	10017	102	29	-	-	49	3833
Rajasthan (Ajmer Area)-	-	(e) 400	1450	-	(e) 30	1730	500 to (e)1000	-	-	13	-	128
Uttar Pradesh. -	-	2656	1483	-	597	11678	1600	1683	28	-	587	523
Delhi(e) ----	-	2500**	-	-	-	11500	55000	8500	-	-	-	5500
Tripura ----	-	-	169	11000	-	-	(a)7783	-	-	-	-	(a)2923

(e) Means Estimated. (d) Full Particulars regarding the number of establishments and the number of workers employed therein are not available. *Incomplete. **Dal and Flour Mills only. (a) Approximately.

Extension to Additional employments.- The following statement shows the extension of the provision of the Minimum Wages Act to additional employments during 1958:-

State	Employment added during 1958.
Ajmer(Erstwhile)	-
Assam	-
Bihar	-
Bombay	Shops and Establishments not covered by any other entries to the Schedule to the Act.
Coorg (Erstwhile)	-
Delhi	-
Hyderabad(Erstwhile)	-
Kerala	(1) Brick Manufactories. (2) Banks. (3) Handloom Industry.
Madhya Pradesh	-
Mysore	-
Orissa	-
PEPSU(Erstwhile)	-
Punjab	(1) Scientific Industries. (2) Textile Industry. (3) Cinema Industry. (4) Contractors' Establishments of the Forest Department.
Saurashtra(Erstwhile)	-
Travancore-Cochin(Erstwhile)	-

Fixation of minimum wages.- During the year under review, minimum wages were fixed in Bombay for employment in printing in Poona and Kirkee Cantonments, in Kerala for employments in agriculture (Malabar area only), cigar making, textile industry, toddy tapping, beedi making(Malabar area only) and cardamom plantations in Bihar for agricultural employment in the Districts of Darbhanga, Champaran, Saharsa, Monghyr, Bhagalpur and Santhal Parganas and in Uttar Pradesh for agricultural employment. Proposals were notified in Madras State for certain additional categories of workers employed in rice, flour and dhal mills and oil mills and in Rajasthan for employment in rice, flour and dhal mills. Minimum rates of wages were also notified by the Punjab Government for employment in agricultural implements, machine tools, general engineering including cycle parts but their implementation was stayed by an order of the Punjab High Court on a writ petition filed by the employers.

The over-all position at the end of the year 1958 is that minimum rates of wages for the scheduled employments have been fixed under the Minimum Wages Act, 1948 in all the States and Union Territories except local authority in Assam and the erstwhile Hyderabad State, woollen carpet making and shawl weaving establishments in Uttar Pradesh, tobacco (including bidi making manufactory) in Andhra and Madras and most of the scheduled employments in the State of Rajasthan (except Ajmer area) where minimum wages fixed were invalidated by the State High Court following a writ petition by the employers. Efforts are being taken by the Government of Rajasthan and Uttar Pradesh in this regard. In most of the States (except in Madras), minimum wages have been fixed for employment in agriculture for a few districts only or for farms above a certain size. As regards employments added to the schedule by the various State Governments, some State Governments have fixed minimum wages-rates for certain industries, whereas necessary steps are being taken in this direction by others.

Review of minimum wages.— During 1958 the Central Government appointed the Joint Fixation and Revision Committee with the Chief Labour Commissioner (Central) as Chairman under Section 5(1)(a) of the Act, for Central Sphere Undertakings. The first meeting of this Committee was held at New Delhi on 11 December, 1958. The Committee considered proposals (a) for revision of minimum rates of wages fixed under the Act; (b) involving no change in the existing wage-rates fixed under the Act; and (c) for initial fixation of minimum rates of wages under the Act. The Committee made recommendations in respect of these proposals. No revision was, however, made during 1958 in the minimum wages fixed for the Central Sphere Undertakings by the Government of India.

Minimum wages were, however, revised by the Governments of Bihar (agriculture) Bombay, Kerala and West Bengal for certain scheduled employments during the year 1958. In Bombay, the minimum rates of wages have been revised for employment in any tobacco (including bidi making) manufactory in respect of the Vidarbha Region. The Government of Kerala revised the minimum wages fixed originally for employments in oil mills and municipalities. In Madhya Pradesh, proposals for the revision of minimum rates of wages were published in the official Gazette for eliciting public opinion in respect of employments in rice, dal and flour mills, tobacco (including bidi making) manufactory, oil mills, local authority, construction or maintenance of roads or in building operations, stone breaking and stone crushing and public motor transport. The Government of West Bengal revised the minimum wages payable to employees in tobacco (bidi making) manufactories, local authorities (municipalities other than the Calcutta Corporation and Howrah Municipality), rice mills, tanneries and leather manufactories and cinchona plantations.

Enforcement.— The table below gives the number of inspections made and irregularities detected in Central Sphere Undertakings during 1958:—

Region.	Number of Inspections made.	Number of Irregularities detected.
Bombay	122	987
Calcutta	88	1,348
Dhanbad	533	1,130
Kanpur	190	1,334
Madras	476	5,031
Jabalpur	194	2,238
Total.	1,603	12,068

The number of inspections in 1958 represented a decrease both in the number of inspections and irregularities during 1958 in the Central sphere undertakings as compared to those in the preceding year. The number of irregularities detected per inspection decreased to 7.8 during 1958 from 11.3 in the preceding year.

During the year 1958, irregularities detected in the Central Government undertakings were the largest in respect of the non-maintenance and improper maintenance of registers forming 22.8 per cent of the total, 15.8 per cent related to non-display of notices, 14.5 per cent to the non-granting of weekly holidays with pay, 11.8 per cent to other irregularities, 11.3 per cent to short payment of wages and 11.2 per cent to the non-issue of wage-slips. In 1957, 36.3 per cent of the irregularities related to non-grant of weekly paid holiday, 12.8 per cent to non-maintenance or improper maintenance of wage-registers and 12.4 per cent to non-issue of wage-slips.

There were 69 prosecutions and convictions during the year 1958 as against 54 in the preceding year, in the Central Government undertakings covered by the Minimum Wages Act, 1948. The contraventions related mostly to non-display of notices, non-maintenance of registers and non-submission of returns. During 1958, an amount of Rs.3,403.00 was imposed as fine on defaulting employers in 32 cases as against Rs.2,208.00 imposed as fine in 29 cases during the preceding year.

The number of inspections made in the States during 1958 is as below:—

State	Number of Inspection made	
	1957	1958
Andhra Pradesh	3,268	3,635
Bihar	9,676	13,798*
Bombay	11,152	11,315
Kerala	8,385**	8,142
Madhya Pradesh	2,856	2,711
Madras	5,960**	9,089
Mysore	702	1,056
Orissa	523	N.A.
Punjab	1,598	4,488
Rajasthan	790	485
	(Ajmer Area only).	
Uttar Pradesh	11,668	14,223
West Bengal	128	103
Delhi	3,866	1,481
Tripura	127	296

* Includes 11,218 villages visited.

** Number of establishments inspected.

N.A.-Means not available.

Difficulties experienced in the working of the Act.- The difficulties experienced in the enforcement of the Act have been mentioned in the earlier reports. The Act has since been amended by the Minimum Wages (Amendment) Act, 1957 rectifying some of the defects noticed in its working. Some of the practical difficulties which were experienced during the year under report in the Central sphere undertakings and by the different State Governments are mentioned briefly in the following paras.

Central Government.- Considering the large number of employments in the Central Sphere covered by the Act, the strength of the inspectors charged with the duty of enforcement of the Act is found to be rather inadequate, especially as, in addition to this work, they have to perform other multifarious duties with the result that they are not able to pay necessary attention to the enforcement of this Act. In the case of works allotted to contractors, it was noticed that in many cases, the main contractors engaged sub-contractors or workers on piece rates and did not maintain proper records. Most of the workers, being illiterate, are not aware of their rights and privileges under the Act, and the small employers and contractors are reported to be taking undue advantage of this position. Difficulty was also experienced in securing proper evidence to prove non-payment of minimum wages and other infringements of the law. Being illiterate and afraid of losing their employment, the workers are reluctant to give evidence against their employers. Migratory nature of the workers is also the cause of some difficulties. For instance, the absence of permanent addresses of the workers was reported to be resulting in unpaid wages remaining with the employers.

The new Section 22 D of the Act meets this problem and the question of framing the necessary rules and prescribing the authority under this section is under consideration of the Government of India. It has been observed that the courts generally take a long time to decide claims and finally when they are awarded, it becomes difficult to trace the workers. The Chief Labour Commissioner (Central) has stated that the main difficulty experienced in enforcing the Act has been the question of payment of wages for the weekly day of rest. The suggestion generally made to overcome this difficulty is that provision for payment for the weekly rest day may be deleted, and wages may be fixed in such a way as to include payment for the weekly rest day. However, the question of suitably amending Rule 23 of the Minimum Wages (Central), Rules, 1950 is under consideration of the Government of India.

Andhra Pradesh.- In Andhra Pradesh, difficulty in the matter of enforcement of the provisions of the Act relating to the working hours and weekly holidays in the employment in Public Motor Transport Industry continued to exist during the year 1958.

Bihar.- In a few cases of non-factory establishments, records and registers, as prescribed under the Rules, were not satisfactorily maintained. In some cases, it was due to the ignorance and illiteracy of the employers and in a few others, it was because of the smallness of the undertakings.

Bombay.- A few employers in the Bidi Industry in Greater Bombay do not maintain registers and records with the inherent fear that they may be required to grant weekly-offs and to pay notice pay, etc., if the workers' services are terminated. Workers in the Printing Industry at Ahmadabad in respect of whom tests have been prescribed are reported to have been dissatisfied with the mode of tests taken by the employers since it is not required that the tests should be supervised, making it difficult for the Inspectors to intervene in the matter on ~~difficult~~ the side of workers. The employers in Public Motor Transport find it rather difficult to make the entries in attendance cards as the employers have no control over the drivers and cleaners as soon as they leave the garage or the establishment for work.

At present, there is no provision in the Act which makes it obligatory on an employer to produce the records for inspection at the place of work itself with the result that many law evading employers try to escape the production of records at the time of inspection. In some cases, the employers obtain false signatures or thumb impressions of workers on the receipts showing payment at the minimum rates of wages fixed even though they have been paid in practice less than the prescribed rates. The workers seem to sign the receipts for fear of victimisation and lack of employment opportunities.

Kerala.- The Government of Kerala felt some difficulty in the implementation of minimum wages for employments in Beedi Making and Cashew Industries due to disparities in the wage-rates fixed in the neighbouring States of Madras and Mysore. Difficulty was also experienced in the maintenance of registers and records in Road Construction and Building Operations and Agriculture. This Government has suggested that it is necessary to have a specific provision in the Act to safeguard the wage-rates of workers which happen to be higher than those fixed by Government. Government usually add a note to the Minimum Wages notification directing that the higher rates of wages, wherever exist, shall continue to be paid, but the legality of such a direction was considered questionable as the Act does not confer upon Government any authority to issue such a direction.

This Government felt that it was not clear whether provision under section 3(1)(a)(iii) of the Act (stipulating that in an employment which has been added to Part I or Part II of the Schedule under Section 27 of the Act, minimum rates of wages have to be fixed within one year from the date of inclusion of the employment in the Schedule) is mandatory or directory. This provision caused delay in the fixation of minimum wages and if the provision is mandatory, it was considered that it should be removed.

Madras.- It has been found difficult by the existing staff to devote much attention to visit all the places in the remote villages for enforcing the Act.

Madhya Pradesh.- The Government of Madhya Pradesh experienced difficulty in view of the disparity in wage-rates in neighbouring States in respect of employment in Tobacco (including Bidi Making) Manufactory. It was pointed out that big employers have managed to escape liability by engaging a middleman as contractor to get the work done by employees. With a view to making contracting out of liability by the principal ~~employment~~ employer in favour of contractor difficult, the existing provision of the Act is reported to need modification and with that object in view, the State Legislative Assembly passed the Minimum Wages Madhya Pradesh Amendment Bill, 1959. Enforcement of the provisions under section 13(b) and 14 of the Act in respect of weekly holiday and overtime payments presented some practical difficulties in respect of daily-rated and piece-rated employees of certain employments viz., Bidi Making and Public Motor Transport. The Government, having taken this into consideration, included the additional payment for weekly day of rest in the proposed rates of wages. The defaulting employers cannot be prosecuted for short payment of wages without the prior sanction of the Authority and that, too, when the application in respect of the facts constituting the offence has been granted wholly or in part. This delays justice as the procedure is lengthy and cumbersome. This Government suggested that minimum rates of wages should, as far as possible, be correlated with the standard family budget requirements as estimated after proper enquiries as are contemplated by the Ministry of Labour and Employment. Another suggestion was that the Act should be suitably amended debarring a civil suit against any person acting or purporting to Act under the provisions of the Act.

Mysore.- Enforcement of the Act in Mysore in employments like Road Construction and Building Operations, and Stone Breaking and Stone-Crushing Operations was difficult as most of the labour was engaged by contractors and it was not possible to locate, the sites at which works were carried on. In such cases, it was difficult for the employers to produce registers at the site of employment.

Orissa.- It was found difficult in Orissa to do full justice to the implementation of the Act as the establishments under Road Constructions and Building Operations and Stone-Breaking and Stone-Crushing are widely scattered and the establishments of Public Motor Transport cover wide ranges extending over several units. Difficulties were also experienced in enforcing the provisions of the Act and the rates framed thereunder in the State Transport Services which are governed by the Rules meant for all Government servants.

Punjab.- No particular difficulty has been experienced except inadequacy of the staff for which a scheme has been proposed in the third Five Year Plan.

Rajasthan(Ajmer Area).- Apart from a few Bidi factories, Tobacco betel-leaves sellers in Rajasthan(Ajmer area) engage a worker or two for Bidi making. They, being illiterate, find it difficult to maintain proper records. There is difficulty also in getting witnesses at the time of inspection as the workers working in the establishments do not come forward, as they are afraid of being thrown out of employment, if they appear as witnesses against the employer. Strict enforcement of the provisions of the Act in Mica Works establishments has been substantially handicapped for want of adequate transport facilities.

Uttar Pradesh.- The Uttar Pradesh Government felt difficulty in ~~implementing~~ implementing the various provisions of the Act in rural areas due to the vastness of the areas as compared to the number of staff available. This Government suggested that Section 25 of the Act may be suitably amended to safeguard against the employers for entering into an agreement in respect of benefits that minimum wages provided for in the Act, even though the same may be against the specific provisions of the Act. There was also difficulty in respect of maintenance of records and exhibition of notices etc. in Public Motor Transport, particularly in cases of petty employers who do not have any office or who do not live in the town or places where the vehicles ply.

Delhi.- The Inspectors in the Delhi Territory experienced some difficulty in getting the provisions of weekly-off day with payment implemented, particularly in Building and Stone Breaking Industries.

(The Working of the Act during 1957 was reviewed at pp.15-28 of ~~the~~ Section 36, of the report of this Office for January 1961).

Kerala: Committee's Report on Wages in Plantations.

In order to restore peace and harmony in the plantation industry of the State, the Government of Kerala appointed a Committee in 1957 with a view to evolving a wage structure and a formula for the payment of future bonus for plantation workers. The Committee was constituted of five representatives each of the employers and employees with an independent Chairman. The Committee, which submitted its report to the State Government in early 1959, accepted as far as possible the principles laid down in the Report of the Committee on Fair Wages and certain other principles which have come to be recognised lately. The following is the summary of the main recommendations contained in thereport:-

Wage Structure.- The minimum and guaranteed time rates for the tea and rubber estates as recommended by the Committee are given below:-

Tea and Rubber Estates(Increased all-in-rates inclusive of Dearness Allowance).			
Minimum Time Rates			
		Tea estates admeasuring 100 acres and above and rubber estates admeasur- ing 200 acre and above.	other tea and rubber estates.
		Rs.	Rs.
Field Workers (Men)	---	1.75	1.67
Field Workers (Women)	---	1.34	1.28
Field Workers(Adolescents)	---	1.09	1.06
Field Workers(Children)	---	0.89	0.84
Field Workers(Woman Tappers)	---	1.53	1.48
Factory Workers (Men)	---	1.91	-
Factory Workers (Women)	---	1.47	-
Factory Workers (Adolescents)	---	1.22	-
Guaranteed Time Rates			
(a) Men	---	0.87	0.84
(b)(1) Women Tappers	---	0.87	0.84
(2) Women other than Tappers	---	0.69	0.66
(c) Adolescents	---	0.56	0.54
(d) Children	---	0.45	0.42

In the case of factory workers who were already getting Rs.1.13.0 and above, they will be given one anna per worker in their existing wages. In the Malabar area any differential in wage granted to the workers since the Madras Settlement will be treated as part of the above factory wage and will not continue as an added differential to the above wages.

Coffee Estates.— The rates recommended for coffee estates are:—

		Estates with 300 planted acres and above.	Other estates including those not coming under the Plantations Labour Act.
		Rs.	Rs.
Grade I	-----	1.56	1.47
Grade II	-----	1.16	1.16
Adolescents	-----	0.94	0.94
Children	-----	0.72	0.72

Piece-rates.— The Committee recommended that in Rubber estates the piece-rate system prevailing in Malabar prior to the 1958 agreement should be continued subject to the minimum rates of Rs.1.12.0 in estates of 200 and above and Rs.1.10.9 in estates below 200 acres. The piece-rate system prior to the 1958 agreement should be continued in Malabar wherever existing.

The Committee made it clear that if in any tea, rubber or coffee estate in a higher wage rate prevailed, it was not to be altered to the prejudice of workers.

Bonus.— As recognised by law and practice distributable surplus out of gross profits has to be ascertained after providing for depreciation at Income Tax rates, rehabilitation charges of buildings, machinery, motor vehicles and furniture, provision for Central and State taxation, return at 7 per cent on paid up capital including bonus shares and capital. The Committee recommended that 25 per cent of this available surplus will be distributed as bonus to the plantation labour.

Kerala: Minimum Wages Act, 1948, to be extended to
Employment in Plywood Industry.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Kerala has given notice of its intention to add "Employment in Plywood Industry" to Part I of the Schedule to the said Act in its application to the State as item No. 26 in the Schedule. The proposal will be taken into consideration by the Government after 11 July 1961.

(The Kerala Gazette, Part I,
11 April 1961, page 862)

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Andhra Pradesh: Revised Minimum Rates of Wages for
Employment in Tanneries and Leather Manufactory
Operations published.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Andhra Pradesh has revised the minimum rates of wages payable to employees employed in any tanneries and leather manufactory in the State. The revised rates of wages which shall come into force on 27 April 1961 are as follows:-

MINIMUM WAGES FOR WORKERS EMPLOYED IN TANNERIES PRODUCING E.I. GOAT AND SHEEP SKINS

Category of work.	Unit of work		All inclusive minimum wage for the first unit of work.
	Goat skins.	Sheep skins.	
			<u>Rs. and P.</u>
1. Soaking	200	200	1.18
2. Bandam	200	200	1.13
3. Mudicor	150	150	1.18
4. Challa	60	80	1.20
5. Madchal	12	16	1.20
	(6 Scudding and 6 Fleshing).	(8 Scudding and 8 Fleshing).	
6. Churkam	60	80	1.13
7. Pattashop	100	100	1.13
8. Kadakashop	100	100	1.13
9. Telshop	100	100	1.13
10. Ghoti	100	100	1.20
11. Timmir	50	50	1.20
Extra Unit of Work	-	-	0.66

During the weekly and seven other festival holidays wages should be paid to the workers at the rate fixed for the first unit viz., Rs. 1.20n.p. or Rs. 1.13n.p. as the case may be.

	Rupees per month.
Watchmen	50
Clerks	75
Maistries	65
Miscellaneous Worker	45

Note I.- Children where employed shall be paid 75 per cent of the wages fixed for adults.

Note II.- Women where employed on similar work as men shall be paid the same wages.

(Notification No. 321, GO Ms. No. 615 Home (Labour II) dated 28 March 1961; Andhra Pradesh Gazette, Part I, 27 April 1961, page 1267)

39. International Economic Relations.

India - April 1961.

Committee to Review Import and Export Policy and Procedures set up.

By a Resolution dated 30 March 1961, the Ministry of Commerce and Industry, Government of India, has constituted a Committee to review the import and export policy and procedures. The Resolution states that the working of Import Control and the procedures followed in grant of licences was reviewed by the Import Control Enquiry Committee in 1950. Since then, the First Five Year Plan has been completed and the Second Five Year Plan is nearing completion. The country is now on the threshold of the Third Five Year Plan. As a result of rapid industrialisation during the successive plans, the basic structure of the economy of the country is rapidly changing.

A fresh review is now necessary of the general Import and Export Control Policy - including the export promotion measures, as also of the system of priorities for import of raw materials, machinery and capital goods. It is also necessary to examine the procedures for licensing of imports and exports with a view to improving them.

The Committee ~~has been~~ consists of eight members with Shri A. Ramaswami Mudaliar as Chairman. The terms of reference of the Committee will be as follows:-

- (i) To enquire into the working of Import Trade Control with particular reference to -
 - (a) the procedures followed in the formulation of import policy, and methods followed in dealing with applications for import licences to different categories of applicants;
 - (b) the organisation of the existing machinery for Import Control;
 - (c) any other matter incidental to the working of Import Control Organisation.
- (ii) To examine questions relating to allocation for import of raw materials and capital goods with special reference to the requirements of the Third Five Year Plan.
- (iii) To review the efficacy of the existing Export Promotion measures and to make recommendations with regard to ~~the requirements of the Third~~ measures necessary to step up exports in the Third Five Year Plan period.

The Committee has been requested to submit its report to Government by the end of July 1961.

(The Gazette of India, Part I, Sec.1,
8 April 1961, pp. 86-87)

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

INDIA - APRIL 1961.

41. Agriculture.

Working of the Plantations Labour Act, 1951 for the Year 1959.

Employment.- The total number of estates/plantations covered by the Plantations Labour Act, 1951 and average daily labour on books in these estates/plantations in various States is given below:-

State/Union Territory.	No. of Estates/Plantations.	Average daily labour on books.
Assam -----	666	501,267
Bihar -----	12	513
Kerala -----	425	Not Available
Madras -----	262	73,098
Mysore -----	273*	38,621
Punjab -----	14	2,000
		(Approximately)
Uttar Pradesh-----	16	2,055
West Bengal -----	283	182,944
		(Figures for the period ending 30 June, 1959).
Himachal Pradesh---	1	Not Available.
Tripura -----	47	Not Available.

* Indicates the number of units which submitted returns.

Hours of Employment.- The Plantations Labour Act, 1951 fixes the maximum weekly hours of work for adults at 54 and for adolescents and children at 40. It has also prescribed the daily hours of work, their spreadover and the time for rest intervals. The available information shows that normal weekly hours of work were 24 in Bihar and 48 (except in one estate where weekly hours of work were 51) in Uttar Pradesh. In Mysore normal working hours per week were 48 for adults, 46 for adolescents and 36 for children. In Madras, 2 plantations worked up to 42 hours a week, another 2 between 42 and 45 hours, 207 between 45 and 48 hours and 14 above 48 hours a week. In Himachal Pradesh, normal working hours for adults were 48 per week and for children 24 per week. In Tripura, the workers did not work for more than 36 hours per week in the plantations.

Leave with Wages.- The Act provides for grant of leave with wages at the rate of one day for every twenty days worked for adults and one day for every 15 days worked for young persons. The number of workers who were granted leave was 482,319 in Assam, 1,166 in Bihar, 69,731 in Madras, 22,416 in Mysore, 2,032 in Uttar Pradesh and 189,117 in West Bengal. Leave with wages was granted in almost all the tea gardens in Tripura.

Health.- The important provisions of the Act in respect of health relate to: (i) supply of drinking water, (ii) arrangements for conservancy, and (iii) provision of medical facilities. The extent to which these facilities were available in various States is given below:-

In Assam, 13 new hospitals were constructed during the year and 6 more hospitals were under construction. Improvements involving large scale renovation, construction of additional wards and departments were carried out, which resulted in an addition of 308 beds. By the end of the year, there were 472 garden hospitals with 13,309 beds and 154 dispensaries. Even so, medical facilities fell short of the prescribed standard in the case of 221 estates.

In Bihar, adequate supply of wholesome drinking water was available at all times during the working hours at work-sites in every plantation. The rules relating to conservancy were, however, not made applicable to these plantations till the end of the year under review.

A dispensary, provided by the Company, at Palandu, catered to the medical requirements of all the 5 plantations. The dispensary was attended to by a qualified doctor, and had two indoor beds for the sick workers and their families. In the case of serious illness, arrangements existed for removing the patients to the Sadar Hospital Ranchi or S.P.G. Mission Hospital, Ranchi at the expense of the Company, which met the entire cost of treatment.

In Kerala, the major planting concerns maintained well-equipped group hospitals and dispensaries under qualified medical officers and the standards of efficiency were good.

In Madras, the plantations are required under rule 11 of the Madras Plantations Labour Rules, 1955 to obtain a certificate from the Health Officer of the area to ensure that the water supplied to workers is fit for human consumption. Besides this, the sources of water supply in 17 plantations as required under rule 8 of the Madras Plantations Labour Rules 1955 was approved by the Chief Inspector of Plantations during the year. However, the managements of all the plantations covered by the Act provided drinking water facilities to their workers either by providing taps or wells. Steps were also taken to improve the sources of water supply.

In matters of medical aid, 10 schemes formulated by the employers showing the stages by which medical facilities were to be provided were received for approval by Government. In all, 29 such schemes in respect of 53 plantations including the schemes received in the previous year were approved by the Government during the year.

In Mysore, all the big estates provided protected water supply through pipes and digging wells near the estate lines. In some parts water ~~was~~ was being supplied from streams.

Medical aid was available to the workers in some of the estates. In Chickmagalur Division one garden Hospital was run by the Management of Kadamane Estate and there were 4 dispensaries manned by doctors and 15 only by compounders. In Mysore Division there was only one dispensary in Attikan Estate. In Coorg Division, under the Coorg Plantation Labour Rules, a hospitalisation scheme had been evolved, according to which the entire responsibility of providing necessary medical aid lay with the then State Government, the employer was required to pay a non-recurring charge of Rs.15 per acre and recurring charge of Rs.5 per acre a year. Consequent upon the reorganisation of States this Scheme had been proposed to be adopted for the plantation areas of the whole State and to that end a Committee had been formed to go into the question and to suggest amendment to the Mysore Plantation Rules in order to make it incumbent on the planters to contribute to the Scheme.

In Punjab, most of the employers appointed part-time vaid/ doctors to render medical assistance to workers.

In Uttar Pradesh, out of 16 plantations 9 provided garden dispensaries under qualified medical practitioners; 2 were maintaining garden hospitals and the remaining were utilising the services of part-time doctors with necessary free medicines.

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In West Bengal, by the end of the year there were 174 hospitals and 132 dispensaries with 3,576 beds. The total number of doctors, midwives, nurses and compounders employed in these hospitals/dispensaries was 283, 200, 224 and 135 respectively.

In Tripura, Certifying Surgeons were appointed for the purpose of examining and certifying young persons who wished to obtain fitness certificates for employment in tea plantations. Out of 55 tea estates, 44 were maintaining dispensaries and the rest provided only partial medical facilities. Drinking water was made available through the wells and this system proved to be satisfactory.

Welfare.— The welfare facilities prescribed in the Act include inter-alia, educational and recreational facilities, housing, canteens, creches and appointment of welfare officers. The extent to which such facilities existed in various States is given below:—

In Assam, the educational facilities provided by the gardens were not adequate and in many cases children attended the schools in the neighbourhood provided by the local authorities. To facilitate effective participation of the State Education Department, Inspectors in the School Inspectorate were declared to be Inspectors under the Plantations Labour Act.

Among the recreational facilities provided by the gardens, exhibition of the films at regular intervals was a common feature in all gardens.

The total number of houses including kutcha and semi-pucca houses constructed during the year was 12,433 as against 18,000 houses required to be constructed at the rate of 8 per cent per annum.

During the year, steps were taken to amend the Rules relating to provision of housing facilities with a view to making the repair and maintenance of existing houses obligatory and clearly defining the requirement to build 8 per cent houses annually.

Altogether 380 creches were reported to be functioning at the end of the year besides 752 shelters within the plantation areas. The total number of creches attendants was 719.

In Bihar, the rules relating to the educational and recreational facilities, canteens and creches and appointment of welfare officers had not been made applicable to the plantations in the State.

The workers working in the plantations resided in the neighbouring villages in their own houses. Hence there was actually no need for providing houses for these workers. Accordingly, no work in this direction was done.

In Kerala, employers were persuaded to construct houses in accordance with the plans prescribed by the Government at least to the extent of 8 per cent per year as required by law. In order to afford financial help to small planters, loans under the Government of India, Housing Scheme were granted on ~~from~~ liberal terms, and 5 planters made use of the loans during the year and constructed 66 houses for the labour. An amount of Rs.45,200 was disbursed to them towards housing loans thus making a total of Rs.162,000 disbursed till close of 1959. Besides, the 66 houses constructed with the assistance of loans, about 4,645 houses were constructed by the planters themselves during the year under review.

Almost all the major plantations provided canteens, creches, recreational facilities though their standards were not quite satisfactory.

Cumblyes ^(blankets) were supplied to the workers working in the estates 2,000 feet above the sea level. In estates situated at the lower altitudes, either an umbrella or a cumbly was supplied to suit local conditions.

In Madras, the Government sanctioned loans to the extent of Rs.92,160 to two planters for the construction of 48 houses. A total sum of Rs.159,140 had been disbursed to the planters by the end of the year. The construction of 107 houses was completed and construction of 48 houses had reached the plinth level.

In Mysore, the estates which had Government Schools in the nearby villages made arrangements to send their workers' children to such schools. Some of the planters provided books and slates to the poor children. An adult literacy class was being maintained in the Labour Welfare Centre at Kadamane Estate. In Coorg area, since there were many Government Schools within the reach of the estates, the need for estate owners running their own schools was not felt.

In Punjab, a welfare centre was being run by the State Labour Department at Palampur, which imparted training in sewing and knitting to the families of workers. Important among other welfare facilities were (i) adult education, (ii) education for children, (iii) indoor and outdoor games, and (iv) a small library and reading rooms.

In Uttar Pradesh, employers were reported to be taking steps to provide canteens in the plantations. Three plantations furnished details in respect of canteens during the year. The total number of creches, which existed in 9 plantations was 11 and average daily attendance of children in these creches was 103.

In West Bengal, the standards and specifications regarding housing as suggested by the Advisory Board for Housing constituted under rule 57 of the West Bengal Plantations Labour Rules, 1956 were approved by the Government. Six tea estates applied for loans under the Labour Housing Schemes Rule, 1958. On the recommendations of the Chief Inspector of Plantations, loans were given subject to terms and conditions laid down in the Rules. By the end of the year, 15,482 quarters were provided by 220 tea gardens for which information is available, but, many of these quarters were below the specified standard.

In Tripura, primary education to the children of workers was imparted free of cost in almost all the estates.

Sickness and Maternity Benefits.— Under Section 32 of the Plantations Labour Act, the State Governments are empowered to frame rules in regard to sickness and maternity allowances. Available information regarding the number of workers who obtained these allowances during the year is given in the table below:—

State	Sickness Allowance		Maternity Allowance.	
	No. of workers who received the benefit.	Amount paid. Rs.	No. of workers who received the benefit.	Amount paid. Rs.
Assam	316,715	394,353	47,150*	4,302,630
Mysore	8,112	60,884	3,081*	188,316
Uttar Pradesh	13,081	9,890	169*	8,313
West Bengal	102,287	621,424	18,014*	1,274,858

* Claims.

Enforcement.— In Assam, Labour Officers and Labour Inspectors visited as many as 199 estates and the Chief Inspector, 29 estates during the year under review. The defects and deficiencies found during the course of these inspections and also while checking the annual returns were communicated to the managements concerned. Prosecution was ordered in 10 cases but proceedings in respect of 2 cases were subsequently withdrawn as a result of an agreement between the employer and the union. In Bihar, all the plantations were inspected frequently by the Inspectors. In Kerala, the Chief Inspector of Plantations and Inspectors of Plantations conducted 2,265 inspections during the year. The main irregularities noticed were inadequate provision of housing and medical facilities, etc., besides non-maintenance of registers. Because of the prompt action taken by the Department, the defects were referred to a considerable extent with the co-operation of the employers. Prosecutions were launched in certain cases and fines amounting to Rs. 95 were imposed for various offences. In Madras, ~~the Inspectors~~ the Inspectors conducted inspections of 261

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plantations, while the Chief Inspector of Plantations inspected 40 estates during the year. The total number of complaints received during the year was 301. ~~Seventeen~~ Seventeen complaints were pending at the beginning of the year. Of these, 290 were disposed of during the year.

In Uttar Pradesh, 58 inspections were carried out by the Inspector of Plantations. Nine complaints were received during the year which were investigated by the Inspector and suitable action was taken on each complaint. Thirteen prosecutions were launched against some tea plantations for contravening the various provisions of the Plantations Labour Act, 1951 and a total fine of Rs.250 was imposed in 3 cases. In West Bengal, 184 tea gardens were inspected by the Inspectors and on completion of inspection necessary directions were given to the managements to remove the defects detected by the Inspectors. In Tripura, 116 units were inspected and recruitments under the Act were explained to the managements of these estates. Three prosecutions were launched for violations of the Act.

(Indian Labour Journal, Vol. II, No. 4,
April 1961, pp. 285-290)

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42. Co-operation.

India - April 1961.

Co-operative Training: Study Team's Recommendations.

An expert team appointed by the Government has recommended that the teaching of co-operation should increasingly figure as part of the general education in both the school and college stages.

It has recommended the constitution of a National Board for Co-operative Training "with a broad-based membership" and a non-official Chairman. The Board should essentially be a policy-making body.

The report of the team - the study team on co-operative training appointed by the Union Ministry of Community Development, under the leadership of Shri S.D. Misra, Parliamentary Secretary to the Ministry - was presented to both Houses of Parliament on 19 April 1961.

The team has recommended a scheme costing 124.7 million rupees for training and education on co-operation in the third Five Year Plan.

(The Statesman, 20 April 1961).

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA- APRIL 1961.

50. General.

Madras: Working of the Madras Shops and Establishments Act, 1947, for 1959*.

The following information on the working of the Madras Shops and Establishments Act, 1947, for the year 1959 is taken from the Madras Government's administration report on the working of the Act.

Extent and application.- The Madras Shops and Establishments Act, 1947, continued to be in force in the city of Madras, in the Municipal areas, in Class I Panchayats and also in some special areas notified by the Government. The Act, was not extended to any new areas during this year.

Inspections.- There were 155,586 shops, 6,337 commercial establishments, and 404 theatres and other places of public amusements or entertainments covered by the Act in Madras State including the Kanyakumari district and Shenottah taluk of the Tirunelveli district. The total number of persons employed in those establishments is 184,351. The Assistant Inspectors of Labour have conducted 622,449 regular, 4,132 surprise, 14,340 holiday and 2,253 special visits during the year in this State. The number of shops and establishments covered by the Madras Shops and Establishments Act, 1947, are furnished below:-

* Administration Report on the Working of the Madras Shops and Establishments Act for the year 1959; Government of Madras, 1961; Printed by the Controller of Stationery and Printing, Madras, Madras, 1961. pp.20; price 60 Naye Paise.

Number of shops.	Number of persons employed in shops.	Number of commercial establishments.	No. of persons employed in commercial establishments.	No. of Theatres.	No. of persons employed in theatres.	No. of places of public amusements or entertainments.	No. of persons employed in places of public amusements or entertainments.
155,586	147,326	6,337	31,690	401	5,319	3	16

Particulars relating to the number of restaurants, etc., have not been furnished, as they are covered by a separate enactment, i.e., Madras Catering Establishment Act, 1958, which came into force in this State on 8 April 1959. The decrease in the figures now furnished as compared with the figures for the year 1958 is also due to the enforcement of the Madras Beedi Industrial Premises (Regulations of Conditions of Work) Act, 1958, which came into force on 8 April 1959.

Prosecutions.— At the beginning of the year, there were 33 prosecutions pending in courts. Six hundred and eight prosecutions were sanctioned both by the Chief Inspector of Factories and Commissioner for Workmen's Compensation, Madras, during the year for contraventions of the Provisions of the Madras Shops and Establishments Act, 1947. Out of 641 prosecutions pending in courts during the year, 611 ended in conviction. Only 14 cases ended in acquittal. In one case, the Government in G.O. Ms. No. 4727, Industries, Labour and Co-operation (Labour), dated 8 December 1959, was pleased to order the withdrawal of prosecution already launched in courts. There were 15 cases pending in courts for disposal at the close of the year. A sum of Rs. 8,710 was realised as fines by the courts.

Appeals under Section 41 of the Act.— One hundred and sixty-six appeals were pending on 1 January 1959 in respect of the Madras State including the Kanyakumari district and the Shencottah taluk of the Tirunelveli district and five hundred and thirty-eight appeals were filed during the the year. Four hundred and twenty-five cases were disposed of leaving a balance of 279 cases at the end of the year.

Exemptions.- The Government granted two permanent exemptions and ten temporary exemptions under the Madras Shops and Establishments Act, 1947, during this year. The Commissioner of Labour, Madras, granted exemptions under the said Act, in exercise of the powers delegated to him by the Government in this regard, in respect of all shops and establishments situated in the respective areas concerned for 21 important fairs and festivals celebrated in various parts of the State and also ordered the suspension of the operation of the Act in 9 cases in respect of all the stalls situated within the exhibition grounds.

Disputes settled by the Assistant Inspector of Labour.-The Assistant Inspectors of Labour were able to settle amicably 1,631 disputes during the year under report.

The Madras Shops and Establishments Act, 1947, which has been in force in this State for over 11 years has been working fairly satisfactory.

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Labour Conditions in Match Industry: Results of a Study
published.

The Labour Investigation Committee appointed by the Government of India in 1944 conducted an enquiry into the labour conditions of workers employed in the match industry and published a report thereon in 1945. With a view to bringing the data contained in the above report up-to-date, the Bureau issued a comprehensive questionnaire to 36 sampled units in March 1960. In view of the poor response from the sampled units, field investigations were conducted in most of the units and the data were collected on the spot by an official of the Labour Bureau.

Sampling Design.—The sampling frame for the enquiry was the list of registered match factories, including units engaged in the manufacture of fire works, in 1958 as available in the Labour Bureau. The sampling design adopted for the enquiry was stratification by region-cum-size-group. In view of the concentration of the units in Madras State, it was decided to have two regional strata viz., Madras and the 'Rest of India'. The units in respect of the two regions were stratified on the basis of employment into three size groups viz., upto 100, 101-500, and above 500. A brief review of the enquiry is given below.

Direct and Contract Labour.— The total number of workers employed in the industry, as estimated on the basis of the data collected during the enquiry, was 22,141. This, however, excludes 'family labour' as such labour was not employed within the premises of the sampled factories. There was very little employment of contract labour in the industry, the percentage of contract labour to total labour being 0.67 only. Contract labour was mainly engaged on dozen packetting and bundling in the former stratum, and loading, unloading, stacking and transporting raw materials, etc., as also on sundry jobs like building and construction in the latter stratum. As the nature of ~~the~~ such work was of casual and intermittent nature, principal employers found it economical to get the work done through contractors, over whom no control of supervision was being exercised.

Female Labour.— Female labour was employed on a considerable scale in the industry. The percentage of female labour to total direct labour was as high as 43.7 for the industry as a whole. Women were generally employed on such occupations as box filling, bandrolling, labelling, leveling and dozen packetting.

Child Labour.— Children were reported to have been employed in Group II of Madras region and Group I of the 'Rest of India' region; the percentage of child labour to direct labour being 3.2 and 18.3 in the two groups respectively.

Permanent, Temporary and Casual Labour.- One of the features of employment in the industry as revealed by the enquiry is the relatively high proportion of permanent workers among the total direct labour. They formed as much as 71.7 per cent for the industry as a whole. As regards temporary labour, its percentage to total direct labour was exceptionally low (viz., 0.8) in Group III as compared to 26.3 for the industry as a whole. Casual labour, which is generally recruited at the factory gates, was employed only in Group III of the 'Rest of India' region; its percentage to direct labour in the stratum being 7.1.

Training and Apprenticeship Schemes.- Apprenticeship schemes were in existence in the three sampled units in Group III of the 'Rest of India' region only. The nature and duration of training, however, varied in these units. One of the units provided training facilities to apprentices as 'workshop fitter' for a period of 2 years and they were paid during the training period Rs.2 to Rs.3 per day depending upon the qualifications of a particular apprentice. The trainees for apprenticeship in fitters' trade, sent by the Industrial Training Institute for in-plant training for six months, were accepted by the second unit. In addition to these trainees, there existed an arrangement with a Vocational Training Centre for in-plant apprenticeship of 4 trainees in such trades as fitters, linemen, wiremen and motor mechanics. In the third unit, there existed a comprehensive apprenticeship scheme for training in trades, such as, (a) general mechanical work, bench fitting, turning, milling, smithy and welding; (b) electrical fitting; (c) boiler and steam engine driving and maintenance; (d) ~~mechanical~~ carpentry; and (e) motor mechanic (vehicle). The duration of training was normally three years subject to extension for a further period at the discretion of the management. Apprentices were paid Rs.1.00 per day for the first six months and thereafter according to skill acquired.

A brief analysis of basic wage rates/range and average daily earnings of workers in these occupations is given below:-

(1) Peeling Machine-man working on Outer Peeling/Outer Chopping/Rim, Peeling/Rim, Chopping/Bottom, Peeling/Bottom Chopping/Splint Peeling/Splint Chopping Machine.- The average daily earnings of this category of workers were Rs.7.71 and Rs.5.35 for Madras and the 'Rest of India' regions respectively.

(2) Peeling Waste Transporter/Transporting Waste Bottoms/Waste Outer Veneers/Wast Rims.- The average daily earnings of peeling waste transporters were Rs.5.97 and Rs.4.96 in Madras and the 'Rest of India' regions respectively as compared to Rs.5.05 for the industry as a whole.

(3) Box Making Driver/Outer and Inner Box Making Machine Operator.- The average daily earnings of box making drivers were Rs.7.07 and Rs.5.04 for Madras and the 'Rest of India' regions respectively as compared to Rs.5.38 for the industry as a whole.

(4) Box Closing Driver/Box Closing Machine Operator.- The average daily earnings of box closing drivers were Rs.7.25 and Rs.4.66 in Madras and the 'Rest of India' regions respectively as compared to Rs.5.68 for the industry as a whole.

(5) Continuous Machine Driver/Continuous Machine Operator.- Workers in the category were receiving average daily earnings of Rs.7.16 and Rs.5.58 in Madras and the 'Rest of India' regions respectively.

(6) Box Filling Machine Driver/Box Filling Machine Operator.- The average daily earnings of this category of workers for the industry as a whole were Rs.5.62 as compared to Rs.7.14 and Rs.5.22 for Madras and the 'Rest of India' regions respectively.

(7) Friction Driver.- Friction drivers received average daily earnings of Rs.7.73 and Rs.7.34 in Madras and the 'Rest of India' regions respectively.

(8) Carpenter/Skilled Carpenter (Grades I, II and III)/Semi-Skilled Carpenters. The average daily earnings of carpenters were Rs.7.48 in Madras region and Rs.6.30 in the 'Rest of India' regions as compared to Rs.6.48 for the industry as a whole.

(9) Boiler Fireman.- The average daily earnings of boiler fireman were Rs.7.56 in Madras region and Rs. 6.01 in the 'Rest of India' region as compared to Rs.6.26 for the industry as a whole.

(10) Fitter/Skilled Fitter (Grade I, II and III)/Semi-Skilled Fitter.- The average daily earnings of fitters were Rs.9.12 in Madras region and Rs.7.12 in the 'Rest of India' region.

(11) Feeder/Helper/Assistant (Peeling Machine, Box Closing Machine, Box Filling Machine, Frictioning, Bandrolling, Continuous Machine).- The average daily earnings of feeders in the industry were Rs.5.58 as compared to Rs.6.65 in Madras region and Rs.5.21 in the 'Rest of India' region.

(12) Outer Box Maker.- Outer box makers, working within the premises of the factory, were employed on piece-rates in units in Group II in the 'Rest of India' region only; their average daily earnings being Rs.1.69.

(13) Inner Box Maker.- Inner box makers, working within the premises of the factory, were employed on piece-rates in units in Group II in the 'Rest of India' region only; their average daily earnings being Rs.1.88.

(14) Dipper/Chemical Dipper.- The average daily earnings of dippers in the industry were Rs.1.20 as compared to Rs.0.96 and Rs.2.35 in Madras and the 'Rest of India' regions respectively.

(15) Box Filling Worker.- The average daily earnings of box filling workers were Re.0.98 in Madras region Rs.2.03 in the 'Rest of India' region and Rs.1.10 for the industry as a whole.

(16) Bandrolling and Labelling Worker.- Their average daily earnings were Rs.1.08 for the industry as compared to Rs.0.83 in Madras and Rs.2.17 in the 'Rest of India' region.

(17) General Assistant/Helper/Mazdoor.- Their average daily earnings were Rs.2.99 for the industry as compared to Rs.5.01 and Rs.2.91 in Madras and the 'Rest of India' regions respectively.

(18) Frame Filling Workers.- Their rate of basic wages varied from Rs.1.87 to Rs.2.37 per day plus a grade pay of Re.0.23 to Rs.0.31 per day. The average daily earnings of frame filling workers were, however, Rs.3.15.

(19) Packer.- The average daily earnings of packers were Rs.1.71 for the industry as a whole as compared to Rs.1.11 and Rs.3.06 in Madras and the 'Rest of India' regions respectively.

Dearness Allowance.- In addition to wages, dearness allowance was paid separately to workers in 7 units (1 in Madras region and 6 in the 'Rest of India' regions). In 3 of the units, dearness allowance was linked with the cost of living index; in one unit it was paid at a flat rate. In another unit, there was no regular system of paying dearness allowance but the workers were paid such allowance as per owner's discretion. The rate in this unit varied from Rs.10/- to Rs.25/- per month and it was paid only to certain categories of workers. In another unit, the dearness allowance was given in two forms viz., as dearness allowance and as additional dearness allowance. The dearness allowance was paid every fortnight to the workers alongwith their basic wages on the following slab system:-

- (a) on the first slab of earnings of Rs.10 the dearness allowance was calculated at 150 per cent.;
- (b) on the second slab of earnings between Rs.10 and Rs.60, the dearness allowance was calculated at 43.75 per cent.;
- (c) on further earnings, the dearness allowance was nil. The additional dearness allowance in the above unit was paid in accordance with the cost of living index figure for Gauhati and the same was paid on the dearness allowance and not on the basic wages.

In the remaining unit, the scale of dearness allowance was linked to the Bombay Mill Owners' flat rate dearness allowance but was based on the Index Number for the month of May, 1948 which was 291. The dearness allowance was calculated as per schedule, given below, subject to a minimum of the Bombay Mill Owners flat rate dearness allowance and was paid for all the days in the month less notified working days but irrespectively of the actual number of working days during the month:-

- On the first slab of Rs.100 at 70 per cent.
- On the next slab of Rs.50 at 30 per cent.
- On the next slab of Rs.50 at 20 per cent.
- On the next slab of Rs.50 at 15 per cent.
- On the next slab of Rs.50 at 10 per cent.

Production Bonus. Details regarding the different types of bonuses which were paid to the workers in the sampled match factories are given below:-

Attendance Bonus. Attendance bonus was paid to workers in only 2 units of Madras region (1 each in Groups I and II).

Production Bonus. Production bonus was paid in 4 big units only (in Group III in 'Rest of India' region). In one unit, all workers were entitled to the grant of production bonus while in the remaining 3 units, only permanent workers were eligible. Workers in one unit got production bonus at the rate of $\frac{1}{2}$ per cent of basic wages for every case of 60's produced in excess of 100 cases in a period of 17 hours while in another unit, the bonus was calculated at the rate of $\frac{1}{2}$ per cent per unit per day over and above 220 units packed and was payable on the basic earnings only. The rates of production bonus in the remaining 2 units were not available.

Festival Bonus. Festival Bonus was paid to workers in 17 units (15 in Madras region and 2 in the 'Rest of India' region). This bonus was generally paid to workers on Deepavali and Pongal festivals. In certain units, workers got festival bonus on the occasion of Deepavali festival only while in others bonus was paid on both the festivals.

Working Conditions. Hours of work, shifts, etc.- Of the 36 units surveyed, 31 worked for 8 hours a day and 48 hours a week. The weekly hours of work varied from 42 to 48 and the daily hours varied on different week days in the remaining five units. The daily hours of work for children varied from 4 to 8 in the sampled units employing child labour. The rest interval in the various units varied from one to two hours a day.

In 5 units, workers had 2 shifts. The period of change-over of shift was weekly in the case of 4 units, while it was fortnightly in the remaining units.

Leave and Holidays with pay and weekly off. The details about the different types of leave granted to the workers in the match factories are given below:-

Casual Leave.- Casual leave was granted to male workers in 12 units. The period of leave was 15 days in a year in the case of 7 units, 7 days per year in the case of 3 units and 10 days per year in the case of 1 unit. In the remaining unit, leave was granted as per the Factories Act, 1948. In 6 units, only male permanent workers were eligible for leave while in the other 6 units, leave was allowed to all male workers.

Sick Leave.- Sick leave was granted to workers regularly in 5 units. The period of sick leave was 14 days in the case of 3 units and 12 days in the case of one unit. In the remaining unit, daily-rated and piece-rated workers got 10 days' sick leave while monthly-rated workers got 12 days' sick leave. In 4 units only permanent workers were eligible while in 1 unit both permanent and temporary workers were eligible. ~~while in one unit both permanent~~ In 4 more units, sick leave was sometimes granted to the workers at the discretion of the employers and the number of days was also not fixed.

Earned Leave.- Earned leave was granted to workers in 14 units. In 5 units, such leave was granted as per the provisions of the Factories Act 1948, while in 6 units the workers got 15 days' earned leave in a year. In 2 more units, leave to daily-rated and piece-rated permanent workers was granted according to the provisions of the Factories Act but monthly-rated workers got 30 days' leave in a year. In the remaining unit, time-rated male workers only got 12 days' leave in a year.

National and Festival Holidays.- In one unit, since all workers were employed on piece-rates and in view of the fact that the work was irregular, the question of granting national/festival holidays with pay did not arise. Such holidays with pay were granted in 34 units. The number varied from 1 to 24 per annum; 5 units granted 5 days, 10 units granted 7 days, 3 units granted 15 days and 1 unit granted 24 days. In the remaining 15 units, the number of national/festival holidays varied from 1 to 10.

Latrines and Urinals.- Latrines and urinals had been provided for the workers by 34 units (out of 36 covered). Of the other two units, latrines and urinals were under construction in one unit. The latrines and urinals provided were mostly pucca and separate arrangements had been made for males and females.

Housing.- Houses had been provided to certain workers in 7 units only. The houses provided to the workers were mostly "pucca" in the case of 6 units, while these were "kutchra" ones in the case of one unit. All units which had provided houses to their workers had made adequate arrangements for water supply and sanitation. In one unit, a contract had been given to a contractor for cleaning and removing the refuse from the quarters, its surrounding land and the drains while in others, flush system latrines and urinals had been provided. In 3 units, the quarters were provided rent-free while in the remaining 4 units, rent was charged from the workers. The rent charged varied from Rs. 2 to Rs. 6 p.m. in 1 unit and from Rs. 2.50 to Rs. 10 p.m. in another unit.

In the third unit, the rent was Rs.12 p.m. per room in pucca building while it was Re.0.75 per head per seat in a tin-shed. In the remaining unit, the rent varied from Rs.2.37 to Rs.6.00 p.m. per room in 'Chawls' while for staff quarters, it varied from Rs.12 to Rs.25 per month.

Medical Facilities.- Twentynine units had provided first-aid boxes for workers employed in their factories. In addition to first-aid boxes, the managements in 5 units had maintained dispensaries in their factories under the charge of qualified doctors. Besides, the workers in one unit were entitled to medical aid under the Employees' State Insurance Scheme while in another unit, a part-time doctor was engaged for the workers.

Educational Facilities.- Except for one unit, which had an elementary scheme for workers' children, no schools were run by the managements for workers or for their children in any of the sampled units. In one unit, the management was subsidising the running and maintenance of an Anglo-Junior High School where the children of the employees of the company were imparted education for a nominal fee. In 9 sampled units, the managements supplied books and ~~slates~~ slates free to workers' children. In one of these units, scholarships were also given to workers' children in addition to books.

Recreational Facilities.- Recreational facilities were provided to workers in 6 units. In one unit, a radio had been kept inside the factory while in 2 more units facilities for indoor and out-door games had been provided for the workers in addition to the provision of two club rooms and a radio. In the remaining 3 units, facilities for out-door games such as foot-ball, cricket, badminton had been provided for the workers and the cost of the sports materials was borne by the managements in the case of 2 units. In one of these units, a film projector had been provided and films were screened in the canteen for the benefit of workers once in a month.

Rest Shelters.- Rest shelters for workers had been provided in 9 units. In one more unit in Madras region, plans for constructing a rest shelter were under consideration, while in another unit there was no separate rest shelter, the canteen was being used as a rest shelter.

Canteens.- Canteens for workers had been provided in 9 units. Tea and snacks were served to the workers in such canteens on no-profit-no-loss basis. In 3 units, meals were also served to the workers in these canteens.

Creches.- Only 4 units had maintained creches for workers' children. These were looked after by a nurse or an ayah in the case of 3 units. In one unit free milk was supplied to children while in another unit, milk and biscuits were supplied free to children. Free clothing was also supplied for creches' use in the case of one unit.

Grain-Shops.- Grain-shops were maintained by 2 units (in Group III of the 'Rest of India' region) only. In these grain-shops, foodstuff and articles of household use such as food grains, sugar, spices, oil, soap, etc., were sold to employees at cost price. In the case of 1 unit, the articles sold from the grainshop were on credit basis and the cost was recovered from the wages of the employees at the end of the month.

Co-operative Societies.- Co-operative Societies existed in 4 ~~units~~ big units. In one unit, there were two Co-operative Societies. The workers had the facility of purchasing their requirements at reasonable prices from the stores attached to one of the societies while the other society dealt with loans, sale of bicycles, etc. In another unit, a Co-operative Society which claimed almost 100 per cent membership of employees of the company, had been functioning for the last 9 years. This society afforded facilities for short-term and long-term loans to workers for meeting medical expenses, expenses for performance of religious rites of members and their families, for purchase of land and repairs to and building of houses. The Society also arranged life insurance of members and payment of their premiums.

Maternity Benefits.- Of the 36 units surveyed, 31 employed female labour. Of these, 11 units were paying maternity benefits to eligible female workers. The extent and nature of benefits, however, varied considerably. In Madras region, three units made an ad-hoc payment varying from Rs.10 to Rs.25; two units paid 4 to 5 weeks' wages, another unit paid 15 to 20 days' wages and the medical expenses incurred were re-imbursed in the remaining unit. In the 'Rest of India' region, two units paid these benefits at the prescribed rates under the Employees' State Insurance Scheme. In another unit, maternity benefit was paid according to the State Maternity Benefit Act. Another unit reported that 20 days' leave, both before and after the delivery, was granted in eligible cases. The rate of payment was Rs.0.75 per day during the leave period.

Provision for Future.- Provident fund facilities under the Employees' Provident Fund Scheme existed in one unit (Group III) of Madras region and all the four units falling in Group III and one unit in Group II in the 'Rest of India' region. All workers who had completed one year's continuous service or had worked for more than 240 days in a year were eligible for membership of the Fund. The rate of contribution by members was $6\frac{1}{4}$ per cent of basic wage plus dearness allowance and an equal amount was contributed by the employers. A total of 7,733 workers enjoyed provident fund facilities ~~under~~ under the Scheme, as on 31 December 1959.

Industrial Relations.- Standing Orders.- Standing orders regulating the conditions of service of workers were in existence in 11 units. Standing Orders in 9 of the units were duly certified by the Certifying Officers of the States concerned.

Works/Production Committees.- Works/Production Committees were in existence in 4 big units. There was equal representation of both employees and management on these committees. In another unit works committee which was formed in 1954 was not functioning at the time of the enquiry. One unit stated that the representative of two unions, viz., one for monthly rated and another for daily rated workers, settled disputes with the management round the table. Workers of still another unit were afforded the facility of discussing matters with the management round the table through the Labour Welfare Officer of the unit.

Labour/Welfare/Personnel Officers.- Labour/Welfare/Personnel Officers had been appointed in six big units only. These officers dealt with recruitment of workers, their welfare, personnel management and conciliation proceedings. They also looked into the grievances of the workers.

Industrial Disputes.- No major industrial dispute was reported by any of the units surveyed. However, workers in one unit went on strike three times during 1959 on account of a dispute relating to wages, lay-off, etc., and as a result 5,422 man-days were reported to have been lost.

Trade Unions.- Workers in 7 units had organised themselves into trade unions which were duly registered. These unions were recognised by managements in the case of 6 units.

(Indian Labour Journal, Vol.II, No.4, April 1961, pp.251-284; published by the Labour Bureau, Ministry of Labour and Employment, Government of India.)

56. Labour Administration.

India - April 1961.

Lok Sabha approved Demands for Grants of the
Ministry of Labour and Employment: Minister
announced Government's Decision to institute
Fund for Relief of laid-off Workers.

The Lok Sabha voted on 4 April 1961 the demand for grants for the Ministry of Labour and Employment for the year 1961-62.

Shri Nanda's address.- Initiating the debate, Shri G.L. Nanda, Union Minister for Labour and Employment, stated that the Government has decided to bring forward legislation to compel textile units to implement the recommendations of the textile wage board. Shri Nanda added that in the textile industry, employing 800,000 workers, there were increases ranging from 10 per cent to 16.6 per cent in category I, and from 8.6 per cent to 21 per cent in category II. In the cement industry, employing 500,000 workers, the increases ranged from 7 per cent to 100 per cent. In the sugar industry, employing 500,000 workers, it ranged from 8 per cent to 70 per cent and in the jute industry, employing 250,000 workers, the interim recommendations gave an increase of 5 per cent.

The Minister also announced the Government's intention to institute a fund to provide relief to workers thrown out of employment as a result of closures.

He said that while there was steady expansion of employment from year to year, the number of unemployed was also going up.

Referring to the steps being taken to provide employment, he said that since the apprenticeship scheme which was worked out on a voluntary basis had not yielded encouraging results, it had been decided to make it compulsory through legislation. Employment opportunities had been rising at the rate of 6.8 per cent per annum in the public sector and of 4.8 per cent in the private sector.

Code of Discipline.- Shri Nanda said the number of man-days lost had declined in 1959, compared to the figures for 1956. One of the main factors responsible for the better industrial relations that now existed was the code of discipline, which was gradually getting under acceptance. The coverage of the code was practically complete so far as the public sector was concerned - the railways were a special case - and in the private sector there were only a "few branches" still out of it - banks, general insurance, companies, the Press Trust of India and the Indian and Eastern Newspaper Society.

The Minister said that he attached "a great deal of importance" to workers' participation in industries. The workers' education programme would cover one million people in the third Plan, he stated. The managements also required some education and "we hope to extend this system to them also", he added.

Shri S.C.C. Anthony Pillai (PSP-Madras) said that the recommendations of wage boards should be enforced through legislation. He urged the Government to review the question of compensatory and city allowances in the light of the new census figures. He said the real wages of workers had gone down and asked for full neutralisation of the increase in the cost of living.

Dr. G.S. Malkote (C-Mysore) suggested the appointment of a wage board for coalmines. He expressed his concern at the unemployment problem and pleaded for stringent price control measures.

Shri S.M. Banerjee (ind-U.P.) while welcoming the setting up of wage boards for more and more industries, pointed out that they would not bring relief to the workers unless their recommendations were implemented. Several textile mills had flouted awards. He demanded restoration of recognition to the trade unions of Government employees, against whom action was taken in connection with last year's strike.

Shri Kashinath Pande (C-U.P.) said the setting up of wage boards for four or five industries would not solve the problem. He wanted the bonus commission to be asked to evolve principles for determining the quantum of bonus; it should not go into the question whether bonus should be paid. He wanted the law to be amended to prevent the growth of "mushroom trade unions".

Shri Ramsingh Bhai Verma (C-M.P.) emphasised the need to expand the workers' education and training programmes. He wanted the Government to reject the employers' objection to the composition of the bonus commission.

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Shri Indrajit Gupta (Com-West Bengal) said that since the labour was the weaker party, the Government should support its claims as against the employers. It was regrettable that while labour had contributed towards increased production, their wages were going down.

Shri Gupta demanded legislation to enforce the recommendations of wageboards and introduce a sliding scale of dearness allowance to neutralise the rise in living costs. He alleged that attempts were being made to destroy non-Congress trade unions.

Shri M.R. Krishna (C-Andhra) accused the Government of being indifferent to the condition of agricultural labour. He said that only trade unions which functioned in a responsible and constructive manner should be encouraged. Responsible trade union leaders and trade unions might be given merit awards.

Shri Ghanshyam Lal Oza (E-Gujarat) expressed concern at the decrease in the number of factory workers. He asked the Government to make the employment exchanges more effective. While welcoming the appointment of the bonus commission he was critical of the condition laid down that its verdict should be unanimous. He said that the AITUC and INTUC unions, instead of throwing mud at each other, should work for unity.

Shri Nath Pai (PSP-Maharashtra) said there had been a steady decline in the real earnings of workers. The Labour Minister was sincere, but the Government as a whole had not taken any concrete measures to give the workers "a fair share of the increasing prosperity of the country". He appreciated the "restrained" attitude of the Labour Ministry to the Central Government employees' strike.

He wanted the employees' provident fund scheme to be extended to commercial enterprises.

Dr. Sushila Nayar (C-U.P.) wanted an inquiry into the fall in the percentage of "employment opportunities" of women. Steps should be taken to ensure equal wages for men and women for equal work.

Shri Aurobindo Ghoshal (Forward Bloc Marxist-West Bengal) wanted a committee to go into the salary scales and working conditions of employees in the public sector. A committee, he said, should also be appointed to inquire into the condition of agricultural labour.

Reply to Debate.- Replying to the debate, Shri Nanda said that in a day or two legislation would be brought forward to implement the recommendations of the textile wage board. The recommendations had been implemented by more than 80 per cent of the industry.

He criticised the owners of sugar mills for linking the question of price with the recommendations of the sugar wage board. The recommendation stood independently and should be implemented. If prices rose something could be done.

Referring to the labour policy of public sector undertakings, Shri Nanda said that in the early stages they might not have paid enough attention to it. At an inter-Ministerial conference a few days ago it was decided to go ahead vigorously with workers' participation in public sector undertakings. A special cell would be set up in the Labour Ministry for implementation of this decision.

The Minister spoke of the weakness of the trade union movement and said that there could be unity only on the basis of a common programme. He denied there was partisanship in the Government's attitude to trade unions.

The question of accidents would be considered by the Standing Labour Committee and the Indian Labour Conference, he said.

Shri Nanda said that wages in the manufacturing industries had increased by 6 per cent under the two Plans. In the other industries the increase was about 27 per cent. It was true that the wage position had deteriorated in relation to the prices in the last two years in some cases, but this would be set right by the wage board.

Shri Nanda denied that there were differences between his Ministry and the other Ministries on the question of price policy. He agreed that the condition of agricultural labour demanded attention. A committee had ~~already~~ recently been set up by the Planning Commission to study the subject.

He said the new census figures were "worrying" the Government as it brought it face to face with a "somewhat new situation" in regard to employment. "We have to consider how much more it is possible for us to do", he added.

(The Statesman, 5 April 1961).

Chapter 6 General Rights of Workers

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

India - April 1961.

Payment of Wages (Maharashtra Provision for Uniform Application and Amendment) Act, 1960 (Maharashtra Act No. XIII of 1961).

The Government of Maharashtra published on 9 March 1961 the text of the Payment of Wages (Maharashtra Provision for Uniform Application and Amendment) Act, 1960, as passed by the Maharashtra Legislature. The Act which received the assent of the President on 4 March 1961 provides for uniformity in the provisions of the Payment of Wages Act, 1936, in its application to the State of Maharashtra and further to amend that Act as so uniformly applied.

For the purpose of providing for the uniform application of the Payment of Wages Act, 1936, throughout the State, Section 2 of the Amendment Act provides that the enactments mentioned in the Schedule viz., Bombay Acts Nos. LXII of 1959, LXX of 1954 and XLVIII of 1955 which amended the Payment of Wages Act, 1936, are extended to those parts of Maharashtra to which the above enactments did not extend immediately before the commencement of the Act.

Another amendment substitutes a new section to section 6 of the Act of 1936 dealing with payment of wages in current coin or currency notes. The new section provides that all wages shall be paid in current coin or currency notes, or in both; provided that, where the amount of any bonus payable to an employed person exceeds an amount equal to one-fourth of his earnings (exclusive of dearness allowance) for the year to which the bonus relates, such excess shall be paid or invested in the manner prescribed.

The existing section 17(b) of the Act of 1936 provides for appeal against a direction made under the Act by an employed person if the total amount of wages claimed to have been withheld exceeds fifty rupees. A new clause (b) of section 17 introduced by the new Act provides that such an appeal can be made "by an employed person, or any legal practitioner or any official of a registered trade union authorised in writing to act on his behalf, or a representative union registered as such under the Bombay Industrial Relations Act, 1946, or any Inspector under this Act, or any other person authorised by an authority to make an application under sub-section(2) of section 15, and (in the case of the death of the employed person) by his legal representative, as the case may be, if the total amount of wages claimed to have been withheld from the employed person, or from the unpaid group to which the employed person belonged, exceeds fifty rupees, or". The amendment also provides that "when the order or direction appealed against was made by any person who holds or has held office of or above the rank of a District Judge or a judicial member of the Industrial Court constituted under the Bombay Industrial Relations Act, 1946, or the presiding officer of a Tribunal constituted under the Industrial Disputes Act, 1947, an appeal under this section shall lie to the High Court".

(The Maharashtra Government Gazette, Part IV, 9 March 1961, pp. 95-96)

67. Conciliation and Arbitration.

India - April 1961.

West Bengal: Omnibus Tribunal to be set up for
Small Engineering Units.

Shri Abdus Sattar, Labour Minister, West Bengal, announced at a Press Conference in Calcutta on 6 April 1961, the State Government's decision to set up an omnibus tribunal for small engineering industries.

He said that nearly 50,000 workers were employed in such industries mostly in and around Calcutta, but their wages and conditions of work were not adequately guaranteed by legislation. The previous tribunal had made recommendations regarding big engineering units only.

The conditions of work in some small units, which had mushroomed during the past few years, were quite unsatisfactory.

The new tribunal's terms of reference had yet to be decided, Shri Sattar said, but they would include the question of wages and working conditions.

(The Hindustan Times, 7 April 1961).

Chapter 7. Problems Peculiar to certain
categories of workers

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 - April 1961.

Industrial Relations with Government Employees: Provision
for Arbitration under consideration.

The Union Labour Minister, Shri Gulzarilal Nanda, said in the Lok Sabha on 2 May 1961, that the Government and the representatives of employees were discussing the official scheme to regulate the relations between the Government and its employees.

Shri Nanda, who was intervening in the debate in the Lok Sabha on the proceedings of the 17th and 18th Indian Labour Conferences, said the Government did not want to do anything unilaterally. "As soon as the present negotiations are over we shall come to a decision. The Government will then introduce a Bill in this regard."

Shri Nanda said, the official scheme, on the lines of the Whitley Councils, contained a new element - arbitration. But, he added, "you cannot have both arbitration and the strike."

Earlier, Shri S.M. Banerjee (Ind.-U.P.), and Shri Naushir Bharucha (Ind.-Maharashtra) spoke mainly on the Central Government employees' strike. They urged reinstatement of dismissed employees. They said the proposed Bill to ban strikes by Government employees, which the Government might introduce at the next session, was not compatible with the principles of arbitration which the Labour Conference had laid down.

Shri Banerjee said that if the Government did not want outsiders to be included in the "Whitley Councils", which are to be formed, they should grant immunity to the Central Government employees' representatives.

Dr. G.S. Melkote (C-Mysore) said the Central Government employees' strike was "most unfortunate and unjust to the whole nation".

More than 600 employees, against whom action had been taken, had suffered, on account of their leaders. The Government, he said, should view their cases with sympathy.

Shri Krishna Chandra Sharma (C-U.P.) said, that in a democracy where the rule of law should prevail, Government employees could not have the right to refuse to do the ~~just~~ job assigned to them. At the same time, the employees should have adequate machinery to get their grievances redressed.

Shri T.C.N. Menon (Com.-Kerala) said, the cases of "victimized" workers should be taken up and the Minister should look into each case himself.

Shri Nath Pai (PSP-Maharashtra) repudiated the charge that the Central Government employees' strike had political motive. It was a trade union dispute, he said.

Shri D.C. Sharma (C-Punjab) said the strike was a political one and meant to overthrow the Government. This could not be tolerated in any circumstances, he added.

(The Statesman, 3 May 1961).

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CHAPTER 8. MANPOWER PROBLEMS.

INDIA - APRIL 1961.

81. Employment Situation.

Employment Exchanges: Working during January 1961.

General employment situation.— According to the Review of the principal activities of the Directorate General of Employment and Training for the month of January 1961, the number of registrations effected by the employment exchanges was 223,822 as against 243,540 in December 1960 showing a fall of 19,718. The total number of applicants on the Live Register was 1,609,736 as against 1,606,242 in December 1960 showing a rise of 3,499 towards the end of January 1961. A total of 9,353 employers utilised the services of the exchanges as against 9,560 in December 1960. The number of vacancies notified by the employers, was 48,236 as compared to 48,298 in December 1960. The number of placements secured during the month of January 1961 was 27,471 as against 28,416 in December 1960.

Shortages and Surpluses.— Shortage was reported in respect of fast typists, stenographers, nurses, midwives, compounders, doctors, trained teachers, engineers, skilled turners, electricians, accountants, health visitors and physical training instructors. On the other hand, surpluses persisted in respect of clerks, untrained teachers, motor drivers, unskilled office workers and unskilled labourers.

Collection of Employment Market Information.— Quarterly Employment Market Reports in private sectors relating to Visakhapatnam for the quarter ending June 1959, Gauhati for the quarter ending September 1959, ~~Warr~~ Agra, Ernakulam, Gorakhpur, Rajkot, Visakhapatnam, Warrangal for the quarter ending December 1959, Allahabad, Bareilly, Cuttack and Jabalpur for the quarter ending March 1960 were issued during January 1961.

Reports on employment in the public sector in West Bengal for the quarter ending December 1959, Kerala for the quarter ending June 1960, Madras for the quarter ending March 1960 and Madhya Pradesh for the quarter ending June 1960 were also issued during the month.

Vocational Guidance and Counselling.- Five Vocational Guidance Sections in the States of Punjab and Andhra Pradesh were opened bringing the total number to 59 at the end of the month.

Deployment of retrenched employees.- The Central employment exchange rendered employment assistance to retrenched workers in various projects and establishments during the month of January 1961, as follows:-

	<u>No.</u>	<u>No.</u>	<u>No. awaiting</u>
	<u>Retrenched.</u>	<u>placed.</u>	<u>assistance.</u>
1. Damodar Valley Corporation.	-- 51	181	345
2. Bhakra Nangal Project.	-- 250	71	98
3. Bhilai Steel Project.	-- 1,163	1,259	535
4. Special Cell of the Ministry of Home Affairs.	-- 3	4 Class I	16
		Class II	229
		Class III	5
		Class IV	-
			<u>250</u>

Instructions on the under-mentioned subjects connected with Employment Exchange policy and procedure were issued during January 1961:-

Introduction of Applicants to Employer Subsequent to Furnishing a List to the Employer - Simplified Procedure.- As a result of discussions in the 4th meeting of the Working Group of the National Employment Service, the existing procedure of sending applicants to an employer with introduction cards after a list containing their addresses has already been furnished has been further simplified.

Revision of statistical returns consequent on the enforcement of the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959.- Consequent on the enforcement of the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, it has become necessary to collect more detailed information regarding vacancies, with a view to differentiating between vacancies notified by establishments coming under the purview of the Act and those which do not. The returns E.S.1 and E.S.4 have accordingly been revised.

"Abstract of Studies and Reports in the Field of Manpower and Employment".- The second issue in the above series which gives a summary of the occupational pattern of employment in the manufacturing industries in India was sent to all the Employment Officers, State Manpower Officers, etc.

Opening of additional Employment Exchanges.- Three additional employment exchanges were opened during January 1961 in Rajasthan thus bringing the total number at the end of January 1961 to 304.

(Review of the Principal Activities of the Directorate-General of Employment and Training for the Month of January 1961; Ministry of Labour and Employment, Government of India, New Delhi.)

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Pattern of Employment and Unemployment in India:
Results of the National Sample Survey* published.

The National Sample Survey (NSS) undertook nationwide surveys on employment and unemployment from May 1955. For the results of survey, please see section 33, pp. 16-21 of this Report.

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Alternative Employment for Retrenched Employees of
Central Ministry of Rehabilitation: Official
Committee set up.

A three-man official committee has been appointed by the Central Government to suggest measures for providing alternative employment to the Rehabilitation Ministry's employees who are now being retrenched because of the Ministry's impending abolition. The Committee will be headed by the Cabinet Secretary, Shri Vishnu Sahay, and will include the Home Secretary, Shri B.N. Jha, and the Rehabilitation Secretary, Shri Dharam Vira.

It is stated that not much difficulty is being encountered in re-employing within the Central Government the Rehabilitation Ministry's employees of Class III and Class IV, but alternative jobs are hard to find for the officer class.

An important decision which the Government has already taken is that in filling fresh vacancies in the Central Government the "highest priority" should be given to those rendered jobless by the disbandment of the Rehabilitation Ministry.

(The Statesman, 28 April 1961).

83. Vocational Training.

India - April 1961.

Labour Ministry's Training Scheme: Working during
January 1961.

According to the Review of the principal activities of the Directorate-General of Employment and Training during the month of January 1961, there were 163 institutes for training craftsmen, 76 undertakings imparting apprenticeship training, and 14 centres holding evening classes. The total number of seats in all these centres and undertakings was 46,669 and the total number of persons undergoing training stood at 39,866.

(Review of the Principal Activities
of the Directorate-General of
Employment and Training for the
Month of January 1961; Ministry of
Labour and Employment, Government of
India, New Delhi.)

LIST OF PRINCIPAL LAWS PROMULGATED DURING THE
PERIOD COVERED BY THE REPORT FOR APRIL 1961.

INDIA - APRIL 1961.

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

Payment of Wages (Maharashtra Provision for Uniform
Application and Amendment) Act, 1960 (Maharashtra Act
No. XIII of 1961) (The Maharashtra Government Gazette,
Part IV, 9 March 1961, pp. 95-96)•

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- *(a) "Report (April 1960 to March 1961)": 12th Session, Yamunagar^{na} (Jagadhri) April 1961; Indian National Trade Union Congress: Presented by Shri S.R. Vasavada, General Secretary, pp.183.
- *(b) "President Address by Shri Michael John": INTUC-12th Session, Yamunagar(Jagadhri), 16th April 1961, pp.23.
- *(c) "Draft Resolutions - As recommended by the Subjects Committee for the Consideration of the Delegates' Session": 12th Annual Session, INTUC, Yamunagar(Jagadhri) April 16 and 17, 1961, pp.8.
- *(d) "Welcomes Address": by Shri Bhagwat Dayal Sharma, Reception Committee, 12th Annual Session, Yamunagar (Jagadhri) on 16 April 1961, INTUC, pp.8 (Hindi).

CHAPTER 3. ECONOMIC QUESTIONS.

- *(a) "Report of the Central Wage Board for the Sugar Industry 1960": Government of India, Ministry of Labour and Employment: Price Rs.9.75 or 15s.6d. pp. 389.
- *(b) "Trends of Presentday Economic Problems": An INTUC publication by Khandubhai K. Desai; Published by Indian National Trade Union Congress (Rashtriya Mazdoor Congress), 17, Janpath, New Delhi, pp.19.
- *(c) "Fifth Annual Report of the Delhi Management Association for the Year 1959-60": Delhi Management Association, 1/21, Asaf Ali Road, New Delhi-1, pp.48.
- *(d) "Agenda Papers for Third Annual Conference of Local Productivity Councils": National Productivity Council, 38, Golf Links, New Delhi-3. (Ronsced).

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

- * "Report on Land Holdings(3) - (Some Aspects of Ownerships Holdings) The National Sample Survey - Eight Round: July 1954-April 1955: Number 36; Issued by the Cabinet Secretariat, Government of India; Printed by the Eka Press, Calcutta in 1961 and published by the Manager of Publications, Civil Lines, Delhi-8. pp.193.

* Publications received in this Office.

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

- *(a) "Report 1960-61": (Volume I): Ministry of Labour and Employment; Printed in India by the General Manager, Government of India Press, New Delhi, 1961. pp.91.
- *(b) "Report 1960-61": (Volume II): Ministry of Labour and Employment (Directorate-General of Employment and Training); Printed in India by the General Manager, Government of India Press, New Delhi, 1961. pp.86.
- *(c) "Summary 1960-61: General Labour Situation": Part I - Government of India; Ministry of Labour and Employment. pp.11.
- *(d) "Annual Report of the Chief Inspector of Mines in India for the Year ending 31st December 1958"; Mines Act 1952: Printed in India by the Manager, Government of India Press, Calcutta, 1959 and published by the Manager of Publications, Civil Lines, Delhi, 1960: pp.417. Price Rs.19-00nP. or 29sh.6d.
- *(e) "The Indian Labour Year Book 1959": Labour Bureau, Ministry of Labour and Employment, Government of India, (13th Year of Publications): 1960: Printed in India by the Manager, Government of India Press, Simla for the Manager of Publications, Civil Lines, Delhi. pp. 548. Price Rs.18.50nP, or 28sh.6d.

CHAPTER 8. MANPOWER PROBLEMS.

- *(a) "Report on Employment in the Public Sector of Himachal Pradesh Quarter Ended 31st March, 1960": Series 'A' Report No.1: Himachal Pradesh Administration Department of Industries; Issued by Directorate of Employment (Employment Market Information Unit), Simla. (Roneoed). pp.12.
- *(b) "Report on Employment in the Public Sector of Himachal Pradesh Quarter Ended 30th June 1960": Series 'A' Report No.2: Himachal Pradesh Administration Department of Industries; Issued by Directorate of Employment (Employment Market Information Unit) Simla-4. pp.14 (Roneoed).
- *(c) "Report on Employment in the Public Sector of Himachal Pradesh Quarter Ended 30th September 1960": Series 'A' Report No.3: Himachal Pradesh Administration Department of Industries; Issued by Directorate of Employment (Employment Market Information Unit) Simla-4. pp.8. (Roneoed).
- *(d) "All India Quarterly Report - Employment in the Public Sector": Series EM(P)-No.5: National Employment Service, Ministry of Labour and Employment (D.G.E. & E.), New Delhi. (Roneoed).

* Publications received in this Office.

CHAPTER 9. SOCIAL SECURITY.

- * "Report on the Working of the Employees' Provident Funds Schemes, 1959-60"; Government of India, Ministry of Labour and Employment; Issued by the Central Board of Trustees, Employees' Provident Fund. pp.24.

CHAPTER 11. OCCUPATIONAL SAFETY AND HEALTH.

- * "Metaliferous Mines Regulations, 1961"; Ministry of Labour and Employment, Notification, New Delhi 18 October 1960. pp.98.

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* Publications Received in this Office.