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INTERNATIONAL LABOUR OFFICE
INDIA BRANCH

INDUSTRIAL AND LABOUR DEVELOPMENTS IN JUNE 1956.

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

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - JUNE 1956.

11. Political Situation and Administrative Action.

Cession of French Settlements in India:
Agreement signed at Delhi.

A treaty for the cession of the French establishments of Pondicherry, Karaikal, Mahe and Yanam, the de facto transfer of which had taken place in November 1954 (vide page 7 of the report of this Office for November 1954) was signed this at New Delhi on 29 May 1956.

Placing copies of text of the treaty before the Lok Sabha, the Prime Minister said that the treaty would become effective as soon as it had received ratification by the two Governments. So far as India was concerned it would not take very long. The French Government would have to follow their own constitutional procedures and he did not expect this to take a long time.

The treaty does not mention Chandernagore which was ceded to India in 1949. The treaty gives to the people of these territories the right to opt for Indian or French nationality.

The establishments will have the benefit of the special administrative status in force before 1 November 1954, any constitutional changes in this being made after ascertaining the wishes of the people.

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The treaty has safeguards concerning civil servants and employees of the establishments as mentioned in the 1854 agreement. There are similar provisions concerning pensions for the payment of which India assumes full responsibility.

The administration's charitable institutions and loan offices shall continue to operate under their present status and the facilities granted to private charitable institutions shall be maintained.

Local degrees and diplomas will be recognised and the Government of India will accept the equivalence of French diplomas and degrees for admission to higher studies and administrative careers.

People retaining French nationality will enjoy freedom of residence, movement, trade, etc.

Religious institutions will continue to function as hitherto and would have the right to own their properties.

French cultural and educational institutions will continue and grants will continue to be paid to them.

So long as the representatives of the people do not decide otherwise French will continue to be the official language of these territories.

(The Statesman, 29 May 1954).

12. Activities of External Services.

India - June 1956.

Visits

On 30 June 1956, Mr. Mesloinan, Director of Labour Administration, T.C.I.I., Washington, accompanied by the Labour Attache, American Embassy, called on the Director of this Office.

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CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

INDIA - JUNE 1956.

23. Wages-Earners' Organisations.

Indian Trade Unions (Bombay Amendment) Act, 1956
(No. XXXII of 1956).

The Indian Trade Unions (Bombay Amendment) Bill (vide page 15 of the report of this Office for March 1956) as passed by the Bombay Legislature received the assent of the President on 2 June 1956 and has been gazetted as Bombay Act No. XXXII of 1956.

(Bombay Government Gazette, Part IV,
24 June 1956, page 140).

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Draft Hyderabad Trade Unions Regulations, 1956.

The Government of Hyderabad published on 7 June 1956 the draft of the Hyderabad Trade Unions Regulations proposed to be made under the Indian Trade Unions Act, 1926. The rules deal inter alia with the procedure for registration of trade unions, withdrawal or cancellation of certificate of registration of a union, maintenance of registers and books by registered trade unions, annual audit of the accounts of registered trade unions, and inspection of registers and documents. The draft rules will be taken into consideration by the Government after 7 September 1956.

(Hyderabad Government Gazette, Part I-C,
7 June 1956, pp. 581-601).

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29. International Co-operation.

India - June 1956.

U.S. Technical Aid to India: Agreement signed.

Two U.S. Aid Agreements involving \$573,690 were signed on 23 May 1956 at New Delhi between the U.S.A. and India. The Indo-U.S. project for trade training, for which the USA has made available \$230,590 (1.237 million rupees), provides continued U.S. technical assistance to the Central Government and State training centres in training Indian skilled workers in the basic industrial and construction trades.

This co-operative programme, inaugurated in April 1956 with \$650,000 in previous U.S. assistance, has been undertaken in the light of the existing shortage in India of adequately trained workers and in anticipation of the expected increased requirement of such workers as India's industrialisation programme gains momentum.

Under the supplementary agreement, the USA will provide and pay for the services of a Trade Training Advisor to the Union Ministry of Labour and also provide 10 expert craftsmen for the purpose of setting up a second Central Instructors' Training Institute.

The sum of \$113,100 (567,000 rupees) made available to India under the second agreement for continuing the Indo-US project for livestock improvement, will finance the purchase abroad of demonstrational and training equipment for the Indian Veterinary Research Institute, Izatnagar (U.P.), and the National Poultry Development Plan. Previously, the USA had allocated \$35,000 for this project.

The USA will also provide India the services of six specialists.

(The Statesman, 23 May 1956).

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Russian Drilling Rigs for India: Agreement signed.

An agreement for the purchase of two oil drilling rigs, complete with spares, tools and accessories for one year's working at a cost of 7.4 million rupees was signed in New Delhi on 21 May 1956, between the Governments of India and the U.S.S.R.

The agreement provides for free erection of the drills at the site by the Soviet Government, a team of Soviet experts - 22 for each drilling rig - will also arrive in India under the agreement to operate the drills and train Indian personnel for a minimum period of six months at a cost of 525,000 rupees per drill.

In addition, Mashinexport will supply a seismic equipment together with two shot hole drilling rigs which will be used for seismic prospecting in Punjab and Rajasthan. The shot hole drills are expected to arrive by the end of October 1956, whereas the seismic unit is available for delivery in Bombay immediately.

The first oil drilling rig with necessary tools, spares and accessories will arrive in India in November 1956, and the second rig by the end of the year.

The drilling rigs are expected to be used in Jaisalmer and Jamnari areas in Punjab. The seismic equipment along with the shot hole drills will be used in Jaisalmer area in Rajasthan as well as in Punjab.

(The Hindustan Times, 22 May 1956).

*The trade organi-
sation of the Soviet
Government*

CHAPTER 3. ECONOMIC QUESTIONS.

INDIA - JUNE 1956.

34. Economic Planning, Control and Development.

Planning Commission's Report on First Plan's Progress:
Rise in National Income and Approximate Increase in
Production recorded.

An increase in national income by 18 per cent as against the target of 11 per cent is anticipated for the First Five-Year Plan, according to the Progress Report, just released by the Planning Commission. Calculations are made on the basis of the actual accounts for the first three years, revised estimates for the fourth year and the budget estimates for the last year of the Plan.

The actual expenditure on the Plan for the first three years was 8,724 million rupees, while the outlay for the remaining two years is expected to be of the order of 11,000 million rupees. This would take the total expenditure on the First Plan to 19,750 million rupees, which is met partly from domestic resources, 12,650 million rupees, partly from the external assistance 5,500 million rupees, and the balance by deficit financing 4,600 million rupees.

According to the report the year marked a further intensification of developmental effort. Plan outlay in the public sector was substantially stepped up and investment in the private sector recorded an improvement over the level of the previous two years.

The report observes that the high level of agricultural production attained in the preceding year was, more or less, maintained and industrial production increased further. The quantum of foreign trade expanded and the external payments position showed a small current account surplus. The rise in domestic production, coupled with a budgetary deficit and the balance of payment surplus, was accompanied by an increase of about 8 per cent in money supply with the public. This increase arrested the downward trend in agricultural prices which, for a time, had caused some concern.

* Government of India, Planning Commission: Five Year Plan Progress Report for 1954-1955, May 1956. pp. 235 plus B.III.

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Agricultural production.— Agricultural production, as a whole, in the fourth year increased by about 14 per cent as compared to 1949-1950 and by about 19 per cent as compared to 1950-1951.

The report says while output of wheat and pulses registered further improvement, rice production, because of the extensive damage caused by floods in Assam, Bihar, Orissa and West Bengal, suffered a decline with the result that the overall food production in 1954-1955 showed a decline from 68.4 million tons in 1953-1954 to 65.6 million tons. All the same, food production was higher by 11.6 million tons as compared to the base year and had thus again exceeded the five-year target.

The additional area brought under irrigation over the first four years of the plan is estimated at 10.3 million acres; 4.0 million acres from major irrigation works and 6.3 million acres from minor irrigation works.

Industrial progress.— The industrial sector showed considerable advance during the year. Some entirely new products were produced for the first time in the country. The index of industrial production (1949 = 100) which was 137 in 1953-54 rose to 148 in 1954-55. Five of the major State enterprises, — the Hindustan Cable Factory at Roopnarainpur, Uttar Pradesh, Government's cement factory, the Hindustan Machine Tools Factory at Pimpri and the Madhya Pradesh Government's Newspaper Factory went into production during the year. Mention may also be made of the completion of the two petroleum refineries during the year both of which have started production.

Talaballi, the
penicillin factory at

Mill cloth production exceeded the target substantially. In locomotives production, cement and ammonium sulphate 85, 82 and 79 per cent of the Plan targets were realized by the fourth year of the Plan. The production of ammonium sulphate at Sindri was 293,500 tons in 1954-55 as against 249,000 tons in 1953-54. Production of iron and steel and jute manufactures showed considerable advance during the fourth year.

Railways and transport.— As a result of the steady implementation of the rehabilitation programs of the railways and the completion of works for augmenting line capacity, loadings on railways showed noticeable improvements; in 1954-55 they increased by about 6 per cent over 1953-54.

In 1954-55, 80 miles of new lines were added and 293 miles of dismantled lines restored.

Under the national highways programme, the construction of 140 miles of new roads, building of five major bridges and the improvement of 1,200 miles of existing roads was completed. Progress on other roads was also satisfactory. Work on the special programme of inter-State roads and roads of economic importance which was included in the Plan in 1954-55 and for which Central grants of 100 million rupees were made available to State Governments also proceeded satisfactorily.

In the field of education, medical services and public health progress was distinctly better than that in the previous years.

Development expenditure.- The progress of expenditure on the Plan in the first three years was rather slow, the total outlay over the three-year period amounting to 8,720 million rupees. The working of the Plan during that period had shown that there was likelihood of shortfalls in expenditure under certain heads of development. On the other hand, under certain heads, it was felt that the Plan needed strengthening, if employment opportunities on an adequate scale were to be created. Additions to the Plan of the order of 2,800 million rupees were, therefore, made which raised its size to 28,570 million rupees.

In the fourth year there was a considerable stepping up of the developmental expenditure; the revised estimate of outlay on the Plan for 1954-55 works out at 5,140 million rupees as against 3,400 million rupees in 1953-54, 2,730 million rupees in 1952-53 and 2,590 million rupees in 1951-52.

The capital market showed a buoyant tone. Public borrowings in this and the preceding year received an encouraging response from the market. Prices and yields of Government securities remained relatively steady.

The effect of improved domestic production was reflected in the improved balance of payments position. In the first year of the Plan, because of the large imports of food and other consumer goods, external payments position on current account showed a large deficit of 1,420 million rupees. Subsequently, with the improvement in domestic production, imports of food declined substantially with the result that during the three following years the external payments position showed surpluses, 660 million rupees in 1952-53, 380 million rupees in 1953-54 and 90 million rupees in 1954-55.

National income and per capita incomes (in constant prices) over the first three years of the Plan are estimated to have increased by about 12 and 9 per cent respectively. On the basis of data available so far it appears that national income in 1954-55 has increased by another 2 1/2 to 3 per cent and that this rising trend has been maintained in 1955-56 also. Broadly speaking, it is reasonable to expect that over the first Plan period, national income (in constant prices) would have increased by about 16 per cent, as against the target of 11 per cent. Per capita incomes over the same period are expected to show an increase of about 10 per cent.

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Investment outlay.— There has been a progressive stopping up of the investment outlay in the public sector. In the private sector, however, the growth of investment in the Plan period has been rather uneven. There was a decline in private investment in 1952-53 and 1953-54, as compared to 1950-51, mainly by way of de-stocking in those years. Domestic production of capital goods continued to expand, but imports of producer goods like machinery, metals and vehicles in 1952-53 and 1953-54 were lower as compared to 1951-52. Private investment against looked up in 1954-55 and the trend, as seen from such indices, as new issues, imports of capital goods from abroad, and domestic production of capital goods, appears to have been maintained in the last year of the Plan.

Employment trends.— It is difficult to draw a comprehensive picture of the employment trends in the economy. For the rural sector the data are meagre. For urban areas, the only available data are those relating to employment exchanges which, as is well known, are subject to a number of limitations.

Studies undertaken for estimating the employment potential of the Plan show that in areas where large developmental projects are in progress, the employment situation has reached a favourable stage. It is estimated that additional direct employment created by developmental schemes taken up in the Plan and by investment in the private sector over the five-year period would be of the order of 4.5 million.

In spite of an increase of this order, the problem of unemployment, especially in urban areas and particularly amongst the educated, has continued to be difficult. The explanation for this is that jobs — especially jobs in urban areas where educated persons could be absorbed — have not increased at a rate fast enough to absorb the additions to the labour force.

Resources position.— An outstanding feature of the resources position in the first Plan has been the encouraging success of the borrowing programmes. Net receipts from loans over the five-year period are estimated at 2,020 million rupees as against the target of 1,250 million rupees. Net borrowings of the Centre work out at about 500 million rupees, as against the target of 350 million rupees. In the case of States, receipts from their loans together with their share out of the proceeds of the National Plan Loan of 1954-55, work out at 1,520 million rupees.

Funds for Government borrowing have largely been provided by the public out of their savings. In the first four years, net long-term borrowings of the Centre and States amounted to about 1,120 million rupees.

In the scheme of finance envisaged for the Plan, it had been assumed that States would raise about 2,500 million rupees over the five-year period from additional measures of taxation. As against this, revenues raised in the first four years are roughly estimated at 550 million rupees. For 1955-56, receipts from additional measures of taxation are estimated at 320 million rupees. Over the five-year period, these receipts would thus work out at 850 million rupees.

The Central Government has been giving a substantial amount of assistance to States for implementing their programmes. In the Plan, the original target for this was placed at 2,290 million rupees. Subsequently, with the increase in the size of the Plan, it was raised to 3,600 million rupees. For the first four years, Central assistance, on the basis of 'account' for the first three years and 'revised estimates' for the fourth year, is estimated at 2,260 million rupees. The balance left over for the last year of the Plan thus works out at 1,320 million rupees. These figures are, however, provisional.

Total utilisation of external assistance over the first three years of the Plan roughly amounted to 1,200 million rupees; for the fourth year, as per "revised estimates" the figure works out at 255 million rupees. Actual utilisation in the fourth year is, however, estimated at 197 million rupees.

(The Hindustan Times, 30 May 1956;
The Hindu, 30 May 1956).

Ban on Expansion of Textile Mills removed
Government revises Cloth Policy.

The ban on the expansion of cotton textile mills, which has hitherto operated pending the results of the Ambar Charina experiment, has now been lifted by the Government of India. The mill production of cloth was pegged at 5,000 million yards during the last two years.

The Karve Committee, which examined the question of development of small-scale industries in the context of creating additional employment, has suggested that the mill production should not be allowed to expand during the Second Plan period, and that the increase in demand during the next five years should be met entirely by handloom and khadi production. The Karve Committee estimated the increase in demand during the Second Plan to be of the order of 1,700 million yards.

The Government of India, while accepting the figure of 1,700 million yards, questioned the possibility of meeting this increase entirely by Ambar Charina and handloom production. While the results of the Ambar Charina experiment are still awaited, the price of cloth in the internal market was rising while exports were dwindling. The Government of India has, therefore, decided to meet the additional demand of 1,700 million yards during the Second Plan period by allocating it to all the sectors of production - 550 million yards for the mills, 700 million yards for handlooms, 200 million yards for power looms in the handloom sector and 250 million yards for the Ambar Charina. There is still a balance of 150 million yards, and it could be allotted to any sector which is capable of producing it.

The allocation of 550 million yards for the mills would need the establishment of an additional 200,000 spindles and 14,500 looms. The license for additional looms would be given only on the specific guarantee that the additional production would be exported and not sold in the internal market.

The Karunge Committee's report was the basis in deciding on the expansion of the handloom industry which has been allotted an additional production quota of 700 million yards. It has been decided to sanction the conversion of 15,000 handlooms into power looms during the current financial year and another 20,000 next year. The scheme would involve an expenditure of about 60 million rupees, 80 per cent of which will be loans and balance grants. Only co-operative organisations would be allowed to convert their handlooms into power looms. At the same time, no new power looms would be permitted to come into the field. It is expected that the programme would bring 2,000,000 looms including the 800,000 looms, which are now idle, into full operations.

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Ambar Charita programme.— The Khora Committee report was taken as the basis for considering the Ambar Charita programme. While there is general expectation that the mills and the handloom industry which will get its yarn from the mills would be in a position to produce the additional quota of cloth allotted to them, there is still speculation whether the Ambar Charita programme would yield 500 million yards. A couple of months ago, the Government decided to sanction the installation of 10,000 Ambar Charitas as an experiment.

A Press note issued by the Ministry of Commerce and Industry said that the scheme which would cost about 7 million rupees is now ready for implementation. In the meanwhile, the Khora Committee in its interim report had recommended the immediate establishment of 75,000 Ambar Charitas during the current year and another 200,000 in the next year. The Government after due consideration has sanctioned as an experimental measure the establishment of 75,000 Ambar Charitas during the current year. The subsequent programme of development of Ambar Charita will depend on the results of the experiments and the report of the Planning Commission.

Commerce Minister's Press Conference.— At a Press Conference in New Delhi on 18 June 1955, Shri P.T.Z. Krishnamachari, Minister for Commerce and Industry said that the comprehensive purpose of the various arrangements was to secure a total additional production of 1,700 million yards of cloth, by making use of all the three sectors of textile production — mills, powerlooms and handlooms. The aggregate cloth production is 3,700 million yards at present and if this is raised to 5,400 million yards, it will provide a per capita supply of 18.5 yards for the domestic market, besides leaving 1,000 million yards for exports. The target output of 5,400 million yards, however, is only a provisional target for the second Plan. It will be subject to review in the light of changing circumstances. Shri P.T. Krishnamachari made it clear that the Government is not unprepared to accept a higher target, say 20 yards per capita for the domestic market, if consumption between now and the next 12 months rises materially.

The allocation of the additional production among the various sectors is also flexible, depending on two factors: the progress shown by the various sectors in developing new production and the revision, if any, of the target of total production at some future date.

Shri Krishnamachari said the Government proposed to try 75,000 Amber Charities this year. "No fool that 300 million yards will be the ceiling which they might reach or might not reach. But it is unlikely they will exceed the ceiling".

If Amber Charities were not able to produce the quota allocated to them, the per capita consumption of cloth would be affected by 0.75 yards.

He did not think that the target of 1,000 million yards for export was a "tall target". With the aids that were being given to the textile industry and if prices were reasonable, "it should not be beyond our competence to get 1,000 million yards".

(The Hindustan Times, 19 June 1950;
The Hindu, 16 June 1950).

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Management of Industrial Concerns: New Service
to be set up.

The Government of India has decided to set up a new service to manage the growing number of industrial undertakings in the public sector, it is learnt.

To begin with a pool of about 200 officers to be specially recruited by the Union Public Service Commission from the present all-India and State services, existing employees of State undertakings and the private sector is likely to be created.

Controlled by the Union Home Ministry, the new service will provide managerial cadre to all State undertakings, whether owned or administered by the Government or through corporations.

The service will largely cater to the public sector's need for non-technical personnel relating to management, finance, and accounts, sales, purchases, stores and transportation.

A scheme prepared by the Home Ministry after a series of conferences with other Ministries primarily concerned with State undertakings - the Production, Iron and Steel, Transport, Communications and Commerce and Industry Ministries - is now under the consideration of the Government.

According to its tentative provisions, an advisory board headed by the Cabinet Secretary and including representatives of the participating Ministries will be formed to supervise the working of the new service.

Officers of the new service are likely to be in the senior scale ranging from 600 rupees per month to 2,750 rupees per month. It will be optional rather than obligatory for the corporations or other autonomous bodies controlling industrial undertakings to ask for officers from this pool.

(The Statesman, 27 June 1956).

17

Prospecting For Oil in Punjab : Priority urged by
Soviet experts.

Soviet oil experts who recently visited India have recommended in their final report to the Government of India that during the next five years it would be best to concentrate in Punjab and Rajasthan (Jaisalmer area) for the prospecting of oil.

The main recommendations of these experts were laid on the table of the Lok Sabha on 21 May 1956 by Shri K.D. Malaviya, Minister for Natural Resources.

The experts have stated that the prospects of finding oil in these two States are "encouraging". The experts recommend that simultaneously, it is essential to carry out geological and geophysical investigations as well as deep test drilling in the Ganga Valley and West Bengal, a geological and geophysical survey and core drilling in the Cambay area, and geological and geophysical investigations on the Madras coast.

They feel that the latter four regions will constitute a reserve for extending the exploration during the following years and can compensate in the event of failure to find oil in the first two regions, namely, Punjab and Rajasthan States.

Shri Malaviya said the final report of the Soviet experts was only an amplification of the interim report and contained substantially the same recommendations as in the interim report.

The recommendations in the interim report, which had been examined and discussed, had been mostly adopted by the Director, Oil and Natural Gas Directorate, and the Government and it was intended to work on these lines subject to such modifications as the Government might find necessary, he added.

He felt that it might be necessary to invite Soviet team of some individual experts for consultation at a later date.

Shri Malaviya said the following were the main works for oil and gas prospecting and exploration during 1956-1961:-

- (1) To carry out a geophysical and geological survey for oil and gas in Punjab, Jaisalmer, Cambay, West Bengal, Uttar Pradesh and Madras with a view to preparing these areas for exploration by drilling; to prepare by a seismic survey 16 areas for deep and by core drilling 13 areas for deep tests; to cover by gravity and magnetic survey 176,000 sq.miles and by geological mapping 11,400 sq.miles.
- (2) To investigate by deep drilling oil and gas potentialities of five areas in Punjab (Jwalamukhi, Bahi, Hana, Dharmsala and Januari) as well as the areas in Jaisalmer regions.
- (3) To carry out deep test drilling in the Ganga Valley in order to ascertain its oil prospects, in West Bengal (the areas which are not under licence) and in the plains of Punjab close to the course of the Beas river.

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(4) To organise research work for oil geology in order to lay the scientific foundation for oil and gas prospecting in India.

(5) To organise 14 gravity, 10 seismic and 14 geological parties and five parties for core drilling and five parties for deep test drilling; to complete 34 deep test wells and start drilling six more wells with the total footage of 464,500 ft. and to complete 145 wells by core drilling with the total footage of 500,000 ft.

Drilling machinery. During question-hour Shri Malaviya told Shri H.V. Kamath that the Government was considering the question of establishing a plant for the manufacture of drilling and mining machinery in India.

He said that after considering the report of the Indian scientists' delegation which visited Russia, a number of decisions had been taken. It was proposed to undertake exploration for oil on an extensive scale, i.e., in several areas; it was proposed to set up a commission for this purpose with wide financial and administrative powers. The exploitation of non-ferrous metals was also proposed to be undertaken. The installation of beneficiation plants had already been undertaken or was under consideration of certain private mine owners. Steps were also being taken to train Indians in techniques of oil exploration, including deep drilling, both by bringing experts and sending Indians abroad.

Russian experts who visited Siler district in Bengal have expressed the view that copper deposits in the Khetri area could be worked economically on a large scale, Shri Malaviya said in reply to a question.

Replying to another question Shri Malaviya said that there was a reserve of 18 million tons of oil in the Assam oilfields which was being worked out by the Assam Oil Company.

(The Hindustan Times, 22 May 1956).

33. Wages.

India - June 1956.

Basic Minimum Wage for Colliery Workers fixed:
Tribunal's Award published.

The Government of India published on 23 May 1956 the award of the All India Industrial Tribunal (Colliery Disputes) in the dispute between the employers in relation to certain coal mines and their workmen. The Tribunal was appointed in February 1954, to adjudicate in disputes between the workers and employers in 955 collieries in eight States - Bengal, Bihar, Assam, Orissa, Madhya Pradesh, Vindhya Pradesh, Hyderabad and Rajasthan.

Besides the question of wages the tribunal was, among other things, to adjudicate on the question of inclusion of house rent in the basic wages, paid festival holidays, and continuance of present food grain concessions.

The award, gives workmen a fair minimum wage which is claimed to be a substantial increase over the present level of wages though it is not all that the Tribunal would have desired it to be. The total emoluments for the lowest category of worker are fixed at 69 rupees 1 anna when he is a surface worker and at 72 rupees 2 annas and 10 pias when he is an underground worker. These scales of pay for the monthly-rated workers are the minimum below which no unit can go.

The Tribunal divided the piece-rated workers into nine categories for which the daily minimum wage proposed are: 2 rupees 10 annas and 8 pias, 2 rupees 13 annas and 4 pias, 3 rupees and 2 pias, 3 rupees and 5 annas, 5 rupees and 5 annas, 5 rupees 6 annas and 4 pias, 4 rupee 1 anna and 4 pias, 4 rupees 12 annas and 1 pie and 5 rupees 6 annas and 9 pias. For a month of 23 working days the minimum wage works out to 69 rupees and 1 annas, 73 rupees 10 annas and 8 pias, 78 rupees 4 annas and 4 pias, 82 rupees 14 annas, 83 rupees and 2 annas, 88 rupees 4 annas and 8 pias, 100 rupees 2 annas and 8 pias, 123 rupees 10 annas and 2 pias and 140 rupees 15 annas and 6 pias.

The minimum wage comprised the basic wage, dearness allowance and statutory bonus. The basic wages for the nine categories are 15 annas, 1 rupee, 1 rupee and 1 anna, 1 rupee and 2 annas, 1 rupee and 5 annas, 1 rupee and 4 annas, 1 rupee and 12 annas, 2 rupees and 2 annas and 2 rupees and 10 annas. Dearness allowance is calculated at 150 per cent upto a wage of 30 rupees per month, 100 per cent for wages between 31 rupees and 50 rupees, 66 2/3 per cent for wages between 51 rupees and 100 rupees, 40 per cent for wages between 101 rupees and 300 rupees. The statutory bonus is calculated at one-third of the basic wages.

The above wages are for surface workers. Those working underground would get an allowance of 12 1/2 per cent of the basic wages.

The Tribunal has held that the wages for women workers should be calculated on the basis of 2.25 consumption units. This would mean that a woman worker would get 75 per cent of what a male worker gets. The Tribunal has stated that this recommendation did not imply the denial of the right to equal wage. What has been done is to assess the requirements of the woman worker on a different basis from that of a male worker.

The award says: "The employer-employee relationship has undergone tremendous changes in the recent past and is in the process of undergoing further changes". The employers have realised, it adds, what is expected of them and have shown indications that they are prepared to move with the times. It is for this reason that the Tribunal leaves certain matters which it has not been able to cover in the award to be amicably settled by them.

In giving the award, the Tribunal has taken into consideration that coal is a basic industry and is essential for industrial progress. Any large-scale increase in the cost of coal or any upsetting in the structure of the industry would not be in the interests of the country.

Direct production.— The Tribunal has also borne in mind that in the second Five Year Plan the Government will enter the industry to undertake direct production on a much larger scale than at present.

Labour, adds the award, has lived on a low wage for a long time and may have deserved better; yet any sudden increase in wages may give a shock to the industry which it may not be able to stand. That is why it has not been found possible to award wages on the lines suggested by the Union.

Emphasising the same point, the Tribunal says that a mere money increase in wages is of no avail unless it is accompanied by the availability of goods that can be purchased with the money earned. "Increase in wages unaccompanied by a larger supply of goods would only put prices up and cannot afford any relief to the workmen".

The award adds: "We have laid down all-India ~~minimum~~ minima for market collieries. The basic wages have been raised as also the total emoluments. The daily-rated unskilled worker in Talcher will get the same emoluments as the daily-rated unskilled worker in the market colliery in Bengal, Bihar, Hyderabad or any other State under reference before us.

"This also applies to the other time-rated workers in the higher categories. The monthly-rated workmen in the market collieries have been brought as close to those in the State collieries as possible subject to such changes as we have considered necessary.

"There is now no question of different awards governing different areas resulting in different rates of wages, at least so far as the time-rated workers are concerned. We have categorized the workers and have directed the application of one scheme of categorization to the collieries in all the States. To this extent we claim to have introduced standardization in wages.

"In the case of Bengal and Bihar we have directed that jobs not specifically covered would have to be fitted into the categorization within a month from the date of the publication of the award. This direction will apply to the other States also.

"Likewise we direct that the monthly-rated workmen not specially covered by us will get their wages fixed by the managements in the light of what we have done for analogous jobs within one month from the date of the publication of the award.

"Grading in the sense of time-scales has been directed to be introduced within one year after the expiry of two years from the date of the publication of our award.

"The piece-rated and daily-rated workers in the State collieries have been brought in line with the market collieries. We have made very few changes in the present wage structure of the monthly-paid workers as we are satisfied that the State collieries have been fair in the treatment of their staff."

The award concludes: "We feel that we have done what we have considered to be just for the industry as well as the employees. We look forward to a period of industrial peace in this industry when we can expect the target of 50 million tons envisaged under the second Five Year Plan to be reached without any difficulty."

(The Gazette of India, Extraordinary, Part II, Section 3, 23 May 1956, pp.939-1934; The Statesman, 27 May 1956; The Hindu, 27 May 1956).

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

INDIA - JUNE 1956.

41. Agriculture.

The Agricultural Produce (Development and Warehousing)
Corporations Act, 1956 (No. 28 of 1956).

The Agricultural Produce (Development and Warehousing) Corporations Bill (vide pages 34-35 of the report of this Office for March 1956) as passed by Parliament received the assent of the President on 10 June 1956 and has been gazzetted as Act No. 28 of 1956. The Act provides for the incorporation and regulation of corporations for the purpose of development and warehousing of ~~agricultural~~ agricultural produce on co-operative principles and for matters connected therewith.

Provision is made for the establishment of the National Development and Warehousing Board at New Delhi, consisting of officials and non-officials. The functions of the Board are to plan and promote programmes for the production, processing, marketing, storage, warehousing, export and import, of agricultural produce through a co-operative society or a Warehousing Corporation. The Board may (a) advance loans or grant subsidies to State Governments for financing co-operative societies; (b) provide funds to a State Government or a Warehousing Corporation for financing co-operative societies for the purchase of agricultural produce on behalf of the Central Government; (c) subscribe to the share capital of the Central Warehousing Corporation or advance loans or grant subsidies to that Corporation or any State Warehousing Corporation; and (d) plan and promote programmes through co-operative societies for the supply of seeds, manures, fertilizers, agricultural implements and other articles for the development of agricultural produce. The Board shall so exercise its functions as not to interfere with the activities of the All-India Khadi and Village Industries Board set up by the Central Government.

The Central Government shall, pay to the Board (a) a non-recurring grant of fifty million rupees and a recurring grant in each year of a sum of fifty million rupees during the period of five years from the commencement of this Act; and (b) after the expiration of the said period of five years, such sums as the Central Government may from time to time deem necessary to enable the Board to perform its functions under this Act.

The Board is to maintain two separate funds, namely: (a) the National Co-operative Development Fund; and (b) the National Warehousing Development Fund.

A Central Warehousing Corporation, a body corporate, shall be established by the Central Government at New Delhi with an authorised capital of 200 million rupees divided into 200,000 shares of one thousand rupees each. One hundred thousand shares of the total face value of two hundred million rupees shall be issued in the first instance, and the remaining shares may be issued, with the sanction of the Central Government from time to time, as and when the Central Warehousing Corporation may deem fit. Of the capital issued in the first instance the Board shall subscribe for forty thousand shares. On application the State Bank may subscribe for ten thousand shares; other scheduled banks may subscribe for twelve thousand and five hundred shares; co-operative societies may subscribe for two thousand and five hundred shares; insurance companies, investment trusts and other classes of financial institutions may subscribe for thirty thousand shares; and recognised associations and joint stock companies dealing in agricultural produce may subscribe for five thousand shares.

The functions of the Corporation are to acquire and build godowns and warehouses at such suitable places in India as it thinks fit; to run warehouses for the storage of agricultural produce, seeds, manures, fertilisers and agricultural implements offered by individuals, co-operative societies and other institutions; to arrange facilities for the transport of agricultural produce to and from warehouses; to subscribe to the share capital of a State Warehousing Corporation; to act as agent of the Board of the Government for the purposes of the purchase, sale, storage and distribution of agricultural produce, seeds, manures, fertilisers and agricultural implements; and to carry out such other functions as may be prescribed. The general superintendence and management of the affairs and business of the Central Warehousing Corporation shall vest in a board of directors, with the assistance of an Executive Committee and a managing director.

The State Government may, with the approval of the Central Warehousing Corporation, establish a Warehousing Corporation for the State. A State Warehousing Corporation shall be a body corporate. The authorised capital of a State Warehousing Corporation shall be such sum not exceeding twenty million rupees as may be prescribed, divided into shares of the face value of one hundred rupees each, of which such number as may be determined by the Corporation in consultation with the State Government shall be issued in the first instance. Of the share capital issued in the first instance, and of any subsequent issues of such capital, the Central Warehousing Corporation shall, in any case where the State Government has subscribed for fifty per cent of such capital, subscribe for the remaining fifty per cent of the capital.

A State Warehousing Corporation may (a) acquire and build godowns and warehouses at such places within the State as it may, in consultation with the Central Warehousing Corporation, determine; (b) run warehouses in the State for the storage of agricultural produce, seeds, manures, fertilisers and agricultural implements; (c) subscribe to the share capital of co-operative societies engaged in the storage or warehousing of agricultural produce; (d) arrange facilities for the transport of agricultural produce to and from warehouses; (e) act as an agent of the Central Warehousing Corporation or of the Government for the purposes of the purchase, sale, storage and distribution, of agricultural produce, seeds, manures, fertilisers and agricultural implements; and (f) carry out such other functions as may be prescribed.

Other provisions of the Act deal inter alia with submission of programs of activities and financial estimates, borrowing powers of warehousing corporation, disposal of profits, accounts of board and audit, accounts and audit of warehousing corporation and power to make rules and regulations.

(The Gazette of India, Extraordinary, Part II, Section 1, 15 June 1950, pp. 615-639).

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Uttar Pradesh: Kuzum Zamindari Abolition and Land
Reforms Bill, 1956.

The Government of Uttar Pradesh published on 9 May 1956 the text of the Kuzum Zamindari Abolition and Land Reforms Bill, 1956, proposed to be introduced in the Uttar Pradesh Legislative Assembly. The Bill seeks to provide for the acquisition of the rights, title and interests of persons between the State and the tiller of the soil in Kuzum.

According to the Statement of Objects and Reasons, the U.P. Zamindari Abolition and Land Reforms Act, 1956, provides for the application by Government of the provisions of that Act to Kuzum subject to such modifications not affecting the substance, as might be considered necessary. It has, however, been found that it is not possible to apply that Act to Kuzum without making substantial modifications therein. Government has, therefore, decided to introduce the Bill, the salient features of which are (1) acquisition of the rights of hissedars on payment of compensation; (2) introduction in Kuzum of land tenures similar, as far as possible, to those introduced in the rest of the State under the provisions of the U.P. Zamindari Abolition and Land Reforms Act; and (3) ultimate conferment of stable rights upon the weakest section of the cultivators.

(Government Gazette of the Uttar Pradesh,
Extraordinary, 9 May 1956, pp. 1-18).

42. Co-operation.

India - June 1955.

Progress of Co-operative Movement during 1954-1955:
Survey by Reserve Bank.

According to the "Statistical Statements relating to the Co-operative Movement in India for the year 1954-1955" just published by the Agricultural Credit Department of the Reserve Bank of India, the year 1954-55 witnessed considerable expansion in the activities of the co-operative movement. At the end of 1954-55, there were 219,288 co-operative societies of all types, with a membership of 16.02 million and an aggregate working capital of 3,905.2 million rupees as against 193,593 societies with a membership of 15.18 million and a working capital of 3,517.9 million rupees at the end of the preceding year. Taking the average size of an Indian family as five members, it may roughly be estimated that 80.1 million or 21 per cent of the population had been brought into the co-operative movement at the end of 1954-55 as against 78.9 million or 20.2 per cent of the population in 1953-54.

State Co-operative Banks.— There were 24 State Co-operative Banks at the end of June 1955, as against 22 at the close of the previous year, two new institutions having been set up, one in Jammu and Kashmir and another in Bhopal, in pursuance of the programme for the development of co-operative credit formulated by the State Governments concerned in consultation with the Reserve Bank of India. Thus, in 1954-55, State Co-operative Banks were functioning in all Part 'A' States, in all Part 'B' States and in six Part 'C' States. An important feature of all the new State Co-operative Banks, as also some of the reconstituted ones like Punjab, Hyderabad and Mysore, was the substantial State participation in their share capital, which helped in strengthening their capital structure. During the year under review, the apex banks advanced loans to the extent of 502.4 million rupees as against 517.7 million rupees at the close of 1953-54. On the other hand, the number of central co-operative banks, including banking unions, fell from 499 as on the 30 June 1954, to 465 at the close of 1954-55. The decrease in number was mainly due to the policy of rationalisation of central banks pursued in certain States. For instance, in Hyderabad, the number of central banks decreased from 41 to 28 during the period under review. In Himachal Pradesh, four banking unions were merged with the State Co-operative Bank. The total advances made by these banks recorded an increase from 647.0 million rupees during 1953-54 to 691.7 million rupees during 1954-55.

Agricultural Credit Societies.— Agricultural credit societies, which constitute the base of the co-operative credit structure in the country, showed all-round progress during 1954-55. They numbered 143,320 as on the 30 June 1955, as against 121,954 as on the 30 June 1954, and constituted 78.8 per cent of the total number of agricultural societies. Their membership and working capital correspondingly increased during the period under review from 5,849,360 and 544.1 million rupees to 6,565,416 and 629.3 million rupees respectively. The total advances made by the societies during the year 1954-55 stood at 554.8 million rupees as against 293.4 million rupees at the end of the preceding year. Non-agricultural credit societies also recorded steady progress during the period under review, their number, membership and working capital having increased from 8,589, 2,738,488 and 898.9 million rupees in 1953-54 to 9,348, 2,847,944 and 788.2 million rupees respectively in 1954-55.

The number of State non-credit societies increased from 42 at the close of June 1954, to 89 as on 30 June 1955. Their business turnover registered an increase from 57.4 million rupees during 1953-54 to 76.3 million rupees during 1954-55. Central non-credit societies numbered 2,599 on 30 June 1955 and had a membership of 1,811,782. They sold goods worth 504.8 million rupees during 1954-55 as compared with total sales amounting to 365.1 million rupees during 1953-54. The number of primary agricultural non-credit societies stood at 30,197 at the end of 1954-55. They accounted for a membership of 2,494,508 and a working capital of 207.2 million rupees. Their sales declined from 387.4 million rupees during 1953-54 to 270.4 million rupees during 1954-55. There were 24,236 non-agricultural non-credit societies with a membership and a working capital of 5,150,377 and 525.5 million rupees respectively at the end of 1954-55 as against 21,137 societies with a membership of 3,171,099 and a working capital of 500.4 million rupees at the end of the preceding year. Their sales recorded a significant decrease from 450.0 million rupees to 316.5 million rupees during the period under review. This trend was also witnessed during the last year and was probably due to relaxation of controls and abolition of procurements.

The number of central land mortgage banks in the country remained unchanged at nine at the close of 1954-55. The amount of loans advanced by these banks during 1954-55 stood at 24.3 million rupees as compared with 19.2 million rupees during the previous year. There were, at the close of 1954-55, 292 primary land mortgage banks functioning in 12 States of the Indian Union. During the year, they advanced loans to the extent of 14.5 million rupees as against 14.0 million rupees during 1953-54.

(The Hindu, 28 June 1955.)

Need to modernise Existing Co-operative Laws:
Central Government sets up Committee.

The Government of India has set up a Committee under the chairmanship of Shri S.T. Raja, Joint Secretary, Union Ministry of Food and Agriculture, to simplify legislation governing the working of co-operative societies.

The Committee will seek to rationalise and modernise existing co-operative laws and is expected to submit its report within six months.

It has been felt necessary to lay down a simple and expeditious procedure for registration and regulation of co-operative societies so that the co-operative sector could play an important role in the economic development of the country. The Rural Credit Survey Committee had also advocated the need for re-organisation of co-operative institutions on the basis of State partnership.

(The Hindu, 12 June 1956)

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Study of Producers' Co-operatives: Indian Mission
to Visit China.

It is understood that a six-man delegation headed by Shri R.K. Patil, former member of the Planning Commission, will leave for China early in July to study the system of agricultural producers' co-operatives there.

The Mission will pay special attention to the method of co-operative farming especially as it applies to small farms, and report on how far they could be made applicable to conditions in India. The other members of the Mission are Shri D.K. Borroah, MP., Deputy Chief Whip of the Congress Party in Parliament, Shri H.V. Tripathi, MP., Shri H.D. Malviya, Secretary of the Economic Research Department of ATCC Office, and Editor of the Economic Review, Shri B.J. Patel, Joint Secretary of the All-India Co-operative Union, and Shri M.P. Bhargava, Adviser on Co-operation in the Ministry of Food and Agriculture.

The second Five Year Plan has laid great stress on the need to take steps which would provide sound foundations for the development of agrarian co-operatives, so that within a period of 10 years or so substantial proportion of agricultural lands are cultivated on co-operative lines.

(The Statesman, 23 June 1956).

Mysore: Report on the Working of Co-operative Societies during the Year 1954-1955.

The Government of Mysore published on 5 May 1956 its review of the report on the working of co-operative societies in the State during the year 1954-1955.

According to the review the total number of societies increased from 5,575 to 5,885. There was corresponding increase in the working of these societies as indicated by the following figures. The membership of these co-operative societies increased from 656,149 to 706,493, their paid up share capital increased from 18,667,255 rupees to 22,177,204 rupees, their reserve funds increased from 9,302,494 rupees to 9,667,744 rupees and their total working capital increased from 92,750,594 rupees to 103,237,825 rupees. These societies issued loans to the aggregate of 36,708,837 rupees as against 27,805,466 rupees in the previous year. The total turnover of these societies amounted to 430,802,235 rupees as against 425,205,206 rupees in the year previous. They had attracted deposits to the tune of 40,481,203 rupees as against 35,370,402 rupees held at the close of the previous year. There was therefore appreciable progress in all the aspects of the working of these societies.

Central Institutions. Including 10 district co-operative central banks there are 19 central co-operative institutions. The Mysore State Co-operative Apex Bank is the apex institution for the 10 district central banks and it is entrusted with the issue of short and medium term loans. Government have contributed 500,000 rupees towards the share capital of this apex bank apart from sanctioning a grant of 400,000 rupees as rehabilitation grant to wipe off the bad debts accumulated in the said bank over a number of years and in accordance with the suggestions of the authorities of the Reserve Bank of India.

During the year under review the Reserve Bank of India had sanctioned 1,900,000 rupees for advancing as short term credit to the agriculturists. The financial position of this Bank became satisfactory with Reserve Bank of India loan and Government's contribution of share capital.

Dispensation of short term credit. In the scheme of dispensation of short term credit six more district co-operative central banks were organised in the remaining six districts during the year and these have played an important role. These banks have collected 629,636 rupees towards share capital and attracted 154,513 rupees towards deposits. They had a working capital of 2,135,270 rupees.

These banks issued short term loans through the 205 primary credit co-operative societies which entertained 9,009 individual loan applications for 2,252,080 rupees and sanctioned 1,884,455 rupees to 5,020 members of 185 primary co-operative credit societies.

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Agricultural Societies.— The number of agricultural societies was 2,874 with a total membership of 121,163, paid up share capital of 2,199,448 rupees and total working capital of 8,411,293 rupees.

Non-agricultural Credit Societies.— The total number of these societies at the end of the year was 657 with a total membership of 159,072, paid up share capital of 7,033,405 rupees and a total working capital of 29,465,021 rupees.

Marketing Co-operative Societies.— There were 69 primary marketing co-operative societies and one provincial co-operative marketing society. The primary marketing co-operative societies had a total membership of 19,975, paid up share capital of 0.405 million rupees, and a total working capital of 2.975 million rupees.

The provincial marketing society continued to serve as the apex of all primary marketing co-operative societies, primary consumers' co-operative societies and credit institutions which have stores sections. This provincial institution dealt mainly in bulk with coffee seeds, textiles, soaps, pulses, paper, chillies, tamarind, salt, leather goods, etc. This institution is steadily expanding its activities.

Among the very good marketing co-operative societies the following may be mentioned, viz., the Malnad green marketing society, Shimoga, the Arsikere cotton ginning, pressing and marketing co-operative society, the cardamom growers' marketing society, Sakleshpur, bee-keepers' co-operative society, Sakleshpur, and the Davangere agricultural produce marketing society.

Co-operative Farming Societies.— There were 27 co-operative farming societies with a total membership of 2,452, paid up share capital of 48,538 rupees and a total working capital of 169,421 rupees. Government have granted to these farming societies 10,481 acres and 2 guntas of land and sanctioned so far 281,539 rupees by way of subsidy and grants since their organisation in 1950-51. The members of these societies have brought 4,455 acres of land under plough.

Industrial Co-operative Societies.— The weavers' co-operative societies, the rural industrial co-operative societies, the silk and woollen handloom weavers' societies, the artisans' co-operative societies and the co-operative printing works come under this category. The Mysore State cotton handloom weavers' society and the Mysore central rural industrial financing bank, the apex institutions for cotton handloom weavers' societies and rural industrial co-operative financing society, these societies are working satisfactorily.

Co-operation in Malnad.— There were 1,072 societies with a total membership of 95,159, paid up share capital of 2,230,757 rupees and a total working capital of 6,734,034 rupees. These societies have done a total turnover of 27,476,924 rupees and earned 140,509 rupees by way of net earnings.

Community Project and National Extension Service Blocks.-

The community development project and national extension service block developments are intended to concentrate on increased production of the rural masses by improving animal husbandry, agricultural and irrigational facilities and village and cottage industries at the same time, providing for social amenities such as education, health, communication and social education.

There is one Community Project area in the State, and this area consisted of 176 societies with total membership of 4,598, paid up share capital of 152,637 rupees and total working capital of 695,187 rupees. In this area, 47 credit societies distributed 552,550 rupees by way of short term credit. There were 16 National Extension Service Blocks in the State.

Multi-Purpose Co-operative Societies.-

There were 250 multi-purpose co-operative societies at the end of the year under review, of which 87 were taluk multi-purpose co-operative societies and 163 circle multi-purpose co-operative societies. One hundred and fifty-four multi-purpose co-operative societies have worked with profits. One hundred and eighty-eight have sustained losses, 153 are dormant and 355 did not function. These societies have now been harnessed for short term credit and made use of as primaries for the issue of loans.

Owing to withdrawal of certain concessions to multi-purpose co-operative societies, there has been shrinkage in business. In the scheme of controlled credit under short term, the multi-purpose co-operative societies have an important role to play.

In the Second Five-Year Plan, the taluk multi-purpose co-operative societies are proposed to be converted into taluk agricultural produce marketing co-operative societies to facilitate the introduction of controlled credit scheme.

The working of the department during the year was on the whole satisfactory. The Government noted with satisfaction that co-operative movement has gained ground in the State both in rural and urban areas and with much bias towards rural area consequent upon the launching of schemes like short term credit and rural industrialisation. The department has taken up several development schemes calculated to enhance the popularity of co-operative movement and extend its sphere of influence and usefulness.

(The Mysore Gazette, Part I, 3 May 1956, pp. 125-128)

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43. Handicrafts.

India - June 1956.

State Ministers' Conference recommends Speedy Implementation of Cottage Industry Plans.

A conference of State Ministers and representatives of all-India boards dealing with cottage industries was held in New Delhi on 20-21 June 1956. The conference which was convened by Shri E.C. Reddy, Union Production Minister, adopted several recommendations to speed up the implementation of cottage industry schemes during the second Five-Year Plan.

The conference considered steps to achieve co-ordination between different organisations and governmental agencies engaged in the development of cottage industries. It recommended that State Governments should be represented on the All-India Khadi and Village Industries Board under and the All-India Handicrafts Board under the administrative control of the Production Ministry. It was felt that after the reorganisation of States, the number of States would be sufficiently small to fit in all States on the Board.

The conference also recommended the setting up of an action committee at the State level to secure co-ordination between different organisations at that level. On the action committee will be represented Central and State Governments as well as all-India boards dealing with cottage industries.

It was agreed that full use should be made of the existing agencies under State Governments in the implementation of cottage industry schemes. State Governments should themselves be closely associated with the schemes of the Khadi and Village Industries Board as well as the Handicrafts Board.

The conference also devoted special attention to the provision of funds, the continuity of schemes launched from time to time and problems of industrial co-operatives. It recommended that a time schedule should be observed for submission of schemes by States to the Central Government and for consideration by the Centre so that implementation of the schemes could start at the beginning of the financial year.

The conference also considered at length the Ambar charitra programme recently sanctioned by the Government of India for this year.

(The Hindustan Times, 22 June 1956).

44. Merchant Marine and Fisheries.

India - June 1956.

Draft Indian Merchant Shipping (Life Saving Appliances)
Rules, 1956.

The Government of India published on 9 June 1956, the draft of the Indian Merchant Shipping (Life Saving Appliances) Rules, 1956, proposed to be made in exercise of the powers conferred under the Indian Merchant Shipping Act, 1923. The rules deal inter alia with the classification of passenger ships and non-passenger ships and the minimum requirements for life boats, buoyant apparatus and other life saving appliances for different classes of ships. The rules will be taken into consideration by the Government after 2 July 1956.

(The Gazette of India, Part II, Section 3,
9 June 1956, pp. 934-935).

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Draft Indian Merchant Shipping (Fire Appliances)
Rules, 1956.

The Government of India published on 2 June 1956, the draft of the Indian Merchant Shipping (Fire Appliances) Rules, 1956, proposed to be made in exercise of the powers conferred under the Indian Merchant Shipping Act, 1923. The rules apply to all ships registered in India and other ships ~~which~~ while they are within any port in India and deal inter alia with classification of ships, and provision of fire patrol, detection and alarm systems, water pipes, hydrants and fire hoses in passenger ships and non-passenger ships. The rules will be taken into consideration by the Government after 26 June 1956.

(The Gazette of India, Part II, Section 3,
2 June 1956, pp. 826-343)

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CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - JUNE 1956.

50. General.

Labour Conditions in Paper Mills.

The information given below regarding labour conditions in paper mills is taken from an article on the subject published in the April 1956 issue of the Indian Labour Gazette. The information is based on replies to a questionnaire issued by the Labour Bureau, Ministry of Labour, Government of India, to 25 paper mills in the country.

Employment.— According to statistics furnished by 21 units — 6 in Bombay, 5 in West Bengal, 3 in Uttar Pradesh and one each in Andhra, Bihar, Hyderabad, Madhya Pradesh, Mysore, Orissa, the Punjab and Travancore-Cochin a total of 23,575 workers were employed by the industry during March 1955. The corresponding employment figures for March 1953 and March 1954 were 24,415 and 24,785 respectively. An analysis of the figures shows that there has been a steady increase in the total number of workers since 1953. The increase was of the order of 1.5 per cent in 1954 and 4.7 per cent in 1955. During the period March 1954 to March 1955 the total labour force increased by 3.2 per cent. Most of the workers in the industry are employed directly by the management. Of the 23,575 workers employed in 21 responding units in March 1955 only 3,207 (or 12.5 per cent) were engaged through contractors in 13 units. Five units in Bombay and one each in Hyderabad, Uttar Pradesh and West Bengal did not employ contract labour at all. In most of the units contract labour was employed for unloading of raw materials, loading of finished goods, breaking coal, building and construction work, etc. Of the 13 units which employed contract labour only 7 — 3 in West Bengal and one each in Andhra, Bihar, Orissa and the Punjab — stated in their replies that they exercised some control over the conditions of work and wages of workers employed through contractors.

The labour force of the units consists predominantly of men. In March 1955, out of a total of 23,575 workers, 24,589 or 95.3 per cent were men and only 1,169 or 4.9 per cent were women. None of the units in Uttar Pradesh and Bihar employed women.

Women were generally employed for sorting waste papers, rags, etc., removing bamboo dust, carrying bamboo chips, sweeping, etc. Employment of children is almost non-existent in the industry. In 1955 only the Mysore unit employed 37 children.

Statistics relating to classification of workers as permanent and temporary were furnished by 19 units. In these units out of 21,483 workers employed directly in March 1955, 19,617 or 91.3 per cent were permanent and 1,866 or 8.7 per cent were temporary. Seven units - 3 in West Bengal and one each in Bombay, Mysore, Orissa and Uttar Pradesh did not have any temporary worker at all. In the Andhra unit all workers were temporary.

Most of the workers in the industry are employed on time rates. Out of 22,278 workers directly employed by ~~the~~ 20 mills which have furnished information on this point, as many as 21,427 or 96.2 per cent were time-rated and the remaining 851 workers or only 3.8 per cent were piece-rated. All these 851 workers were employed in 12 units.

The labour force in the industry is more or less stable. In March 1955, over 64 per cent of the workers had put in more than 5 years' service. The percentage of workers with more than 10 years' service to their credit was 52.7.

Labour turnover. - Statistics relating to labour turnover shows that the labour turnover rate in the industry as a whole has been steadily falling. It fell from 5.5 in 1953 to 4.4 in 1954 and to 1.7 in 1955. During 1955 the labour turnover rate was the lowest in Bihar (0.2) and the highest Mysore (0.5).

Recruitment. - In 16 units workers were recruited direct either by the managers or departmental heads, or through Personnel Departments, Labour Executive Committees, etc. The other five units utilized the machinery of Employment Exchanges in varying degrees. Of these, one (Andhra unit) recruited all workers and three recruited/unit approached the Exchanges if it failed to get the right type of workers otherwise. In three units, ex-employees with good record, old casual hands or relatives of workers were given preference. Two units in West Bengal had framed detailed rules for regulating the system of recruitment.

Apprenticeship and Training. - Schemes of apprenticeship and training existed in 7 units - 4 in West Bengal and one each in Andhra, Bombay and Travancore-Cochin. In the Andhra unit apprentices were being taken on the recommendation of the State Government and were not paid any allowances. One unit in Bombay has stated in its reply that it has recently started an apprentice scheme but has not furnished any details. In the unit in Travancore-Cochin, graduates preferably with chemistry were being taken as apprentices and trained for a period of 4 years. During the first year of training they got a remuneration of 45 rupees per month plus dearness allowance. This remuneration gradually increased to 54 rupees in the fourth year of training. ~~They~~ The apprentices after they had completed the training and passed the City and Guilds examination

only skilled workers through employment exchanges. The remaining

were appointed on a pay of 120 rupees per month plus dearness allowance. An elaborate system of training obtained in two units in West Bengal. Its main features are given below:-

Category of apprenticeship.	Duration of training.	Remuneration	Remarks
1	2	3	4
1. Trade Apprentices (Engineering Department).	5 years	Basic wage of Rs.10 per day going up to Rs. 1-3-0 with an annual increment of Rs.5 per day.	This course is followed by course (2) given below.
2. Improvers course (Engineering Department).	4 years	Basic wage of Rs.40 p.m. going up to Rs. 52 with an annual increment of Rs.4 p.m.	After the completion of the course apprentices are appointed as Tradesmen.
3. Boiler apprentices.	5 years	Basic wage of Rs.57 p.m. going up to Rs. 47 in the 3rd year with an annual increment of Rs.5. Thereafter the annual increment is Rs.7-8-0 p.m.	After the completion of the training, the apprentices are appointed as Boiler/House Assistants.
4. Pupil supervisors.	5 years	Basic wage of Rs.42 p.m. going up to Rs. 57 p.m. with an annual increment of Rs.5. Later the annual increment is Rs.10.	Besides this training the pupils have also to attend classes at the Calcutta Training School, the cost of which is borne by the Company. After this training they are appointed as Assistant Supervisors.
5. Trainees in process departments.	6 years	Rs.50 p.m. in the first six months, Rs.55 p.m. during the subsequent six months, Rs.60 and Rs.65 during the 2nd and 3rd year. Subsequently, after an efficiency test, they are put on to a 3 years' Improvers' Scheme on the scale of Rs.75-80-85 p.m.	The trainees are ultimately taken over as Assistant Supervisors.

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In another unit in West Bengal, there was a trade apprenticeship scheme under which daily-rated apprentices were trained for a period of 5 years. After completion of the training they were being appointed as improvers. In this post they continued till they were absorbed in regular vacancies in their respective trades. The trade apprentices got an initial start of 1 rupee 15 annas and 3 pice per day, which rose to 2 rupees and 2 annas by annual increments in the 5th year. In one unit in West Bengal, apprentices were being trained for 5 years and paid 250 rupees quarterly. This unit also trained 'Learners' for a period of 5 years. The learners were put in the grade of Rs.50-1-35 and were also paid dearness allowance. One unit in Bombay has stated that although it had no regular system, it gave training to those students who wished to appear in certain examinations, provided they were recommended by big firms or Government.

Hours of work.— In all the paper mills the weekly and daily hours of work were 48 and 8 respectively.

The duration of the rest interval varied between the process shifts and general shifts. In the former the rest interval was generally half an hour. In 5 units, shift-workers were given rest intervals sufficient to enable them to take their meals. In general shifts, the rest interval varied from 1 to 2 hours. One unit in Bombay paid night shift allowance at the rate of Rs.6 per night shift only to coolies working on rag. The unit in Travancore-Cochin gave a free cup of tea to night shift workers. No other unit paid any allowance or provided any special amenity to night shift workers.

Holidays and leave.— Festival holidays with pay were being granted by 19 units. The number of holidays per year varied from 2 to 15. Earned leave was allowed according to the Factories Act, 1948, in 8 units. In the remaining 15 units the number of days of earned leave in a year varied from 10 to 21. Of these, five did not prescribe any condition. In the remaining 8 units, earned leave was given either to permanent workers only or to those who completed one year's service. Sick leave with pay ranging from 7 to 10 days in a year was given in 10 units. Another unit granted 15 days' sick leave without pay to its employees. Eight of the units allowed casual leave ranging from 4 to 15 days in a year but only seven of them granted such leave with pay.

Accidents and Workmen's Compensation.— Four units (all in Bombay) stated in their report that there were no accidents during the year 1954. In the remaining units, 1,439 accidents occurred during 1954 of which nine were fatal. Three units alone accounted for 623 non-fatal accidents. Of these, one each was in Hyderabad (222), the Punjab (204) and West Bengal (202). Data regarding the number of accidents for which compensation was paid are available in respect of 16 units. Out of 1,274 accidents which occurred in these units during 1954, 517 were compensated and a sum of 49,512 rupees was paid as compensation. The average amount of compensation paid per case works out to 95 rupees 15 annas and 3 pios. All the units have stated that there were no cases of occupational diseases.

Wages and earnings.— The minimum basic wages of the workers were the lowest in a Uttar Pradesh unit (11 rupees 6 annas per month) and the highest in a West Bengal unit (52 rupees per month). Of the 21 units, 2 paid a minimum basic wage of 15 rupees or less, 9 between 21 rupees and 28 rupees, 7 between 30 rupees to 38 rupees 8 annas and one paid 52 rupees as the lowest basic wage. The remaining two units paid a minimum consolidated wage of 23 rupees and 54 rupees. The minimum basic wages for women workers in the industry ranged from 8 rupees 2 annas to 36 rupees 5 annas per month.

Dearness allowance.— Two units in Bombay did not pay dearness allowance at all while on a unit each in Bombay and the Punjab paid consolidated wages. The remaining 17 units paid dearness allowance in addition to basic wages. The minimum dearness allowance in these units varied from 7 rupees 15 annas to 40 rupees 10 annas per month. In seven units all workers were paid dearness allowance at a uniform rate and in seven others the rate varied with income groups. In three units — 2 in Bombay and one in Uttar Pradesh the dearness allowance was linked to the consumer price index number. With the exception of the Orissa unit no other ~~allowance~~ unit differentiated between men and women for purposes of dearness allowance. Three units — one each in Hyderabad, the Punjab and West Bengal — supplied foodgrains at concessional rates to workers.

The system of giving periodical increments did not exist in four units. In one unit there was no regular system of granting increments. Workers received increments in this unit at the discretion of the management. In the remaining units periodical increments were granted subject to the condition that the workers discharged their duties efficiently.

Data regarding the average monthly earnings of workers in selected occupations during March 1955 are available for 17 units and the same are given in table below:—

Occupations	Assam Bihar			Bombay			Hyderabad	Madhya Pradesh		Mysore
	1	2	3	4	5	6	7	8	9	
1. Fitters.	54	114	93	=	=	=	81	101	02	
2. Turners.	89	125	90	=	=	=	73	80	71	
3. Machine attendants.	74	=	=	=	=	=	=	=	65	
4. Fireman.	64	69	68	=	=	=	53	45	69	
5. Sorters.	55	=	=	=	25*	=	=	=	=	
6. Beaters.	43	115	=	=	=	=	=	=	101	
7. Finishers.	49	82	=	=	29	=	77	=	=	
8. Khalasis.	=	97	=	=	=	=	83	197	=	
9. Moulders.	=	72	45	23	120	=	=	44	43	

Occupations	Orissa Travancore- Cochin				Uttar Pradesh				West Bengal			
	10	11	12	13	14	15	16	17	18	19	20	21
1. Fitters.	95	98	77	73	96	119	130	169	96	119	130	169
2. Turners.	153	82	87	70	100**	114	150	150	100	110	110	77
3. Machine attendants.	=	63	76	47	=	100	110	77	=	100	110	77
4. Fireman.	79	74	99	65	114***	80	110	108	=	80	110	108
5. Sorters.	=	=	=	65	=	80	110	108	=	80	110	108
6. Beaters.	=	62	110	=	=	67	102	172	=	67	102	172
7. Finishers.	65	62	76	48	=	157	111	145	=	157	111	145
8. Khalasis.	94	=	89	63	95	89	120	109	95	89	120	109
9. Moulders.	70	62	64	=	90	77	87	84	90	77	87	84

* Paper sorters. Average earnings of Bag Sorters were 25 rupees.
 ** Related to Grade I. Average earnings of workers in Grade II were 104 rupees.
 *** Related to Grade I. Average earnings of workers in Grade II were 99 rupees.

Bonus. The system of paying production bonus existed in 9 units - 5 in West Bengal and one each in Bihar, Orissa, the Punjab and Uttar Pradesh. While the Bihar, Orissa and Punjab units paid this bonus to all their employees, others paid it either to their permanent employees (4 West Bengal units and the Uttar Pradesh unit) or to some limited categories of workers (e.g. Machine and Beatermen). One of the West Bengal units also paid Incentive Bonus and Festival Bonus to its employees. The Incentive Bonus was paid at the rate of 100 rupees per ton of finished paper produced in excess of 50 tons on any working day. The Festival Bonus was paid to permanent employees at the rate of 15 days' basic wages and dearness allowance every year. One of the Bombay units made additional payments to certain categories of workers.

The system of paying sorting and rearing commission was introduced in the unit in Travancore-Cochin with effect from June 1952 as an incentive for better output. The details regarding the rate at which this commission is being paid are not available.

Only three units in West Bengal paid attendance bonus to their employees. Two of these paid 8 rupees per month to those workers who attended on all the working days during the month. Those ~~workers~~ workers who did not absent themselves on more than two days in a month were also paid bonus but on a reduced rate. The third unit paid bonus at the rate of 6 days' basic wages to general shift workers and 7 days' basic wages to shift workers for full attendance during any month. From 1 October 1954 this unit stopped paying attendance bonus. One unit in West Bengal also paid a bonus of 1 rupee to lorry drivers for each accident-free trip to Calcutta.

Provident Fund, Gratuity, etc. The paper mill industry is covered by the Employees' Provident Funds Act, 1952. Nevertheless, two units out of 21 replied that they had no provision like provident fund, gratuity, etc. Out of the remaining 19 units, 10 stated that they had both provident fund and gratuity schemes and nine informed that they had only provident fund schemes. In twelve of these units the Provident Fund Scheme framed under the Employees' Provident Fund Act was in force. In the remaining units only those permanent employees who completed 6 to 12 months' continuous service were allowed to become members of the Provident Fund. The rate of contribution of employees as well as employers was 6 1/4 per cent of wages or salary. In two of these units, workers were entitled to Company's full contribution only after 9 years' membership. Information regarding membership of Provident Fund is available in respect of 15 units only. In these units out of 18,692 workers directly employed in March 1955, 10,952 or 58.7 per cent were members of provident funds.

Of the nine units which had gratuity schemes, five paid gratuity only to those workers who were not members of the provident funds or to those who were in service prior to the introduction of the provident fund schemes but such workers were entitled to gratuity only for the period of service rendered prior to introduction of the provident fund schemes. The rate of gratuity was generally half a month's pay for each year of service. The maximum amount of gratuity payable in the different units varied from 2 to 20 months' pay.

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One of the West Bengal units had a system of granting Widow and Family Pension to dependents of those workers who died while in service. This pension was being paid to deserving dependents at the discretion of the management. Another unit in the same State formerly had a pension scheme but has now replaced it by a gratuity scheme. However, those employees who were granted pension prior to the introduction of the gratuity scheme have not been affected and continue to get pensions.

Housing.— Seven units — 4 in Bombay and one each in Andhra, Uttar Pradesh and West Bengal — did not provide housing accommodation to their employees. The remaining fourteen units provided housing accommodation to their employees. The percentage of workers housed varied from 6 to 70.9 in thirteen of these units. Of the fourteen units which provided housing accommodation, nine did not charge any house rent. In the other five units, the rent charged varied from 1 rupee to 14 rupees per month depending upon the type of quarters provided. In seven units, all the houses were pucca, while in three units the houses were both pucca and kutcha. Information in respect of the remaining four units is not available. All the units which have provided housing have stated that they have made adequate arrangements for water supply and sanitation. Eight of the units have stated in their replies that during 1954 they incurred an expenditure of 932,500 rupees on housing of workers.

Medical facilities.— Of the 21 units, five (four in Bombay and one in Uttar Pradesh) had made no arrangements for the treatment of their workers. Of the remaining 16 units, 11 maintained dispensaries and five maintained hospitals for giving free medical aid to their employees. A hospital in one of the units had a special ward for maternity cases. From the replies it would appear that the dispensaries and hospitals were well-equipped and properly staffed. Two of the units also employed lady doctors for the care of women and children.

Other welfare facilities.— Though four units employed more than 50 women workers, only 3 — one each in Andhra, Bombay and Travancore-Cochin had established canteens. Canteens facilities existed in 17 units and only 11 units had built rest shelters for their workers. Eight of the units provided bathing as well as washing facilities, two had built only bath rooms while four others merely provided washing facilities. Only one unit in Bombay had opened a grainshop where foodgrains at cost price were sold to workers. In the Mysore unit although there was no grainshop, arrangement had been made for the sale of foodgrains through a co-operative society.

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Educational facilities for the children of workers existed in 10 units. Five provided only primary schools, two units each provided a primary and a middle school, one unit provided a high school as well as a primary school and another maintained only a middle school. The remaining unit was running a high school, a primary school and a Harijan pathshala. Two of the units (in West Bengal) have stated that they did not run any school of their own but gave some donations to local schools.

Recreation facilities were provided in 12 units. Most of these units had made arrangements for indoor as well as outdoor games. Three of the units had libraries and four had installed radio sets. The managements of four units had made arrangements for showing movies to their employees. Information regarding the amount spent on welfare activities for workers is available in respect of 10 units. These units spent a sum of 592,419 Rupees on welfare activities during 1954.

Industrial relations. - With the exception of 5 units - 4 in Bombay and one in Andhra - all other units had certified Standing Orders for regulating the conditions of service of workers. Two of the Bombay units had framed Standing Orders but they were pending certification.

Works Committees were in existence in nine units while Production Committees were functioning in only two units. In the unit in Hyderabad a Safety Committee had also been constituted. Of the nine units which had set up Works Committees only two reported that they were functioning successfully.

With the exception of 5 units - 4 in Bombay and one each in Andhra and Uttar Pradesh all others had appointed labour officers, welfare officers or personnel officers. All the units except 4 (in Bombay) had made definite arrangements for looking into the grievances of the workers. In 4 units the complaints of the workers were settled by the managers or heads of departments and in 8 units they were settled by labour officers. In one unit complaints were settled by the Labour Welfare Department and the Works Production Committee. In the remaining units the grievances of the workers were enquired into by the Works Committees either independently or with the assistance of Labour or Welfare Officers.

Trade Unions. - Trade Unionism in the industry seems to be well developed. In March 1955, all the units, except two in Bombay, had trade unions. Thirteen of the units had only one union each while others had two each. With the exception of unions in 2 units all others were registered under the Indian Trade Unions Act. Unions in 14 units were recognised by the managements. Information regarding membership of workers is available in respect of 19 units. In those units out of a total of 8,358 workers as many as 7,118 or 85.2 per cent were members of trade unions in March 1955. Another unit has not given statistics relating to membership of its employees but has stated that the majority of them were members of the trade union.

(Indian Labour Gazette, Vol. XIII, No. 10,
April 1955, pp. 756-772)

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55. Protection of Minors.

India - June 1953.

Report on the Working of the Employment of Children's Act in Railways and Major Ports during 1953-1954.

The Employment of Children Act, 1938 prohibits the employment of children under 15 years of age in any occupation connected with the transport of passengers, goods or mails by railways and in any occupation involving handling of goods within the limits of any port. Its contravention is an offence punishable with simple imprisonment extending up to one month or a fine upto 500 rupees or both.

The report of the Chief Labour Commissioner (Central) for the year 1953-54 shows that during the year 3,157 establishments were inspected and 501 irregularities were detected. The corresponding figures for the preceding year were 3,757 and 655 respectively. The number of cases of employment of under-aged children was 303 in 1953-54, as compared to 102 in 1952-53. No prosecutions were found necessary as most of the irregularities detected in the course of inspections were rectified when brought to the notice of the authorities concerned.

(Indian Labour Gazette, Vol. XIII, No. 10,
April 1953).

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56. Labour Administration.

India - June 1956.

Assam: Annual Report on the Working of the Factories Act, 1948, for the Year 1954.

According to the annual report on the working of the Factories Act, 1948, in Assam for the year 1954, the total number of factories in the register at the end of the year under report was 992 as against 977 in the previous year. Twenty new factories were added to the list of registered factories and five were removed from the register during the year. The number of working factories at the end of the year was 973. The number of factories newly registered under Section 2a(1) was 20. There was no registration of any factory under section 2a(11) or Section 35.

Sixty-one applications were received by the Inspectorate for approval of plans of factory building as against 47 in the previous year. Out of these 24 plans were for new factories and 35 plans were for extension to existing factory buildings and 2 plans for re-construction of existing factory buildings. The amount of license fees collected during the year was 248,765 rupees as against 242,617 rupees in the previous year. The amount collected as late fees, amendment fees, etc., was 4,334 rupees 8 annas as against 5,821 rupees in the previous year. The total collection therefore was 253,119 rupees 8 annas as against 248,438 rupees in 1953.

Employment.— The average number of workers employed daily in 973 factories (including 113 factories which have not submitted returns) was 67,126 as against 63,707 (only factories which submitted returns) in 1953. The daily average number of women employed during the year fell to 8,498 from 8,633 in 1953. The daily average number of adolescents and children employed in factories was 1,065 and 923, respectively, as against 2,447 and 910 in the previous year.

* Report on the Working of the Factories Act, 1948, in Assam for the Year 1954; Printed at the Assam Government Press, Shillong, 1956; pages 22; Price Rs.1/6/- or Rs.11d.

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were inspected
during the year 1

Inspection.— Three hundred and eighty-seven factories, and the total number of inspections was 582. The Deputy Commissioners and Subdivisional Officers inspected 18 factories. One hundred and seventy-seven were inspected by the Additional Factory Inspectors. The percentage of inspections during the year was 60. The percentage could have been further improved had there been no repeated floods, which did extensive damage to roads, railways and thereby making inaccessible the factories which were scattered all over the State.

A large number of complaints were received during the year from various sources. They were promptly attended to and the relevant complaints falling within the purview of the Factories Act and Rules were disposed of. In the Branch Office jurisdiction alone as many as 84 complaints were investigated and disposed of. The complaints were mainly related to illegal working hours, non-payment or less payment of overtime wages, not granting holidays and leave with wages, etc. The Inspectorate had to devote lot of time in dealing with the complaints due to which number of normal inspections of factories went down.

Certification of adults, adolescents and children.— The civil surgeons of the districts continued to function as certifying surgeons, under Section 10(1) of the Factories Act, 1948. The average number of certified adolescents and children was 3,924 as against 3,567 during the previous year. The Civil Surgeons were so busy with their own duties that they found it very difficult to do proper justice to certification work. There had been many complaints from the factories about this, and during the year no arrangement could be made to appoint additional Certifying Surgeons.

Health and safety.— During inspections and in approving plans of factory buildings, particular attention was paid to improvement of lighting, ventilation and sanitation in the factories. The average standard of latrines and urinal accommodations in factories in this State was reported to be satisfactory, though there was something to be done in this direction in the small rice and oil mills constructed before the enforcement of Act of 1948. Special attention was paid by the Inspectors to the problem of elimination of dust nuisance in tea factories (and oil mills) by enforcing installation of dust extraction plants.

The inspectors were particularly attentive during inspections regarding fencing of machineries and improvement of existing safety protections. Only 12 per cent of the accidents resulted from causes directly attributable to machinery which means that majority of accidents were due to other causes including carelessness on the part of workers, i.e., methods of working, wearing loose clothes, use of defective tools and implements, not using protective equipment, etc.

Accidents. There was only 1 fatal accident as against 13 fatal accidents in the previous year, and there was general reduction in the number of accidents. During the year under report there were 1,129 accidents as against 1,164 accidents in 1953. Out of the total of 1,129 accidents, 122 were serious and 1,003 were minor.

Of the total of 122 serious accidents, as many as 50 occurred in Tea machineries, mainly in C.F.C. machines and Rolling Tables. The next highest group of serious accidents occurred while handling goods or articles, accounting for 24 accidents. A total of 54 serious accidents occurred in power driven machinery. Most of the serious accidents were enquired into and precautionary measures were recommended.

A total of 1,006 minor accidents occurred during the year. The largest groups of minor accidents according to causation factors are "Handling Goods or Articles" accounting for 251, "Stopping or striking against objects" accounting for 138, "Struck by falling body" causing 134 and "Use of hand tools" causing as many as 132 accidents. Miscellaneous other causes account for 133 minor accidents. Power Driven Machinery accounted for only 83 minor accidents, total of all accidents under this heading being, 140, i.e. less than 12 per cent of all accidents. Most of the accidents are thus caused not by machinery, but due to personal factors involved in unsafe practices.

Prosecution. During the year under report cases were instituted against two factories and convictions were obtained for five charges against two factories.

Payment of wages. The average number of workers daily employed in factories coming under the purview of Payment of Wages Act was 66,289 as against 61,591 in the previous year, which shows an increase of 4,689 workers. The total wages paid to the workers as per return received under Payment of Wages Act amounted to 35,655,141 rupees and 6 annas as against 27,818,703 rupees and 5 annas in the previous year.

The total deductions under heading of fines, breach of contract and damage or loss amounted 199 rupees as against 218 rupees and 0 annas in the previous year. From the above figures the annual average earning comes to 537 rupees 15 annas (approx.) as against 451 rupees 10 annas and 8 pies in 1953, 451 rupees in 1952, 539 rupees in 1951 and 381 rupees in 1950.

During the year a large number of cases of non-payment and less payment of overtime wages were detected during inspections. Orders were issued for payment of arrears and there was no necessity of prosecutions, the response from the defaulters being prompt. In the Branch Office area alone, an amount of 51,901 rupees and 6 annas was thus ordered to be paid to 2,142 workers in 66 factories.

Separation of Factory Inspectorate from the combined Factory and Electrical Inspectorate was approved on 18 October 1954. The Labour Commissioner was appointed the Chief Inspector of Factories in addition to his own duties and creation of a post of Deputy Chief Inspector of Factories was approved.

No notice of poisoning or disease was received during the year under Section 89, but at the time of writing this report incidence of industrial poisoning and occupational diseases in the petroleum industry was a subject matter of investigation, and some information of previous incidences were already received. But the incidence is negligible.

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

INDIA - JUNE 1956.

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

Working of the Payment of Wages Act, 1936 on Railways during 1953-1954.

During 1953-54, the Payment of Wages Act, 1936, applied to 647,911 workers in Indian Railways according to the annual report of the Chief Labour Commissioner (Central) on the working of the Act in railways. The table below shows the number of employees, total wages and average annual earnings in the different railways:-

	No. of employees.	Total Wages in rupees.	Average annual earnings in rupees.
<u>Factory Labour</u>			
Central Railways.	27,607	53,754,530	1,922.7
Eastern Railway.	34,933	44,512,724	1,267.3
Northern Railway.	N.A.	N.A.	N.A.
North-Eastern Railway.	10,948	N.A.	N.A.
Southern Railway.	27,127	53,515,512	1,955.5
Western Railway.	22,072	27,903,932	1,264.4
Non-Govt. Railways.	535	349,789	1,041.2
<u>Non-Factory Labour</u>			
Central Railway.	161,259	142,109,523	881.3
Eastern Railway.	244,263	210,573,023	862.0
Northern Railway.	N.A.	N.A.	N.A.
North-Eastern Railway.	97,513	107,397,033	1,101.3
Southern Railway.	131,016	139,755,349	1,050.1
Western Railway.	97,503	102,297,422	1,049.2
Non-Govt. Railways.	10,273	12,690,912	1,235.0

N.A. = Not Available.

During the year under review, 7,163 establishments including contractors, establishments (339) and offices of the Paymasters (417) were inspected and 14,931 irregularities were detected. The corresponding figures for the previous year were 6,493 and 19,311 respectively. Most of the irregularities (10,675 out of 14,931 or about 70 per cent) related to delayed payments or non-payment of wages. Non-maintenance or improper maintenance of registers and non-display of notices accounted for 13 percent of the irregularities detected. Irregularities relating to wrongful or unauthorised deductions, fines or deductions for damage or loss were comparatively few and accounted for 4 per cent only. The highest number of irregularities totalling to 4,178 was detected in the Central Railway. According to the Departments, the highest number of the irregularities detected was in transportation. The percentage of irregularities rectified during the year was lower than in the previous year being 59 as against 61 in 1952-53. The progress of rectification of irregularities, judging from the time taken for rectification, was also slow during the year under review. In 1952-53, 74 per cent of the irregularities were rectified within 6 months and of these 43 per cent were rectified within three months. The time taken for rectification of irregularities in 1953-54 was as follows:-

Below 3 months	.....	38 per cent
3 to 6 months	.....	22 per cent
6 to 9 months	.....	19 per cent
9 months to one year	.....	9 per cent
Over one year.	.....	12 per cent

The total fines imposed under sub-section 2 of section (7) of the Payment of Wages Act during the year amounted to 44,257 rupees. This amount was credited to the Staff Benefit Fund of the Railways. In all 320 irregularities in the imposition of fines were detected. Of these the largest number were detected in the Central Railway.

During the year, the number of cases of irregular deductions on account of damage or loss, detected, was 135 as against 114 in 1952-53 and the amount deducted was 170,737 rupees as compared to 212,291 rupees in 1952-53. No instances of breach of provisions relating to deductions for absence from duty were noticed during the year. Similarly, there were no cases of deductions on account of attachment orders from the courts. The position in regard to deductions on account of payment for supply of Stores and Loans to co-operative societies was found to be satisfactory on all the Railways. A number of cases where the employees failed to receive wages earned by them for one reason or the other were also reported. The total amount involved in such cases was 2,405,098 rupees as against 1,956,025 rupees in the previous year.

During the year under review, 758 applications under section 15 of the Act (which provides a remedy to the employed persons for wrongful deductions from wages and delay in payment of wages) were filed by employees in the different railways. Most of these were in Western and Central Railways. Out of 758 applications filed, 465 were decided in favour of the employees, 120 against them and 13 were withdrawn by them. The rest were pending at the end of the year.

(The Working of the Act during 1951-1952 was reviewed at pages 80-81 of the report of this Office for February 1955).

(Indian Labour Gazette, Vol. XIII, No. 10, April, 1956).

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P.E.P.S.U. Payment of Wages Rules, 1956.

The Government of the Patiala and East Punjab States Union published on 5 May 1956 the P.E.P.S.U. Payment of Wages Rules, 1956, made in exercise of the powers conferred under the Payment of Wages Act, 1950. The rules deal inter alia with the maintenance of register of fines, register of deductions for damage or loss, and register of wages, inspection of weights and measures used in checking or ascertaining the wages of workers, notices of dates of payment of wages, procedure for imposition of fines, conditions subject to which deductions from wages may be made, extent to which advance of wages may be made and the mode of recovery of such advances, scale of costs to be allowed in proceedings under the Act and penalties.

(Supplement to Patiala and East Punjab States Union Government Gazette, No. 5, dated 5 May 1956, Part III, Section 1, pp. 1-10)

63. Collective Agreements.

India - June 1956.

Conditions of Service of Technical Staff of
Textile Mills: Collective Agreement concluded
in Bombay.

About 2,700 technical and supervisory personnel in Bombay's 60 cotton textile mills will receive a 5 per cent increase in dearness allowance and benefits of higher pay scales with effect from 1 May last year under an agreement between the Bombay Millowners' Association and the Rashtra Mill Mazdoor Sangh.

Announcing the agreement today, the Sangh said that a joint prayer had been made before the Bombay Industrial Court to accept the agreement.

All differences in pay, dearness allowance, overtime and such other benefits would be paid to the staff with retrospective effect from 1 May last year within two months of the publication of the adjudicator's award in the Bombay Government Gazette.

The new pay scale of the technical staff provides for an increase of 20 rupees in starting pay and 70 rupees in the maximum grade as compared to the existing scales. The new scale for departmental assistants which does not contain any efficiency bar unlike the old scale, is 120 rupees to 520 rupees.

The rates of dearness allowance provided in the agreement are: 45 per cent subject to a minimum of 65 rupees for cost of living index ranging between 351 and 400 and 5 per cent less for every block reduction of 50 in the index figures below 350.

(The Hindustan Times, 25 May 1956).

60. Strike and Lockout Rights.

India - June 1956.

Assam: All Inland Steamer Services and All Chat Establishments engaged in Transhipment of Goods declared to be Public Utility Services.

In exercise of the powers conferred under the Industrial Disputes Act, 1947, the Government of Assam has declared the following services to be public utility services for the purposes of the said Act for the periods noted against them:-

- (1) All Inland Steamer Services in Assam - for a period of six months from 15 May 1956.
- (2) All Chat Establishments engaged in transhipment, storage, loading and unloading, and stacking of goods ancillary to the Inland Steamer service - for a period of six months from 15 May 1956.

(Assam Government Gazette, Part II-A, 9 May 1956, pp. 1260-1261).

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Hyderabad Sugar Industry and Motor Transport Industry
declared to be Public Utility Services.

In exercise of the powers conferred under the Industrial Disputes Act, 1947, the Government of Hyderabad has declared the following services in the State to be public utility services for the purposes of the Act for the periods noted against them:

- (1) Sugar Industry - for a further period of two months from 3 May 1956.
- (2) Motor Transport Industry - for further period of six months from 19 May 1956.

(Hyderabad Government Gazette, Part I-D,
23 April 1956, p. 618;
Ibid, 24 May 1956, page 704)

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CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES OF WORKERS.

INDIA - JUNE 1956.

71. Employees and Salaried Intellectual Workers.

Conditions of Work of Shops and Commercial Employees:
Report for the Year 1956.

The working conditions of workers employed in shops and commercial establishments in India are regulated by the Acts passed by State Governments. At the beginning of the year 1956, such Acts were in force in 17 States viz., Andhra, Assam, Bombay, Madhya Pradesh, Madras, the Punjab, Uttar Pradesh, West Bengal, Hyderabad, Madhya Bharat, Mysore, Travancore-Cochin, Saurashtra, PPSU, Himachal Pradesh, Delhi and Tripura. While some of these States had passed their own Acts others had either adopted or applied the Acts passed by other States. These Acts generally prescribe the daily and weekly hours of work, rest-intervals, opening and closing hours of establishments, over-time pay, weekly rest, annual leave with pay, etc. Besides State Acts, there is also a Central Act known as the Weekly Holidays Act, 1942 which provides only for the grant of weekly holidays to persons employed in shops, commercial establishments, etc. This Act is permissive in character and applies only to those States which notify its application to their States. Till December 1955 only six States viz., Bihar, Orissa, Rajasthan, Ajmer, Coorg and Vindhya Pradesh had notified its application to their States. Thus at the commencement of the period under review, employees of shops and commercial establishments were protected in 23 States.

During the year under review the Delhi Shops and Commercial Establishments Bill, which was introduced in the State Legislature in December 1952, was passed into an Act. It was put into effect from 1 February 1956. The Bihar Shops and Establishments Bill, 1953 was passed into an Act in February 1954. In 1943 the Government of Saurashtra had applied the Bombay Shops and Establishments Act, 1939 to their State. As the Bombay Act was revised in 1949, the Government of Saurashtra considered it necessary to bring the law in force in the State in line with the new Bombay Act. Consequently in August 1954 they introduced a Bill in the State Legislature to adopt the new Bombay Act. In Ajmer, a Bill on the model of the Uttar Pradesh and Punjab Acts was drafted during the year under review and submitted to the State Government for consideration.

In order to obviate administrative difficulties, the Acts generally provide for the gradual extension of the law to various areas in the State. Almost all the States initially applied them to certain selected areas and each year extended them to new areas having regard to the requirements of the employees in different areas and administrative convenience. The number of new towns, etc., to which the Acts were extended during the year under review in different States was as follows: Bombay 6 local areas, Madhya Pradesh 5 municipal areas, Punjab 4 towns, Hyderabad 9 towns and PEPHU 1 town.

The following table shows the number of shops, commercial establishments, theatres, etc., covered by the Acts during the year 1954 and the number of persons employed therein some of the States which have furnished the information.

States	Shops		Commercial Establishments		Theatres, restaurants, etc.		Total number of	
	No.	No. of persons employed.	No.	No. of persons employed.	No.	No. of persons employed.	No. of establishments.	No. of Persons employed.
1. Andhra.	63,049	28,654	1,784	8,553	6,134	12,972	73,017	43,179
2. Assam.	4,660	5,237	251	1,954	219	1,054	5,160	2,255
3. Bihar.	52,920	69,444	2,269	10,054	1,083	6,725	57,142	33,203
4. Bombay.	255,980	255,152	42,304	152,921	23,643	117,468	317,532	525,533
5. Madhya Pradesh.	6,717	16,615	1,353	6,521	1,574	9,440	9,344	32,576
6. Madras.	254,230	129,139	5,001	29,201	17,668	34,499	176,899	132,380
7. Punjab.	78,077	17,022	29,762	19,483	2,789	3,319	101,628	40,324
8. Mysore.	16,783	11,276	524	4,461	1,533	9,601	18,642	25,338
9. PEPHU.	12,607	2,749	286	351	244	693	13,199	4,273
10. Ajmer.	11,081	5,410	417	1,015	693	525	12,101	6,950
11. Coorg.	160	393	72	161	159	356	391	1,193
12. Travancore-Cochin.	20,465	40,023	2,072	9,750	2,813	11,801	25,350	61,577
13. Tripura.	803	715	0	133	52	152	666	1,055
Total.	677,697	579,903	77,455	240,033	56,299	209,330	611,351	1,029,321

* Figures relate to Patna, Tirhut, Bhagalpur and Chota Nagpur Divisions only.

The table below shows the number of inspections made, prosecutions launched, cases disposed of and the amount of fines realised during the year under review in some of the States for which information is available. With the exception of Bombay, West Bengal, P.N.P.S.U., and Delhi in all other States for which inspection figures are available for 1954 as well as 1953, more inspections were made during the year under review than in the previous year. In the States of Madhya Pradesh, Madras, the Punjab, Uttar Pradesh, West Bengal, Saurashtra and Delhi the number of prosecutions launched was also higher during the year 1954 than in the year 1953. As in the previous years, the administering authorities continued to follow the policy of persuasion for securing compliance with the provisions of the Acts and launched prosecutions only as a last resort against habitual offenders or in cases of breaches of a serious nature. Most of the irregularities detected during the year under review related to weekly closure of establishments, non-payment of wages, opening of shops beyond prescribed hours, wrongful dismissals, rest intervals, overtime, leave, etc. In their annual report the administering authorities have stated they were seriously handicapped in bringing the law breakers to book on account of reluctance of employees to give evidence against their employers, due largely to the uncertain employment situation in some of the States. It is observed from a few State reports that in view of the low fines imposed by the Courts the employer generally find it more profitable to break the law than to observe it. To remedy the situation it has been suggested that the law should be amended so as to provide for heavier penalties for offences.

States	No. of inspections made.		No. of prosecutions launched.		No. of cases disposed of by Courts.		Amount realized as fines.	
	1954	1955	1954	1955	1954	1955	1954	1955
							Rs.	Rs.
1. Andhra.	N.A.	N.A.	475	651**	550	489	6,649	4,470
2. Assam.	2,223	1,798	15	29	N.A.	N.A.	N.A.	70
3. Bihar.	92	75	65**	86	50	71	N.A.	N.A.
4. Bombay.	254,245	293,829	9,617	9,985	7,698	8,692	N.A.	N.A.
5. Madhya Pradesh.	10,730	9,122	1,605	1,087	1,097	600	2,730	2,785
6. Madras.	N.A.	658	1,107**	236**	1,233	680	14,541	8,178
7. Punjab.	102,545	105,555	7,515	5,489	7,141	4,471	193,034	91,233
8. Uttar Pradesh.	51,097	44,083	933	762	951*	763	21,633	14,033
9. West Bengal.	79,270	94,121	4,651	3,125	2,514*	2,521	24,477	23,230
10. Hyderabad.	28,364	24,494	582	648	339	545	N.A.	4,169
11. Mysore.	N.A.	14,689	N.A.	199	403	197	2,373	1,315
12. Rajasthan.	N.A.	222	N.A.	230	N.A.	153	N.A.	590
13. PEPSSU.	7,127	8,133	575	987	530	704	2,068	2,500
14. Saurashtra.	N.A.	N.A.	990	611	N.A.	N.A.	2,944	1,505
15. Travancore- Cochin.	21,025	N.A.	75	N.A.	42	N.A.	360	N.A.
16. Ajmer.	2,170	2,050	499	499	472*	488	N.A.	N.A.
17. Coorg.	N.A.	151	7	10	5	N.A.	N.A.	N.A.
18. Delhi.	45,385	48,443	4,262	3,413	4,262	3,132	46,993	46,625
19. Tripura.	278	-	Nil	Nil	Nil	-	Nil	-
20. Jammu and Kashmir.	2,500	-	125	-	N.A.	-	N.A.	-

* Including 5 cases filed by courts in Uttar Pradesh, and 2 in Ajmer.
 ** Prosecutions sanctioned.
 N.A. = Not Available.
 There were 279 such cases in West Bengal, 16 in

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

India - June 1956.

Madhya Bharat: Increased Wages for Government Employees granted.

Employees of the Government of Madhya Bharat will get increased wages, with retrospective effect, from October 1955, according to the new pay scales accepted by the State Government.

The Chief Minister, Shri Takkhatmal Jain, said the new wage scales would entail an additional expenditure of 15 million rupees - provision for which had been made in the State budget.

Giving a comparative study of the new pay scales, Shri Jain said those in the grade of 20-1-30 rupees will henceforth be classified in the grade 25-1-35 rupees, while jamedars will get 30-1-40 rupees instead of 25-1-35 rupees. Non-trained patwaris will be placed in the 30-1-40 EB 2-60 rupees grade, while trained patwaris have been placed in the 40-2-60 rupees grade.

All lower division clerks, irrespective of their posting, have been placed in the scale of 50-1-70 EB 4-110-125 rupees. Nominal increments have also been made in the pay scales of midwives and nurses. Dearness allowances will continue to be at the same rate as at present.

The pay scales of the police forces have not been revised. No revision has been made in the case of heads of departments either.

(The Times of India, 22 May 1956).

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - JUNE 1956.

81. Employment Situation.

Employment Exchanges: Working during April 1956.

General employment situation.— According to the review of the work of the Directorate General of Resettlement and Employment during April 1956, the total number of registered unemployed had decreased slightly by the end of the month. More placements occurred and the number of notified vacancies increased. The number of educated unemployed on the live register at the quarter ending 31 March, was, in continuation of previous trends, higher than before. The number of engineering graduates on the registers at the end of the quarter was, however, very much less than at the end of December, the total number being very few by comparison with the number of trained engineers in the country. There was an increase in the number of unemployed medical graduates during the quarter, most of them being in West Bengal. Information at most regional levels indicated that there was no appreciable improvement in the employment situation in general, during the month.

Widespread shortage persisted in respect of draughtsmen, overseers, compounders, midwives, nurses, stenographers, fast typists and trained teachers. Shortage was fairly widespread in respect of qualified engineers, experienced doctors, health visitors, accountants, electricians, surveyors, and physical training instructors. Dearth of boiler attendants, mistries, turners and sanitary inspectors was experienced by a number of exchanges.

Widespread surpluses persisted in respect of untrained teachers, clerks, unskilled office workers, motor drivers, carpenters, unskilled office workers, unskilled labourers and freshers from schools and colleges. Ayas, motor mechanics, chowkidars, postmen, sweepers and cleaners were also reported surplus to requirements.

Registrations and placings.— The following table shows registrations first employment and placings during April and March 1956:—

	<u>April 1956.</u>	<u>March 1956.</u>
Registrations.	155,574	121,599
Placings.	16,624	15,504

The main contribution to the increase in registrations was made by the exchanges in the States of Uttar Pradesh (5,540), Punjab (2,709), Bihar (1,224), Bombay (945), Madras (841) and Rajasthan (830). On the other hand, a decline in fresh registrations was marked in the States of Hyderabad (271) and Madhya Pradesh (231).

A total of 84,478 applicants were submitted to the employers for selection during the month under review, as against 83,396 during the preceding month. There was a rise of 1,120 in the number of placements secured by the employment exchanges. This increase in placements was most secured by employment exchanges in the States of Uttar Pradesh (389), West Bengal (318), Punjab (234), Travancore-Cochin (136), Vindhya Pradesh (135) and Madhya Pradesh (120). There was, however, a noticeable fall in placements effected by exchanges in the States of Madras (303), Andhra (241) and Bihar (162). Of the total number of placements effected, 6,098 were in the Central Government, 6,235 in the State Governments, and 4,295 were with private employers.

Vacancies notified.— The number of employers who utilized the services of the employment exchanges during the month under report was 5,610 as against 5,123 during the preceding month. In all 27,013 vacancies were notified by them during April 1956, which recorded a rise of 2,720 over the figure for the previous month. The increase in the number of vacancies notified was conspicuous in the States of Uttar Pradesh (1,672), West Bengal (657), Punjab (551) and Vindhya Pradesh (298), while a significant decrease was noticeable in the States of Madras (466), Andhra (425) and Madhya Pradesh (176). Of the total number of vacancies notified 20,171 were by Government departments, both Central and State, and the remaining 6,842 by non-Government establishments. There was an increase of 1,422 in the public and of 1,298 in the private sector.

Register of unemployed.— A total of 702,528 applicants remained on the live register of employment exchanges seeking employment assistance as on the last day of April, 1956, as against 704,338 at end of the preceding month. The live register figure thus showed a decline of 2,810. The composition of the live register occupation-wise is shown below:—

<u>Occupation</u>	<u>Number on live register as on 30 April 1956</u>
1. Industrial supervisory.	4,231
2. Skilled and semi-skilled.	59,059
3. Clerical.	136,618
4. Educational.	25,251
5. Domestic service.	25,432
6. Unskilled.	337,332
7. Others.	55,376
Total.	702,528

Employment position of special types of applicants.
The employment position regarding special types of applicants during April 1956 is shown in the following table:-

<u>Category</u>	<u>Registrations</u>	<u>Placements</u>	<u>No. on Live Register</u>
1. Displaced persons.	6,531	806	48,273
2. Ex-servicemen.	5,855	1,174	29,370
3. Scheduled Caste Applicants.	15,769	2,505	67,641
4. Scheduled Tribes applicants.	1,652	292	6,537
5. Women.	6,521	815	29,876

Anglo-Indian applicants. During the quarter January-March 1956, exchanges effected 232 registrations and 52 placements in respect of Anglo-Indian applicants as against 217 and 23 respectively during the previous quarter. Of the placements effected, 20 were in Central Government departments and 6 each under State Government departments and non-Government establishments. Of those placed in employment, 10 were women. At the end of March 1956, 495 applicants of whom 65 were women remained on the live registers of exchanges. Thirty-eight vacancies were notified as specifically reserved for Anglo-Indian applicants during the quarter. Only one submission was successful.

Educated applicants. During the quarter January-March 1956, 103,373 registrations and 15,994 placements were effected by the employment exchanges in respect of persons who had passed matriculation or higher examinations as against 93,679 and 13,485 respectively during the preceding quarter. Of the total number of those who registered during the quarter, 92,276 were matriculates (including 12,745 who had passed the intermediate examination) and 11,100 were graduates. Amongst the graduates 253 were engineers, 139 were doctors and 10,717 had obtained their degrees in various subjects other than engineering and medicine. Exchanges placed in employment 15,517 matriculates (including 1,933 intermediates) and 2,457 graduates of whom 57 were engineers and 17 were doctors. At the end of March 1956, there were 221,500 educated persons on the 'Live Registers' of exchanges seeking employment assistance as against the corresponding figure of 216,157 at the end of the previous quarter and 184,934 at the end of March 1955. Of those on the Live Register 107,751 were matriculates (including 25,627 applicants who had passed the intermediate examination) and 23,749 were graduates. Of these graduates 439 were engineers, 207 doctors and 25,103 had obtained their degrees in various subjects other than engineering and medicine.

Special Investigation No. (1): Employment position of engineering graduates and diploma holders.— A total of 439 engineering graduates remained on the live register of employment exchanges as on 31 March 1956, as against 623 at the end of December 1955. The decline in the Live Register, which is seasonal in character is accounted for by a considerable fall in the number registered. Of the 439 graduates 31 applicants had declared themselves to be employed persons and had registered themselves with a view to better their prospects. In addition to those, 16 graduates were undergoing on-the-job training on the date of registration. Of these 354 or 78 per cent of the engineering graduates were unemployed for less than 1 year whereas only 35 or 8 per cent of them were in search of jobs for 2 years or more. This data shows that a bulk of unemployment among engineering graduates is what may be termed as 'frictional unemployment'.

A total of 377 engineering diploma holders were on the live register of the employment exchanges as on 31 March 1956, as against a corresponding figure of 571 at the end of December 1955. Of them 17 were already with jobs and had registered themselves as employed persons in search of better paid jobs. Three diploma holders were also undergoing some sort of on-the-job training on the date of registration.

A total of 191 or 51 per cent of the diploma holders were in search of a job for less than one year whereas 78 or 31 per cent were unemployed for a period of 2 years or more.

(2) Medical graduates and licentiates.— A total of 297 medical graduates were seeking employment assistance at the end of March 1956, as against 379 at the end of December 1955. One hundred and forty-five or 72 per cent of them were on the live register of the employment exchanges in West Bengal alone, of whom as many as 100 were in search of jobs at the Calcutta exchange. Of the total number of medical graduates 97 were fresh from colleges and in addition 40 had an experience of less than 2 years duration. These two categories thus accounted for 71 per cent of the total number of medical graduates on the live register at the end of March 1956. Twenty-one graduates of the total, were over 45 years of age.

A total of 240 medical licentiates were seeking employment assistance as at the end of March 1956, as against 220 who were on the live register of the employment exchanges as on 31 December 1955. Of them 175 or 73 percent were on the live registers of the exchanges in West Bengal alone; 56 being at the Calcutta exchange. One hundred and two of them were freshers, while 48 had an experience of less than 2 years duration; which together accounted for 63 per cent of the total number of medical licentiates on the live register at the end of March 1956. Of the total number of licentiates 51 were over 45 years of age.

(Region of Work done by the Directorate-General of Resettlement and Employment during the Month of April 1956, issued by the Ministry of Labour, Government of India).

Need to Raise Standard of Engineering Education:
Engineering Personnel Committee's Recommendations.

The Engineering Personnel Committee of the Planning Commission has emphasised the need to raise the standard of engineering education in India and recommended the creation of an all-India cadre. The committee, in its report says the strength and effectiveness of the future development will depend, to a large extent, on the quality of engineering personnel available for absorption. No efforts should, therefore, be spared in achieving a high level of competence in engineers who will be trained by various methods during the coming years.

The committee was set up in September last year to undertake an overall assessment of demand and supply in regard to engineering personnel and to make such recommendations as may be essential for ensuring an adequate supply of engineering personnel for the next 15 years with particular reference to the immediate requirements of the second Five-Year Plan.

The committee says that in 1960-61 India will be in short supply of engineering personnel to the extent of 1,600 graduates and 8,000 diploma holders in different branches. The committee feels if the existing institutions are expanded fully, it may be possible to secure, on an average, a 20 per cent increase in the out-turn of graduates and 25 per cent in the case of diploma-holders. The total cost of creating additional training facilities will be about 100 million rupees.

Main Recommendations.— Some of the main recommendations of the committee are:

- (I) Creation of suitable development machinery to co-ordinate release of personnel from one project and their absorption in another;
- (II) Making foreign training more purposeful by an advance mapping of the field in which training is needed and earmarking personnel for suitable positions in the country on their successful completion of training;
- (III) Grant of scholarships for specialised training in urgently needed techniques and
- (IV) Affording facilities for advance work in specialised fields.

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The committee has laid emphasis on qualitative rather than merely quantitative improvement and points out that there has been a certain lowering of educational standards in regard to engineering education. Dearth of teachers of right calibre, inadequate facilities for practical training, ineffective methods of examinations and insufficiency of equipment are some of the main reasons which have contributed to lower the general educational standards, says the report. Service conditions for teaching staff on par with those obtaining in executive positions under the Government and sparing competent and experienced men from the Government cadres for teaching in colleges are some of the main suggestions made by the committee for improving educational standards.

Besides, the committee has suggested certain interim measures to meet the shortage in engineering personnel. These are:

- (a) Promotion from lower ranks;
- (b) More balanced utilisation of available talents;
- (c) Retention of superannuated persons for considerable periods; and
- (d) Organisation of functional training at the supervisory level.

The committee has also recommended the creation of a technical manpower committee at the Cabinet level.

Another important suggestion made by the committee is in regard to the introduction of technical and scientific personnel at suitable levels in the general administrative machinery.

(The Hindustan Times, 4 June 1966).

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83. Vocational Training.

India - June 1956.

Labour Ministry's Training Schemes: Progress during April 1956.

Training of ex-servicemen. According to the review of the work done by the Directorate General of Resettlement and Employment during April 1956, the number of trainees on the roll of various training institutes and centres on 30 April 1956 was 9,553. There were 7,967 (including 8 women trainees) in technical trades and 1,586 (including 500 women) in vocational trades.

Out of 500 women, 470 were undergoing training at the three women training institutes in New Delhi, Dohra Dun and Madras. The remaining 30 women were undergoing training alongside men, at industrial training institute, Kairnada, industrial training centre, Orissa poor cottage industries, Cuttack, industrial training institute, Alambagh, Lucknow, and industrial training institute, Almora, during the month under report.

Training of displaced persons. The total number of displaced persons undergoing training at the end of April 1956 was 1,938; of these 1,617 were in technical trades and the remaining in vocational trades.

Apprenticeship training for displaced persons. A total of 1,166 displaced persons were undergoing training as apprentices in industrial undertakings and establishments in Uttar Pradesh and West Bengal, against 1,400 seats sanctioned for the purpose. They were recruited and posted direct to the undertakings and establishments concerned.

Training of supervisors and instructors. In the regular session which commenced from 18 November 1955, 95 supervisors and instructors were receiving training at the central training institute for instructors, Koni-Bilaspur at the end of the month. Apart from this 50 supervisors and instructors were also undergoing training in the short term course which started functioning from 2 January 1956.

Training of women craft-instructors. Under the scheme for the training of women craft instructors introduced at the industrial training institute for women, New Delhi, 25 women instructors-trainees were receiving training at the end of the month under review.

Training of school going children in hobby centre,
Allahabad.- A total of 60 trainees were undergoing training at the end of the month under report at the hobby centre, attached to the industrial training institute, Allahabad, as against 56 last month.

Short-term course of training in sheetmetal work trade.- In the short term course of training in trade sheet metal work which was started at the industrial training institute, Bangalore under the craftsmen training scheme in September, 1955, 104 trainees were undergoing training in this trade against a sanctioned capacity of 93 as at the end of the month under review.

Working Group.- The Working Group which has been set up to advise the Government on matters relating to training of craftsmen, pending the setting up of a National Council for Vocational Training, held its first meeting at New Delhi on 14 April 1956. The Labour Minister inaugurated the proceedings. In his inaugural address the Labour Minister stated that the Working Group should co-ordinate the training schemes in the country so that fullest use is made of the available facilities to turn out trained technical personnel to suit the needs of the industry.

The Group considered the scheme for the ~~setting up~~ setting up of a National Council for Vocational Training. The following other subjects were also considered and sub-committees appointed to examine details and submit reports: (i) modification of the existing Craftsmen Training Scheme of the Ministry of Labour and conversion of the Training Centres into Training- cum-Production Centres; (ii) re-organisation of the Central Training Institute for Instructors, Ranchi-Bilaspur; (iii) A Scheme of pre-employment apprenticeship training; and (iv) preparation of Standard list of tools and equipments.

(Review of the Work done by the Directorate General of Resettlement and Employment during the Month of April 1956; Issued by the Ministry of Labour, Government of India.)

CHAPTER 11. OCCUPATIONAL SAFETY AND HEALTH.

INDIA - JUNE 1956.

11B. Legislation, Regulations, Official Safety and Health Codes.

Assam Economiser Rules, 1956.

The Government of Assam published on 30 May 1956, the Assam Economiser Rules, 1956, made in exercise of the powers conferred under the Indian Boilers Act, 1923. The rules deals inter alia with the procedure for registration of economisers, investigation of accidents to economisers and presentation of appeals.

(The Assam Government Gazette, Part II-A,
30 May 1956, pp. 1413-1423).

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LIST OF PRINCIPAL LAWS PROMULGATED DURING THE PERIOD COVERED BY THE REPORT FOR JUNE 1956.

INDIA - JUNE 1956.

Chapter 2. International and National Organisations.

Indian Trade Unions (Bombay Amendment) Act, 1956 (No. XXIII of 1956). (Bombay Government Gazette, Part IV, 14 June 1956, p. 140).

Chapter 4. Problems Peculiar to Certain Branches of the National Economy.

The Agricultural Produce (Development and Warehousing) Corporations Act, 1956 (No. 28 of 1956). (The Gazette of India, Extraordinary, Part II, Section 1, 15 June 1956, pp. 618-619).

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- * (b) Report (Nov.1954 to April 1956) of the Indian National Trade Union Congress (Rashtriya Masdoor Congress). pp.169.
- * (c) A Brief Review of the Eight Annual session of the Indian National Trade Union Congress (Rashtriya Masdoor Congress), held at Surat in May 1956, pp.134.
- * (d) Presidential Address by Shri G.D. Ambekar to the 8th Annual Session of the Indian National Trade Union Congress (Rashtriya Masdoor Congress) held at Surat in May 1956, pp.34.

CHAPTER 3. ECONOMIC QUESTIONS.

- * (a) Hand Book on Companies Act. Issued by the Federation of Indian Chambers of Commerce and Industry, New Delhi. pp.171. Price Rs.2/- (One copy sent to Geneva vide this Office Minute No.D.7/1452/56 dated 5 June 1956).
- * (b) Progress Report for 1954-55 of the Five Year Plan. Issued by the Planning Commission, Government of India. pp.255 plus (Encl)
- * (c) Second Five Year Plan. Issued by the Planning Commission, Government of India. pp. 655.
- (d) Indian Non-Ferrous Metals Directory and Handbook, 1956. Edited by C.C. Chandrasekhar; Indian Metals Manufacturers' Association, India Exchange, Calcutta-1; Rs.10/-.

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

- (a) The Plan and the Peasant - An Appraisal of Second Five-Year Plan. By H.C. Ranga and P.R. Paruchuri (The Indian Peasant Institute, Madubrolu, AP, S.).
- (b) The Co-operative Movement in Bihar. By E.C. Sivaswamy; University Press, University Buildings, Delhi-8, Rs.12/8/-.

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CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

- * (a) Report on the Working of the Factories Act, 1948 in Assam for the Year 1954. Printed at the Assam Government Press, Shillong. Price Rs.1/4/-. pp.23. (One copy sent to Geneva vide this Office Minute No.D.3/1453/58 dated 5 June 1956).
- * (b) Report on an Enquiry into the Family Budgets of Industrial Workers in Satna. Issued by the Government of India, Ministry of Labour, Director of Labour Bureau. pp.58, price Rs.2/12/-.
- * (c) Social Statistics of Madhya Pradesh. Issued by the Directorate of Economics and Statistics, Madhya Pradesh. pp. 331. Price Rs.8/-.

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

- * Report of the Engineering Personnel Committee. Issued by the Planning Commission, Government of India. pp.49 plus 39. (One copy sent to Geneva vide this Office Minute No.D.2/1621/58 dated 26 June 1956).

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