

COPY NO. 2

I.L.O. REGISTRY-GENEVA
14 APR 1961
File No. C 33-2-245 A
With:
on:

INTERNATIONAL LABOUR OFFICE
INDIA BRANCH

Industrial and Labour Developments in February 1961

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

Contents

	<u>Pages</u>
<u>CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION</u>	
12. <u>Activities of External Services.</u>	1
<u>CHAPTER 3. ECONOMIC QUESTIONS</u>	
32. <u>Public Finance and Fiscal Policy</u>	
Railway Budget for 1961-1962 presented: Revenue Surplus of 86.4 Million Rupees: No Revision of Fares and Freight.	2-7
34. <u>Economic Planning, Control and Development</u>	
Economic Survey for 1960-1961: Continuing Advance in Several Directions.	8-18
Slow Pace of Community Development: Reserve Bank's Review of Programme.	19-21
USSR Credit for Third Five Year Plan: Agreement concluded.	22
Rehabilitation and Modernisation of Woollen Industry: Government's Decisions on Working Groups' Recommendations published.	23-25
36. <u>Wages</u>	
Bonus Commission: Tripartite Meeting to Determine Terms of Reference: Controversy over Chairman.	26-27
Government's Decisions on Recommendations of Central Wage Board on Sugar Industry Published.	28
Minimum Wages (Maharashtra Amendment) Act, 1960 (No.X of 1960)	29-31

Contents

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

41. Agriculture

Andhra Pradesh Ceiling on Agricultural Holdings Act, 1961. 32-33

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS

50. General

Employment of Casual Labour by Government: Pay Commission's Recommendations Accepted. 34-35

Uttar Pradesh: U.P. Industrial Establishments (National Holidays) Bill, 1961. 36

West Bengal Shops and Establishments Bill, 1961. 37-39

CHAPTER 6. GENERAL RIGHTS OF WORKERS

63. Individual Contracts of Employment

Madhya Pradesh Industrial Employment (Standing Orders) Bill, 1961. 40-41

67. Conciliation and Arbitration

West Bengal: The Industrial Disputes (West Bengal Amendment) Bill, 1961. 42

69. Co-operation and Participation of Industrial Organisations in the Social and Economic Organisations.

Workers' Participation in Management: 45 Public Undertakings to take lead. 43

CHAPTER 8. MANPOWER PROBLEMS

81. Employment Situation

Employment Exchanges: Working During November 1960. 44-46

Madras: Alternative Employment to Handloom Weavers: Preference to be given to cooperative Textile Mills. 47

Punjab Compulsory Service Act, 1961 (No. 5 of 1961) 48

Contents

	<u>Pages</u>
83. <u>Vocational Training</u>	
Labour Ministry's Training Scheme: Working during November 1960.	49
<u>CHAPTER 11. OCCUPATIONAL SAFETY AND HEALTH</u>	
112. <u>Legislation, Regulations, Official Safety and Health</u>	
West Bengal Boiler Operation Engineers' Rules, 1960.	50
LIST OF PRINCIPAL LAWS PROMULGATED DURING THE PERIOD COVERED BY THE REPORT FOR FEBRUARY 1961.	51
BIBLIOGRAPHY - INDIA - FEBRUARY 1961.	52-53

CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - FEBRUARY 1961.

12. Activities of External Services.

Meetings

During February the Director represented the ILO at the following meetings:-

- (a) The XIVth World Health Assembly held at New Delhi from 7 to 25 February.
- (b) The first meeting of the ISO Technical Committee 88 (Pictorial Marking of Handling Instructions for Goods) held at New Delhi from 15 to 18 February 1961.

'L'

2

Chapter 3. Economic Questions

32. Public Finance and Fiscal Policy.

India -February 1961.

Railway Budget for 1961-1962 presented:
Revenue Surplus of 86.4 Million Rupees:
No Revision of Fares and Freight .

Shri Jagjivan Ram, Union Minister for Railways, presented the Railway Budget for the Government of India for 1961-1962, in the Lok Sabha on 15 February 1961. The Budget estimated that the revenue surplus for the Railways for 1961-1962 would be 86.4 million rupees.

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

(In Million Rupees)

	Actuals 1959-60	Revised Estimate 1960-61	Budget Estimate 1961-62
1. Gross Traffic Receipts -----	4223.3	4580.0	4990.2*
2. Ordinary Working Expenses -----	2895.2	3263.1	3325.3
3. Net Miscellaneous Expenditure ----	131.6	159.1	148.8
4. Appropriation to Depreciation Reserve Fund ----	450.0	450.0	650.0@
5. Payment to Worked Lines -----	01.0	00.9	01.3
Total: (2 to 5)	3478.8	3873.1	4125.4
Net Railway Revenues -----	745.5	706.9	864.8
Dividend to General Revenues-----	544.3	566.6	653.4**
Payment in lieu of tax on Passenger fares.	-	-	125.0***
Net Surplus -----	201.2	140.3	86.4

*Includes amount after merger of passenger fares tax with passenger fares from 1-4-1961.

@Increased contribution to Depreciation Reserve Fund @

**Dividend to General Revenues enhanced from 4% up to @ In accordance with the
1960-61 to 4.25% in 1961-62. @ recommendations of the

***Contribution to General Revenues from the traffic @ Convention Committee
receipts to be made over to the State Governments. @ 1960.

Presenting the Budget the Railway Minister said that this surplus was expected despite the increased appropriation to the depreciation reserve fund and payment of a higher rate of dividend to the general revenues - both as required by the recommendations of the Railway Convention Committee (1960) which had been accepted by Parliament in December, 1960.

A fixed payment of 125 million rupees would also be made by the Railways to general finance for transfer to the States. This would be in lieu of the passenger tax which would be merged in passenger fares, thereby considerably simplifying the present ~~unworkable~~ work involved in separate collection and accounting of the tax.

The Railway Minister announced that there would be no revision of passenger fares, nor would there be revision of freight rates generally.

The Railway Minister in his speech reviewed the working of the Railways and clarified the various receipts' and expenses' figures. Some of the salient points of his speech is referred to ~~below~~ below.

4

Railways and the Third Five-Year Plan.- Shri Jagjivan Ram said that the tentative allocation for the Railway's third Five Year Plan was 12,550 million rupees, including 350 million rupees for inventories. This was based on an increase in originating traffic from 154 million tons to 235 million tons, but did not include certain projects under consideration which were not originally indicated to the Railways. The Planning Commission was considering the question of increasing the allocation to cover the revision in transport targets and the addition of certain projects.

The Railways, the Minister said, "had been set the task of carrying an increase in traffic from 54,000 million ton-miles to 93,000 million ton-miles or an annual increase of 39,000 million ton-miles which was more than double the increase that was achieved in the second Plan. For this, the tentative allocation given was 12,550 million rupees, against the second Plan provision of 11,215 million rupees".

The implementation of the Railways' third Plan was expected to result in the acquiring of about 1,700 locomotives, 7,800 coaching vehicles, and 110,000 wagons, including replacement requirements.

Double tracking of about 1,600 miles, remodelling of yards, opening of new crossing stations, provision of additional loops, and centralised traffic control was envisaged.

Of the 1,100 miles expected to be electrified during the third Plan, the sections carried over from the second Plan would be assigned priority.

In the matter of construction of new lines, the Planning Commission had so far allotted 1,200 million rupees which would provide for approximately 1,160 miles covering, in the first instance, the requirements of the Railways' operational needs and the development of industries and mineral resources. The latter included 200 miles for development of new coalfields and about 50 miles for a new line to serve the proposed port at Haldia.

Indigenous manufacture and self-sufficiency.- The Minister said that during the current year, indigenous capacity for the manufacture of several new items, including centre buffer couplers and brake regulators was ~~estimated~~ established. The manufacture of electric-signalling equipment had also been started.

The Chittaranjan Locomotive Works was expected to produce 164 locomotives in the current year and the same number next year. It had undertaken the manufacture of electric locomotives as well and was developing capacity for building approximately 60 such locomotives a year. The Minister revealed that the mechanical portion of these locos would be fully manufactured in Chittaranjan. The electrical equipment would be ultimately manufactured and supplied by Heavy Electricals, Bhopal. Chittaranjan was expected to produce 20 electric locomotives in 1961-1962.

5

During 1959-60, TELCO delivered 105 locomotives. One hundred were expected to be received in the current year and another 25 by ~~May~~ 31 May 1961 - the date of expiry of the 16-year agreement with the company.

An order had been placed with TELCO for 325 metre-gauge locomotives to be supplied from 1 June 1961, to 31 March 1966, covering more or less the requirement of metre-gauge steam locomotives in the third Plan, even after allowing for some tapering off as a result of dieselization. The price for these locomotives, the Minister said, would be 380,750 rupees a loco, ~~locomotive~~ which would be less than the price awarded by the arbitrator for 1958-60.

The Intergral Coach Factory, Perambur, which turned out 448 coaches in 1959-60, was expected to produce 620 coaches in 1960-61 and 650 coaches in 1961-62 as a result of progressively increasing second shift operations. The permanent furnishing unit of the factory was ~~expected~~ expected to be ready by the middle of 1962 with a planned capacity for furnishing about 400 coaches a year on single-shift working. The factory would also undertake manufacture of metre-gauge integral third class coaches, motor and parcel vans, broad-gauge ~~and~~ EMU coaches and rail cars of all gauges during the third Plan period.

The manufacturing of diesel locos, the Minister said, would be undertaken in the public sector. Details regarding the establishment of the manufacturing unit were under examination.

The wagon-building capacity in the country was progressively increasing with new firms coming into the field. For the first time, the Minister pointed out, the wagon procurement for the 1961-62 programme was being made on competitive tenders.

Workers' welfare.- Shri Jagjivan Ram said that the Railways had been pursuing a policy of progressively improving the working and living conditions of staff and providing them basic amenities to the maximum extent possible within the available resources.

He said that the railways would spend about 500 million rupees for staff welfare measures during the second Plan period. There had been a progressive expansion of medical facilities for the railway staff.

The number of railway hospitals, dispensaries and health units increased from 518 in April 1959 to 552 in April 1960, and the total number of beds, including TB beds, from 4,404 to 5,164. The number of T.B. beds taken separately went up from 1,066 to 1,356.

Mobile dispensaries were increasingly catering to the staff at wayside stations.

The Railway Minister said that during the first four years of the second Plan, nearly 47,000 additional quarters were constructed and some 10,000 more were expected to be added during the current year and about the same number in the first year of the third Plan.

One hundred and twenty out of 484 single-teacher primary schools for children and wards of railway employees were proposed to be converted from the next academic year to double-teacher type schools, to increase the capacity of each school from 50 to 100.

In addition, 70 more single-teacher schools were proposed to be opened from the next school year.

Other amenities provided for the staff were subsidized hostels for children of railway employees and 15 holidays homes on all the Railways. The total number of scholarships given from the Staff Benefit Fund at present was nearly 2,500 involving an annual expenditure of 800,000 rupees.

The per capita contribution to the Staff Benefit Fund had been further raised from 4 rupees in 1958 to 4.50 rupees from April last year to provide increased relief to the families of T.B. patients and to promote sports activities.

The Minister disclosed that the work of refixation of initial pay of the employees under the revised scales as recommended by the Pay Commission was nearing completion, and it was expected that all arrear payments would be made by the end of the next month.

According to the Railway Minister, the acceptance of the Commission's major recommendations regarding pay and allowances would increase per capita monthly emoluments of more than a million ~~xxx~~ employees by 7 rupees on the average.

The formation of co-operative societies of workers for undertaking labour contracts for handling goods, parcels and coal transshipment was being encouraged. Twelve such societies had been entrusted with railway contracts of a total value of about 1 million rupees per annum at 18 ~~st~~ stations. Some small engineering works had also been given to such labour co-operatives formed out of the workers themselves. A large number of railwaymen's consumer co-operative stores were already in ~~six~~ existence.

7

Labour relations.- Referring to labour ~~work~~ relations on the Railways, the Minister said these had been happy except for the unfortunate partial strike in July 1960, which resulted in a loss of about 850,000 man-days.

It had been the Railways' constant endeavour, he added, to enlist the co-operation of staff in many spheres. ~~It~~ With this end in view, the Railways had set up 350 joint committees at various levels, through which the railwaymen could make suggestions for improving efficiency, effecting economy, ensuring safety of travelling public and providing passenger amenities.

The Railway Minister also referred to various measures in hand for improving staff training, providing incentives by way of individual or collective awards for good work, and also to the recreational and cultural activities of the staff and the steps taken for the gradual introduction of Hindi on the Railways.

(Text of Railway Minister's Speech
received in this Office;
The Statesman, 16 February 1961).

8

34. Economic Planning, Control and Development.

India - February 1961.

Economic Survey for 1960-1961: Continuing Advance in
Several Directions.

As part of the Budget papers for the year 1961-62, an Economic Survey of the year 1960-61* was presented to the Parliament on 28 February 1961. A review of the survey is given below.

Assessment in brief.- The broad assessment for 1960-61 that emerges from this review is that while the economy registered a continuing advance in several directions, the rise in prices and the strain on the balance of payments were indicative of a deficiency of the resources available relatively to the demands on them. The increase in industrial production was the highest on record; for the first ten months of 1960 it was 11.7 per cent over the level for the corresponding period of the previous year. The industrial expansion that has taken place both in the public and in the private sectors has strengthened the growth potential of the economy. With the adverse agricultural season of 1959-60, however, the production of foodgrains and agricultural raw materials recorded a decline and reduced domestic availabilities. The pull of demand factors on the other hand resulting from continued high levels of private and public expenditures was upward. In the result, wholesale prices recorded a rise of about 6.5 per cent. The substantial increase in money supply, the rising volume of bank lending, and the boom on the stock exchanges about the middle of the year reflected the emergence of a degree of excess liquidity in the system. Over the twelve months of 1960, there was a fall of 690 million rupees in foreign exchange reserves, about half of which was on account of repurchase of rupees from the International Monetary Fund. The measures taken to correct these imbalances have been outlined in the course of this survey.

* Government of India, Economic Survey, 1960-1961, 28th February, 1961. pp. 20 + Charts and tables.

9

Public investment has been stepped up steadily in the course of the Second Five Year Plan, the estimated level for 1960-61 being about 8,000 million rupees as compared to 5,700 million rupees in 1956-57. Private investment in organised industry was markedly high in the first two years of the Second Plan. It declined somewhat in 1958-59 but picked up again as from 1959-60. The available indices of new capital issues and of imports of capital goods, taken together with the increase in the domestic output of intermediate products and capital goods suggest that private investment in 1960-61 was also at a high level. The demand for consumer goods has also been rising steadily as a result of the increase in population and incomes.

As against these continuing increases in demand, the growth in national output in real terms has been uneven. In 1956-57, the increase was 5 per cent. The following year recorded a fall of 1 per cent because of the bad harvest. In 1958-59, there was a rise of 7.4 per cent in national income. But, again, on the "quick" estimates that are available, the increase in 1959-60 was only 0.5 per cent. These fluctuations in output accounted for mainly by the outturn in agriculture cannot but affect domestic prices and the balance of payments.

The outlook for 1961-62 both for agricultural and for industrial production appears encouraging. The fact that Government has in hand a large stock of foodgrains and that more imports are scheduled will assist in keeping prices relatively stable. The Third Plan, however, calls for increased investment, which means that the effort to raise domestic resources has to be accelerated. The task for the coming year - and for the Third Plan period - is to secure better results in terms of production as well as restraint on consumption. The investments undertaken have to be completed economically and as early as possible and brought into productive use. From the larger flow of resources thus becoming available year by year, the quantum of savings has to be increased through restraint on consumption. It is only through coordination of action in both these fields that larger surpluses can be mobilised effectively for development. It is in the nature of development that, up to a stage, each succeeding plan calls for a larger effort and a greater measure of economic discipline all-round. Economic policy in its different aspects has to focus on this central objective.

Employment.- The number of applicants on the live registers of the employment exchanges rose from 1.42 millions at the end of 1959 to 1.61 millions by the end of 1960 - an increase of 0.19 millions as compared to 0.24 millions in 1959. During the year, the number of vacancies notified went up from 0.42 millions in 1959 to 0.52 millions and the number of placements also rose from 0.27 millions to 0.31 millions. The following table gives the occupational preferences of persons registered with employment exchanges at the end of December 1960:-

	Persons	
	'000 Nos.	per cent.
Professional, technical and related workers.	70.4	4.4.
Administrative, executive and managerial workers.	3.2	0.2
Clerical, sales and related workers..	92.8	5.8
Agricultural, dairy and related workers.	8.7	0.5
Miners, quarrymen and related workers..	3.0	0.2
Workers in transport and communications.	36.0	2.2
Craftsmen and production process workers.	112.7	7.0
Service workers (e.g. cooks, chowkidars, sweepers, etc.).....	70.4	4.4
Labourers with work experience not elsewhere classified.	91.2	5.7
Persons without professional or vocational training and/or persons without previous work experience.	1,117.7	69.6
TOTAL.	1,606.2	100.0

It will be seen that of those seeking employment over two-thirds were persons without professional or vocational training and/or without previous work experience.

Another classification of applicants on live registers shows that at the end of 1960, the number of educated applicants was 0.51 millions - i.e. a little less than one-third of the total of 1.61 millions. Among the educated unemployed registered with the employment exchanges, nearly four-fifths were matriculated and the rest under-graduates and graduates.

Average daily employment in cotton mills in the first nine months of 1960 increased from 0.760 millions in January-September, 1959, to 0.769 millions. Data in respect of coal mining also indicate an increase in employment. Many of the new and rapidly expanding industries particularly engineering industries like automobiles, machine tools and electrical machinery and appliances, heavy chemicals, rayon, dyes, paper and paper board, cement, glass and ceramic products etc., show a substantial increase in employment during the year. Road building, residential construction, small scale industries and expansion of social services like education and health would also have had their impact on the volume of employment.

11

Employment under the Central Government (excluding the railways which employ about 1.2 million persons) has, for instance, gone up from 648,000 in 1955 to 754,000 by mid-1960. At the end of 1959, the total numbers employed by the Central and State Governments (excluding the railways), quasi-government organisations, public sector projects and local bodies, has been estimated at 5 million as compared to 4.28 million at the end of 1958 and 3.5 million in March 1956. The figures compiled by the Development Wing of the Ministry of Commerce and Industry in respect of selected industrial units covering about one-sixth of the total factory employment show an annual increase of 6 to 8 per cent in employment in these industries since 1956. Altogether, the increases that have taken place in agricultural and in industrial production as also in construction activity and in social services over the last few years have, undoubtedly, enlarged the demand for labour - whether of the self-employed or of those engaged to work on payment of wages. Nevertheless, the studies made in the Planning Commission suggest that the creation of new employment opportunities during the Second Plan period has, on the whole, lagged behind the increases in labour force. The answer to this problem has, of course, to be found through larger investment, supplemented suitably by local works.

Economic policy and measures.- The accent of India's development plans is necessarily on rapid and all-round development. But even so, the process cannot but cover several five year periods, each one requiring a larger effort than the earlier one. Economic policy in this context has inevitably a certain long-term orientation that does not change. It has to focus on securing the step-up in investment which is crucial to the development process. This raises two major problems: viz., effective mobilisation of domestic savings; and conservation and expansion of foreign exchange resources. The fiscal, monetary and commercial policies of Government have in recent years been shaped in the light of these prime considerations, the adjustments in these policies being made at appropriate points in the light of changes in the economic situation.

Budgetary policy since 1956-57 has been directed towards a progressive enlargement of public revenues by suitable widening and strengthening of the tax structure. The Central budget for 1960-61 proposed additional taxation of 240 million rupees. The coverage of Central excise duties was extended to certain durable goods and to semi-processed materials, and some existing duties were raised further. In the field of direct taxation, wealth tax on companies and super tax on excess dividends were abolished, but their incidence was merged with the corporation tax payable by companies. The business profits of cooperative societies other than banking, credit, agricultural marketing and milk supply societies were made liable to tax if they exceeded 15,000 rupees. The process of simplification of corporate taxation initiated in 1959-60 was completed and the new system of non-refundable tax on company profits and dividends was made fully operative from 1960-61. The tax holiday for new undertakings was extended to cover those going into operation during the five year period ending March 1965.

Over the Second Plan period, the additional taxation raised by the Centre works out to 7,970 million rupees. With the addition of 2,440 million rupees of fresh taxation by the States, the total additional tax effort during the Second Plan period comes to 10,410 million rupees. The revenues of the Central and State Governments have increased from 7,680 million rupees in 1955-56 to about 13,000 million rupees in 1960-61, i.e., an average annual increase of some 14 per cent. Part of this reflects the growth of production and part is a reflection of the rise in prices that has occurred. The total of tax receipts to national income at current prices - which is an indicator of the relative advance secured - has risen only moderately from about 8 per cent in 1955-56 to about 9 per cent in 1960-61. This illustrates how difficult it is, in a country with a preponderance of low incomes, to draw a growing proportion of national income into the public exchequer.

There has been over the last few years a large expansion in public expenditure. In 1951-52 the total expenditure of the Central and State Governments amounted to 9,980 million rupees; it rose to 14,700 million rupees by 1955-56 and the budget estimates for 1960-61 place this total at 25,870 million rupees. The larger part of this increase is accounted for by the rise in developmental expenditures; the proportion of such expenditure to the total has gone up markedly from 48 per cent in 1951-52 to 60 per cent in 1955-56 and further to 66 per cent in 1960-61.

The accentuation of pressure within the economy, as evidenced by the various economic trends, especially the large expansion in bank credit and the emergence of a speculative boom on the stock exchanges, led to a tightening of monetary policy by the Reserve Bank. The objective of policy in this regard has throughout been one of 'controlled expansion' and the Reserve Bank has relied for the most part on selective credit controls designed to correct excessive lending in particular directions. These techniques had to be supplemented during the year by general measures of restraint aimed at a reduction in the excess liquidity of the banking system.

In the difficult foreign exchange situation that the country has to confront, import policy has continued to be stringent over the last three years and it will, undoubtedly have to remain so far the foreseeable future. The total value of import licenses (excluding those for raw jute) issued in the period October 1959 to March 1960 was 4,840 million rupees as compared to 3,810 million rupees for the period April-September 1959. For the half year April-September 1960, the total value of import licenses issued was 4,770 million rupees, which was slightly lower than the licensing in the second half of 1959-60 but was considerably higher than that in the corresponding period of 1959-60. The governing factors in determining the level of licensing have been the availability of credit - foreign exchange reserves having declined, - the requirements of capital goods for new development as well as the need to ensure adequate supplies of raw materials and components for the industrial units already set up and the new capacity coming into production.

From the point of view of immediate requirements as well as the long-term needs of the economy, an increase in export earnings is a major desideratum. Various export promotion measures have been taken in recent years and these were strengthened in several directions in the year under review. There are now twelve Export Promotion Councils reviewing this problem in their respective fields from time to time and suggesting ways and means of securing an increase in exports. Special export promotion schemes are in operation in respect of several important commodities and in certain cases larger import licenses for raw materials or components are issued as part of export promotion. Trade agreements have been signed with a number of countries to increase the volume of trade with due regard to the accepted principles of multilateralism and non-discrimination. Primary reliance has, therefore, to be placed on creating a surplus from domestic production by restraining consumption. The export angle has constantly to be kept in mind while determining the level of excise duties.

There are, in the short-run, rather rigid limits to the expansion that can be achieved in respect of traditional exports like tea, jute goods and cotton textiles, but it has to be borne in mind that a small percentage increase in these exports can yield a large total of foreign exchange. The need more and more is to diversify exports by placing greater emphasis on new lines like iron ore and the products of newly developing industries. Some promising beginnings in this direction have been made. The Indian economy has not hitherto been sufficiently export-oriented. It was inevitable in the early stages of development to concentrate on import-saving investment. But import-saving can only be relative; in absolute terms, the trend of imports cannot but be upward as the industrial structure gets diversified.

It is essential, therefore, to view ~~export~~ export promotion as a vital element in making the economy viable. This requires a close watch on costs, for while the domestic market may absorb whatever is produced even at relatively high prices, the export markets are highly competitive. It will be necessary in the coming years to intensify greatly the effort to increase exports. The necessary business links and organisations to secure a footing in foreign markets have to be built up and developed assiduously. In the final analysis, the key to increased exports is more production and the acceptance of sacrifices in domestic consumption in the interests of a highly important resource, viz., foreign exchange - which is a developmental resource par excellence.

The rise in wholesale prices for the major part of the year has been a matter of concern. In so far as this rise was due to supply factors such as the shortfall in the production of foodgrains and agricultural raw materials, the only corrective available in the short period is to secure increased imports. Imports of foodgrains in 1960 totalled 5 million tons. Raw cotton imports over the first ten months of 1960 were 1.05 million ~~tons~~ bales.

A large proportion of these imports was obtained on terms not involving foreign exchange expenditure. Clearly, within a given period, if the deficiency in domestic production cannot be met from imports, the economy has to go short. Over a period, the answer to the problem is increased production through irrigation, better supply of seed and fertiliser and improvement in farming techniques. The pull of demand in a developing economy is necessarily upwards; such a pull is up to a point the very condition of economic advance. It is, nevertheless, necessary to keep it within limits and reference has been made in the paragraphs above to the role of fiscal and monetary policies in this context. The wide disparities between the prices of foodgrains as between different parts of the country drew considerable attention during the year and steps have been taken from time to time to encourage freer movement of foodgrains from surplus to deficit areas through wider zoning arrangements.

Outlook for 1961-62.- For the coming year, the prospects for agricultural production are distinctly better. The rice crop for 1960-61 is expected to be 31 million tons - an improvement of about 2 million tons over the last year's output. The estimated output of cotton for 1960-61 is over 5 million bales as compared with the low level of 3.8 million bales last year. A sizeable increase in sugarcane output is also forecast. The ~~agricultural~~ outlook in respect of jute and oilseeds is, however, not equally encouraging. The agricultural season so far has been good and the expectations are that the level of foodgrains production in the current year will be around 76 million tons. Government has in hand about 2.8 million tons of foodgrains - including about 1 million tons of rice - and further imports on a substantial scale are expected. This relative ease in the food situation should help in keeping the prices in this vital sector reasonably stable.

With continued increase in the industrial production as the projects under construction, both public and private, come into production, the situation in respect of supplies in the coming year should show an improvement. On present indications, one can expect increases in the output of important materials such as iron and steel, cement and coal, textiles, paper and sugar, electricity and chemicals. With larger supplies of iron and steel, there would be a further increase in the production of engineering goods including industrial machinery ~~through~~ though, of course, much would depend on the supplies of imported raw materials and components. Altogether, it is hoped that a high rate of growth of industrial output, comparable to the current year's, will be maintained in the coming year.

On the other hand, the pressure of demands, both for consumption and for investment will be larger. With the current trends in population growth, a two per cent increase in output is required to keep per capita consumption constant. Some increase in per capita consumption as a result of the increases in incomes consequent on the growth of investment is also inevitable.

The level of public investment envisaged for the coming year is 6 to 7 per cent higher than in the current year and some rise in private investment also seems likely. Besides, as stressed earlier, every effort needs to be made for increased exports, which would mean an additional claim on national output.

It is evident on a consideration of these factors, against the background especially of the stresses and strains brought out in the preceding sections of the review, that the objective of fiscal and monetary policies in the coming year must be to secure a better balance between the competing claims of consumption and of investment on the resources available. The step-up in fixed investment envisaged for the coming year is moderate, but it is essential that the creation of fresh purchasing power either through fiscal operations or through the banking system is kept down to the minimum, and undue increases in consumption or any speculative additions to stocks are held firmly in check.

Reference has been made earlier to the need for increased exports. This need, to put it briefly, is paramount; promotion of ~~exports~~ exports has to be viewed as a central plank in public policy. This requires basically an increase in production, an appropriate emphasis in investment allocations and a strengthening of the institutional machinery for ~~export~~ export promotion. It also involves restraint in consumption, which, in turn, may have to be brought about through suitable price increases for the domestic consumer. Fiscal policy, aimed at securing this restraint generally and at curbing domestic consumption particularly at those points where it impinges directly on exports has an important role to play in this context.

The continuing difficulties of the foreign exchange situation in the coming year - and for several years to come - will require constant vigilance in regard to imports. The strict foreign exchange budgeting which has been in force for several years past will have to continue; this is an essential aspect of planned development in the country which is short of foreign exchange. The rigour of import control over the last few years has been such that no substantial savings can be effected through a further tightening in this direction. The accent of policy will, nevertheless, have to be on maximum economy in this respect and the exploration of all possibilities of substituting domestic products for imports. Over a period, as has already been stressed, the need is to increase export earnings to a more adequate level.

The Plan.- The estimated outlay on the Plan in 1960-61 is around 11,000 million rupees. Over the five years 1956-61, the total outlay will be about 46,000 million rupees. Of this total, investment is estimated at about 36,500 million rupees. Private investment over the five years is estimated at 31,000 million rupees. Thus, aggregate investment in the economy over the Second Plan period works out at about 67,500 million rupees. The ratio of investment to national income has gone up from about 8 per cent at the end of the First Plan to around 11 per cent for the closing years of the Second Plan.

The Central and State Governments have put through a substantial tax effort in the course of the Second Plan - the total of additional taxation being, as mentioned earlier, over 10,000 million rupees. In terms of the preliminary estimates presented in the Draft Outline of the Third Plan, the public sector outlay of 46,000 million rupees over the Second Plan period will have been financed broadly as follows:-

<u>In Million Rupees</u>	
Taxation and surpluses of public enterprises...	10,500
Mobilisation of private savings through loans, small savings, provident funds, etc.....	13,936
External assistance	9,820
Deficit financing	11,750
	46,000

The data since available indicate that the extent of deficit financing has been lower than the above estimate suggests. The tax receipts of the Central and State Governments have shown considerable improvement and the contribution from current revenues has, therefore, been larger. Market borrowings over the five-year period amounted to 7,620 million rupees. Small savings have recorded a marked improvement during the current year; the total for the Second Plan period is now placed at over 3,900 million rupees. Budgetary receipts corresponding to external assistance are expected to be lower than 9,820 million rupees. These estimates of the contribution of the various sources to the financing of the public sector plan have, it may be added, to be judged in relation to the overall monetary and balance of payments trends.

Money supply has shown an increase of 35 per cent over the Second Plan period, and prices have shown a more or less continuous rise throughout this period. The increase in national income in real terms works out at 12.2 per cent. over the first four years of the Plan. Assuming that in the current year the rise will be of the order of 6 per cent over the last year's level, the increase over the five-year period will be some 19 per cent. The step-up in savings has been below expectations; the data available do not yet show any marked upward trend.

17

Mention has been made earlier of the balance of payments deficit over the first four and a half years of the Second Plan. Altogether, for the Second Plan period as a whole the deficit is likely to be about 21,000 million rupees. About a third of this would have been financed by drawals on foreign exchange reserves, and by net purchases of foreign exchange from the International Monetary Fund; about two-thirds by external assistance. The authorisations of external assistance for developmental imports up to the end of December 1960, total 10,660 million rupees. The carry-over from the First Plan was 1,980 million rupees. Of the total of 12,640 million rupees thus available, assistance amounting to 7,800 million rupees was utilised by the end of September 1960. On present indications, the carryover of external assistance to the Third Plan was 3,000 million rupees. ~~Emx~~ Total P.L. 480 assistance authorised under the first four Agreements during the Second Plan was 4,610 million rupees. Under the May 1960 Agreement, imports of surplus agricultural commodities amounting to 6,360 million rupees over a period of four years as from July 1960 have been authorised. The assistance for Third Plan projects which has been authorised or is under negotiations comes to 4,220 million rupees.

Despite shortfalls in certain directions, the programmes of development carried through in the Second Plan have added substantially to the production potential of the economy. Some of these investments will come into full production in the early years of the Third Plan; but it is evident that over the last few years, the economy has gained greatly both in terms of performance and of the potential for further growth.

The Third Plan is now in the process of finalisation. The National Development Council at its meeting in January 1961 considered the problem of Plan outlay and resources. The view that emerged was that programmes estimated to cost about 80,000 million rupees be approved for inclusion in the Third Plan and that the financial outlays to be incurred should not exceed 75,000 million rupees which is the limit of resources indicated by the estimates that can be made at this stage. The investment component of this outlay of 75,000 million rupees is about 63,000 million rupees. The estimated total private investment over the Third Plan period is 41,000 million rupees. Aggregate investment in the economy will on this basis amount to 104,000 million rupees which is a step-up of over 50 per cent as compared to the total investment in the Second Plan.

The Third Plan calls for a substantial acceleration of the effort to mobilise domestic resources. To this end, all the techniques for augmenting the resources available to the public sector will have to be deployed. The claims of the investment programmes in the private sector will also have to be met. Only through an adequate savings effort can the Plan as a whole be carried through. External assistance for implementing the projects in the Plan (in terms of disbursements - the authorisations will have to be larger) has been estimated at 19,000 million rupees. Further assistance of the order of 7,000 million rupees will be required, partly in the form of components, intermediate products, etc., and partly by way of refinancing of the external obligations maturing during the Plan period. Reliance on the inflow of resources on a large scale is inevitable in the early stages of development, but the shorter the period of this reliance the better from the point of view of the rate of growth of the economy as well as of other

practical considerations. The Third Plan is intended as a substantial step towards the achievement of a balance in external account within a reasonable period of time. External assistance has, in this context, an important role, but the determining factor in success is the scale and intensity of domestic effort towards increased production and savings.

Slow Pace of Community Development: Reserve Bank's Review of Programmes.

The Reserve Bank of India in a review on the community development programmes in India has said that though there was no disagreement that the progress was on right lines, the pace was slow.

The review, prepared by the development and planning division of the Economic Department of the Bank, was undertaken to study the impact of community development programmes on the rural population and economy, on the basis of the available information and data.

The study says: "In some places the programme has succeeded in harnessing people's energies for development purposes, and now the problem is of enlarging those pockets of successful achievement. To change the attitude of people and to make them active is a difficult and long process. This has been confirmed by the experiment of the Sarvodaya leaders' ~~themselves~~ missionary zeal in the case of Gramdan villages. The conditions in the villages are such and the changes to be brought about are so many that the personnel and the funds available are insufficient to speed up the pace of progress very much.

"With the introduction of the panchayati raj in a few States, the people there are beginning to feel that through their own effort they can improve their standard of living. If the new scheme succeeds, the movement will really be passed into the people's hands, where in fact it should belong."

Expenditure.- The study says that people's contribution to the total expenditure on community development programmes was 54.9 per cent during the first Plan; it increased and then continuously declined to 28.4 per cent for the first six months of 1959-60.

Tribal people, it is pointed out, had shown great enthusiasm and had participated in the public works willingly. Further participation by different sections of the community had been unequal. In the blocks, studied by the Mehta Committee of those who participated in community works, 29 per cent were small-scale farmers, 27 per cent medium cultivators and 7 per cent large cultivators. Agricultural labourers formed 11 per cent of them and could ill-afford the loss of wages as many of them were on the margin of subsistence. Participation by the more prosperous sections of the community was less than that of others, and that too was more in cash or kind than in terms of physical work.

Leadership.- Regarding leadership for panchayati raj, the study said that the problem of securing capable leadership which would handle the complex activities was not yet solved. "In order to minimise the mistakes, not only guidance but education and training for those associated with the programme are essential. The magnitude of the problem would be clear from the fact that by 1963, about 2.5 millions of office-bearers will have to be trained."

The demand for welfare services, the study said, was steadily increasing but the people had not yet realised the link between higher production, increased taxation and more and better services. It was essential to bring this to their notice and persuade the panchayats who were reluctant to increase their revenues through taxation and improve civic amenities and other services.

The inability of the Government to finance the services was not understood properly and had resulted in frustration in some cases.

On the question of planning from below, the study said: "People's participation was visualised in the formulation of local and block development plans also, but apart from a few cases, it is the officials who have handled the plans and the non-official have remained passive. The well-off and the educated people have taken greater interest to these activities. Recent reports from Rajasthan are encouraging where panchayat samitis seem to have prepared their own third Five-Year Plans for incorporation in the State Plan."

The study said that as in many other fields, statistical data about progress of the community development programmes were unsatisfactory. Comparable information before and after the introduction of the programme was available in the case of only a few blocks and that too, relating to only some aspects. Hence the assessment had to be qualitative rather than quantitative in nature.

Economic Aspect.-The study said that in the earlier years of the programme there was a tendency to lay stress on the welfare activities than on the economic development aspects, as the former were more popular and easier to implement than the latter. It had been, however, increasingly realised that the emphasis should shift to economic development and particularly to the effective use of surplus manpower and agricultural production.

On agricultural output, the study said the Mehta Committee calculated the average increase in food production between 1951-57 in the community development and national extension service blocks. This was 10.8 per cent for all India, varying in individual States from 2.7 per cent to 19 per cent. Only in Andhra Pradesh the increase was 41.4 per cent. "The Andhra Pradesh experience suggests what could be attained with proper emphasis on agricultural output", the study said.

The technical assistance provided in the agricultural sector continued to be inadequate and the extension organisation was burdened with service functions, which should have been handed over to the co-operatives. There were some complaints about the unsatisfactory performance of Government agencies.

Other points made in the study are:

Co-operation.- The stress on co-operative movement appeared to be more on the number of societies rather than the quality of the work. So far, it was the well-to-do people who got more advantages from the co-operative societies. Efforts were needed to make the movement more broad-based by linking loans to credit worthy purposes and thereby enlarging the class of creditworthy persons who could derive benefits from the movement.

Village Industries.- A substantial contribution was made in spreading ~~and~~ khadi industry, but in other cases the impact had been extremely limited. With the exception of handloom and hand-spinning, the proportion of artisans trained in different crafts was generally small and the emphasis on different crafts did not fit in with the actual or prospective demand for the products of the various rural industries.

The community development programme, as part of planned development, was first introduced in the country in October 1952. It was progressively extended to cover nearly 70 per cent of the rural population by 1959. The entire ~~part~~ rural India was planned to be covered under this programme by the end of 1963.

According to the review, since the inauguration of the programme till September 1959, total expenditure thereon amounted to 1,539.7 million rupees. This, however, did not include the figures for the States of Jammu and Kashmir, Madras and Orissa for September 1959 quarter. In addition, the value of people's contribution was 797.8 million rupees.

(The Hindustan Times, 8 February 1961).

USSR Credit for Third Five Year Plan:
Agreement concluded.

An agreement was signed at New Delhi on 21 February 1961 between the Governments of India and the U.S.S.R., regarding the second Soviet credit of 600 million rupees for the third Plan which will be made available to six projects.

The projects to be financed from this credit are:

- (1) A hydro-electric power station on the right bank of Bhakra, with a total capacity of 480,000 kW. in four complete units of 120,000 kW. each;
- (2) an oil refinery in Gujerat with a capacity of two million tons of crude per year, together with a thermal power plant for the refinery;
- (3) a washery for coking coal with a capacity of three million tons of coal annually at Kathara in Bihar;
- (4) a refractories plant near Bhilai for the production of about 125,000 tons of magnesite and fireclay products per year;
- (5) exploration, development and production of oil and gas by the Oil and Natural Gas Commission in Cambay, Ankleshwar and other areas; and
- (6) production of pumps and compressors.

It appears that the credit will be available only for the first five projects. The inclusion of the sixth project is qualified by "preparation of a techno-economic report", and it is believed that the financing of this scheme depends on any credit being left over after fully meeting the requirements of the first five projects.

Total assistance authorised by Russia to India's economic development since 1955 amounts to 3,852.5 million rupees. Of this India has repaid a sum of 152.2 million rupees on the due date.

(The Hindustan Times, 22 February 1961).

23

Rehabilitation and Modernisation of Woollen Industry:
Government's Decisions on Working Groups' Recommendations
published.

A Resolution dated 22 February 1961 of the Ministry of Commerce ~~and~~ and Industry, Government of India, containing the decisions of the Government on the recommendations of the Working Group to draw up a programme of rehabilitation and modernisation of the woollen industry was published in the Gazette of India on 22 February 1961.

It may be recalled that the National Industrial Development Corporation, set up in January 1960 a Working Group to draw up a programme of Rehabilitation and modernisation of the Woollen Industry.

The Working Group comprised of Shri D.S. Joshi, Textile Commissioner as Chairman with 7 other members.

The task assigned to the Working Group was to review the present position of the Woollen Industry and in particular of its plant and machinery and to make recommendations for the rehabilitation and modernisation thereof in as short a time as was feasible and also to assess the extent of finances required for the same. The Working Group has submitted a unanimous report.

The Working Group has emphasised the urgent need for rehabilitation and modernisation of the Woollen Industry ~~which~~ within a period of 5-6 years. The recommendations of the Working Group are summarised in an Annexure to the Resolution. The Government is broadly in agreement with some of the major recommendations of the Working Group.

The Working Group has assessed the total requirements for the entire rehabilitation programme of the Industry at 112.5 million rupees, consisting of 102.5 million rupees for plant and machinery and 10 million rupees for land and buildings. Out of the expenditure of 102.5 million rupees, the foreign exchange component has been assessed at 92.5 million rupees for import of plant and machinery, and 17.5 million rupees will have to be spent on machinery being produced indigenously. The Working Group is of the view that the Industry itself will be able to meet the expenditure on rehabilitation programme to the extent of 75 per cent of the total requirements and that the balance, which would work out to 28.1 million rupees will have to come from State lending institutions. The Working Group has further recommended that the National Industrial Development Corporation should extend its loan assistance facilities to the Woollen Industry for meeting the Industry's rehabilitation requirements.

24

The Government has given their careful consideration to the recommendation and has decided that for the present, the National Industrial Development Corporation with its limited resources will not be in a position to extend its loan assistance facilities to the Woollen Industry in view of the heavy demand from the Cotton Textile and Jute Industry for rehabilitation and modernisation.

The Working Group have recommended that essential expenditure on spare parts should be first charge on foreign exchange resources and that Government may make adequate provision for this.

The Government has accepted this recommendation in principle. At present while issuing essentiality certificates, highest priority is given for import of spares which have no indigenous angle. In future also after ascertaining the position about the spare parts manufactured indigenously, priority would be given for import of other items of spare parts.

The Working Group has recommended that efforts should be made to fabricate certain finishing and preparatory machinery in the Third Plan Period indigenously which may conserve foreign exchange to the extent of 10 million rupees. The spinning, powerloom and finishing machinery would, however, be required to be imported as development in the manufacture of the same will take considerable time and experience and such development should be explored in the Fourth Plan period.

The Government has accepted the recommendation in principle. A Committee has recently been appointed to assess the demand of machinery for different textile industries including Woollen Industry in relation to the indigenous capacity and to take suitable steps to bridge the gap between demand and supply. The possibility of manufacturing all woollen finishing and preparatory machinery will be fully explored by this Committee.

As a measure to step up the programme of rehabilitation of the Woollen Industry, the Working Group have recommended that the present export incentive scheme may be modified to provide an increase in import entitlement for machinery from 10 per cent to 20 per cent of the value of exports. This recommendation is being examined by Government.

The Government has also accepted the recommendation of the Working Group that the foreign exchange earned by exporting old machinery should be allowed to be utilised for the import of permissible types of new machinery for replacement of the old machinery exported. The Government has also decided to consider on a priority basis the need for release of foreign exchange for the requirements of plant and machinery to be imported, not covered by the export incentive schemes and rupee payment purchases, for modernisation and rehabilitation of the Woollen Industry.

The Working Group has recommended that, in the general interest of the Woollen Industry, the disparity in application of the excise duty to be narrowed on the consideration that non-excisable units are not really small scale manufacturers. There are several disadvantages of fragmentation such as deterioration in the quality of products manufactured and the inability of small units to take full advantage of installation of latest type of machinery. The Working Group has, therefore, recommended that the question of excise duty be reviewed by the Government so that the position of the Industry is consolidated.

The Government is examining this recommendation.

(The Gazette of India, Extraordinary,
Part I, Sec.1, 22 February 1961,
pp. 59-60).

'L'

36. Wages.

India - February 1961.

Bonus Commission: Tripartite Meeting to Determine
Terms of Reference: Controversy over Chairman.

A tripartite meeting was held at New Delhi on 10 February 1961 with Shri G.L. Nanda, Minister of Labour and Employment and Planning in the chair. The meeting was attended, among others, by the representatives of three ~~major~~ central employers' organisations and the four central trade union organisations.

Draft Terms of Reference.- The following were the draft terms reference before the meeting:-

1. To consider the question of payment of bonus in all its aspects in relation to industrial employments.
2. To determine the extent to which bonus payments should be influenced by the wage level in an industry.
3. To determine the conditions under which bonus payments should be based (i) industry-cum-region wise and (ii) industry wise, and the method for determination of prior charges in each case.
4. To consider whether the bonus due to workers should be paid, beyond a specified amount, in the form of National Saving Certificates or in any other form.
5. To suggest the appropriate machinery for settlement of bonus claims.
6. To make such recommendations regarding the question of bonus as the Commission deems suitable.

Discussions.- Speaking at the meeting employers' representatives explained their objectives to the appointment of Shri M.R. Meher as chairman of the Commission. They pointed out that it was essential to ensure that an important body like the proposed commission enjoyed the confidence of the employers and did not start functioning in an atmosphere of suspicion. The Union Labour Minister explained Government's stand in the matter and said that in view of the proposal to have a tripartite commission, the apprehensions which the employers were having about its chairman were pointless. The chairman will not function as a tribunal, but as the chairman of a tripartite body the recommendations of which will depend on the members themselves. As regards implementation of the recommendations, Government normally acted only on unanimous recommendations in such cases. In this case, if there was no unanimity, Government will have to find other ways of settling the matter. The workers' representatives were not in favour of any change being made in the decision regarding the chairman's appointment merely because of objections from any group, since the responsibility for selection of the chairman was entirely that of Government. The employers' representatives clarified that they were not opposed to the appointment of a commissioner. But now that a tripartite commission was being envisaged, they desired to have some more time to enable them to consult their constituents and submit their views. It was agreed that the employers would complete their consultation and communicate their views to the Ministry of Labour in about six weeks' time, so that the matter could be finalised by the time the Standing Labour Committee met next.

It was agreed that consideration of the terms of reference of the commission may be postponed in view of the employers' request for more time to consult their affiliates. The terms of reference could also be finalised at the next meeting.

(Documents of the Meeting received in this Office).

28

Government's Decisions on Recommendations of Central Wage Board on Sugar Industry published.

The Ministry of Labour and Employment, Government of India, by a ~~ministry~~ Resolution dated 23 February 1961 announced its decisions on the recommendations of the Central Wage Board on Sugar Industry (vide pages 23-32 of the report of this Office for November-December 1960).

After careful consideration of the Board's report, Government has decided to accept the recommendations of the Board subject to the following:

(a) Workload studies

Government has taken note of the Board's recommendations that workload studies be undertaken in the sugar industry and that such studies should be preceded by reasonably specific programmes of implementation drawn up in consultation with the organisations of the interests concerned. Government propose to consider the matter further in consultation with the parties.

(b) Bonus

Government commends the bonus formula for the North and Central regions recommended by the Wage Board. If, however, the parties concerned in any of the States included in these regions agree to adopt any other formula for determination of bonus payable in respect of a particular period, they may be allowed to do so.

The Government requests the employers, workers and State Governments to take immediate steps to implement the recommendations of the Wage Board. The Government expects that the parties will show a spirit of accommodation in interpreting and implementing the recommendations and difficulties if any, will be solved by mutual negotiations and agreement.

(The Gazette of India, Part I, Sec. 1,
4 March 1961, pp. 68-71).

29

Minimum Wages (Maharashtra Amendment) Act, 1960
(No. X of 1960).

The Government of Maharashtra gazetted on 23 February 1961 the text of the Minimum Wages (Maharashtra Amendment) Act, 1960, of the Maharashtra Legislature. The Act which received the assent of the President on 9 February 1961 amends the Minimum Wages Act, 1948, in its application to the State of Maharashtra. The more important of the amendment made are the following:-

In section 3 of the Minimum Wages Act, 1948 -

(1) in clause (a) of sub-section (1),-

(a) in sub-clause (i), the words, figures and letters, "before the 31st day of December 1959" shall be deleted; and the following proviso shall be added at the end, namely:-

"Provided that, the State Government may, instead of fixing minimum rates of wages under this sub-clause for the whole State, fix such rates for a part of the State, and in the case of an employment under any local authority the State Government may fix such rates for any specified local authority, or class of local authorities;"

(b) in sub-clause (ii), the words, figures and letters, "before the 31st day of December 1959" shall be deleted;

(c) in sub-clause (iii), the following provisos shall be added at the end, namely:-

"Provided that, the State Government may, instead of fixing minimum rates of wages under this sub-clause for the whole State, fix such rates for a part of the State;

Provided further that, where the State Government has not for any reason fixed the minimum rates of wages in respect of any such employment before the expiry of one year from the date of such notification, nothing contained in this sub-clause shall, after the commencement of the Minimum Wages (Maharashtra Amendment) Act, 1960, prevent the State Government from fixing the minimum rates of wages in respect of such employment even after the expiry of the said period of one year;"

(2) to sub-section (1A), the following proviso shall be added, namely:-

"Provided that, where the State Government has not for any reason fixed the minimum rates of wages in respect of any scheduled employment within one year from the date on which it came to a finding as aforesaid in respect of such employment, nothing contained in this sub-section shall, after the commencement of the Minimum Wages (Maharashtra Amendment) Act, 1960, prevent the State Government from fixing the minimum rates of wages in respect of such employment even after the expiry of the said period of one year."

In the Schedule to the principal Act, in Part I, the following entries shall be deleted, namely:-

(a) the entries -

- (i) "Employment in salt pan industry",
- (ii) "Employment in any residential hotel, restaurant or eating house as defined in the Bombay Shops and Establishments Act, 1948",
- (iii) "Employment in any industry in which any process of printing by letter press, lithography, photogravure or other similar work, or work incidental to such process or book binding is carried on", and
- (iv) "Employment in any cotton ginning or cotton pressing manufactory",

as added to the said Schedule in its application to the Bombay area of the State of Maharashtra;

(b) the entries -

- (i) "13. Employment in Glass Industry",
- (ii) "14. Employment in Oil Mills",
- (iii) "15. Employment of Transport Services",
- (iv) "16. Employment in Cement Industry",
- (v) "17. Employment in Potteries",
- (vi) "18. Employment in any cotton ginning and pressing factory", and
- (vii) "19. Employment in any printing press",

as added to the said Schedule in its application to the Vidarbha Region of the State;

(c) the entries -

- (i) "13 the employment in button factories", and
- (ii) "the employment in the Cotton Ginning and Pressing Factories",

as added to the said Schedule in its application to the Hyderabad area of the State; and

(d) the entry -

"Employment in any shop or commercial establishment, other than that covered under any of the other entries in this Schedule."

Explanation.- For the purposes of this entry, the expressions 'shop' and 'commercial establishment' shall have the same meanings as assigned to them in the Bombay Shops and Establishments Act, 1948", as added to the said Schedule in its application to the State of Maharashtra.

In Part I of the Schedule to the principal Act, after entry 12, the following entries shall be and shall be deemed always to have been added to the said Part in its application to the State of Maharashtra, namely :-

" 13. Employment in any residential hotel, restaurant or eating house as defined in the Bombay Shops and Establishments Act, 1948.

14. Employment in any industry in which any process of printing by letter press, lithography, photogravure or other similar work or work incidental to such process or book binding is carried on.

15. Employment in any cotton ginning ~~mill~~ or cotton pressing manufactory.

16. Employment in glass industry.

17. Employment in any shop or commercial establishment, other than that covered under any of the other entries in this Schedule.

Explanation.- For the purposes of this entry, the expressions 'shop' and 'commercial establishment' shall have the meanings respectively assigned to them in the Bombay Shops and Establishments Act, 1948.

18. Employment in Potteries."

The deletion in pursuance of sub-section(1) of any entry specified in sub-clause (ii), (iii) or (iv) of clause (a), sub-clause (i), (ii), (iii), (v), (vi) or (vii) of clause (b), sub-clause (ii) of clause (c), or clause (d), of sub-section(1) shall not affect any minimum rates of wages which may have been fixed in respect of any employment specified in such entry under sub-clause (iii) of clause (a) of sub-section(1) of section 3 of the principal Act before the commencement of this Act and in force in any area immediately before such commencement; and such rates shall, subject to the provisions of clause (b) of sub-section(1) of the said section 3, continue in force in such area as if they had been fixed in respect of the corresponding employment specified in the Schedule to the Principal Act as amended by this section.

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

INDIA - FEBRUARY 1961.

41. Agriculture.

Andhra Pradesh Ceiling on Agricultural Holdings Act, 1961.

The Government of Andhra Pradesh gazetted on 21 February 1961 the text of the Andhra Pradesh Ceiling on Agricultural Holdings Act, 1961 of the Andhra Pradesh Legislature. The Act which received the assent of the President on 9 February 1961 provides for the fixation of ceiling on agricultural holdings and certain other matters connected therewith.

The Act provides that the ceiling area in the case of every person, or of every family consisting of not more than five members, shall be an extent of land equal to four and a half times the family holding.

The ceiling area in the case of a family consisting of more than five members, shall be an extent of land equal to four and a half times the family holding plus an additional extent of one family holding for every such members in excess of five.

For the purpose of this Act, lands are classified as set out in the First Schedule. The extent of land which shall constitute a family holding for the class of land specified in column (1) of the Table below, shall be as specified against it in column (2) thereof.

TABLE.

Class of Lands. (1)	Extent of family holding. (2)
Class A	6 acres.
Class B	8 acres.
Class C	10 acres.
Class D	12 acres.
Class E	24 acres.
Class F	36 acres.
Class G	48 acres.
Class H	72 acres.

Every person whose holding is in excess of the ceiling area on the date notified in this behalf by the Government shall, within ninety days from that date furnish a declaration of his entire holding as on that date, to the Revenue Divisional Officer within whose jurisdiction his holding is situated.

Other provisions of the Act deal inter alia with determination of ceiling area, surrender of land in certain cases, vesting of land surrendered by the owner, compensation for lands taken over by the revenue divisional officer, claims for compensation, prohibition of alienation of holding, ceiling on future acquisition, special provisions for grazing lands, exemptions from the provisions of the Act, power to make rules, and penalties.

(Andhra Pradesh Gazette, Part IVB, Extraordinary,
21 February 1961, pp. 83-96).

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - FEBRUARY 1961.

50. General.

Employment of Casual Labour by Government:
Pay Commission's Recommendations accepted.

The Ministry of Finance, Government of India has accepted all the recommendations of the Pay Commission in regard to casual labour.

It has been decided that casual labour should be paid at market rates subject to the condition that where the market rates are lower than the minimum wages fixed by the respective State Governments for comparable scheduled employments, the wages shall be the minimum wages fixed by the State Governments.

This is one of the two alternatives recommended by the Commission in regard to remunerations to casual labour.

This decision has been communicated to all the Ministries and Departments of the Government so that it may be adopted uniformly.

Other three recommendations of the Commission are:

1. Casual employment should be restricted to work of a truly casual nature and in order to ensure that this is done, there should be a general review of the existing position.

2. All casual labour under the Central Government including those to whom the minimum wages law is not applicable, should have the benefits and safeguards provided by Rules 23-25 of the Minimum Wages (Central) Rules, 1950, relating to weekly holidays, working hours, night shifts and payment for overtime; and

3. Long experience as casual labour should be taken into consideration while making selections for appointment to regular establishments.

Nearly 200,000 people working under the various establishments of the Central Government come under the category of casual labour. The Railway Ministry employs about 160,000 and the rest are employed in other Ministries.

Under the new decision, the benefits which are guaranteed under the Minimum Wages Act, relating to weekly off days, wages for overtime work, regulated hours of work and night shifts will also be extended to all casual labour under the Central Government. A minimum wage has also been fixed. The total expenditure involved as a result of the new decisions is expected to be a few millions of rupees.

The decisions of the Finance Ministry have come into force.

(The Statesman, 7 February 1961).

Uttar Pradesh: U.P. Industrial Establishments
(National Holidays) Bill, 1961.

The Government of Uttar Pradesh published on 24 February 1961 the U.P. Industrial Establishments (National Holidays) Bill to be introduced in the Legislative Assembly of the State. The Bill seeks to provide for the grant of national holidays to persons employed in industrial establishments in Uttar Pradesh.

According to the Statement of Objects and Reasons of the Bill, January 26, August 15 and October 2 are days of great national importance. The workmen have, naturally, been asking for paid holidays on these days. There is, at the moment, no uniformity in regard to the grant of paid holidays on these occasions. The Standing Orders applicable to the Sugar Industry in this State provide for paid national holidays on these dates. In some undertakings like Electric undertaking run by Martin Burn Ltd., in U.P., these three Holidays are governed by awards of Tribunals. In some industrial establishments, holidays is allowed on these occasions but it is not a paid one.

In view of the national importance of these days, the demand of the workmen for paid national holidays is a justified one and it is, accordingly, proposed to provide for three paid national holidays in all industrial establishments in the State. This step will bring about uniformity besides satisfying a just demand of workers. The Bill has accordingly been drafted with a view to provide for three national holidays on January 26, August 15 and October 2.

The Bill will apply, in the first instance, to all industrial establishments, which are covered by the definition of the word "factory" under the Factories Act. The State Government has besides the power to extend the provision of the Bill to such other class of establishments as the State Government may, by a notification, declare to be industrial establishments for the purposes of the Act. Ordinarily, all industrial establishments shall close on these days, but, if owing to exigencies of business any employee is required to work on these national holidays, he shall be compensated for the same in the manner prescribed in the Bill.

(Government Gazette of the Uttar Pradesh,
Extraordinary, 24 February 1961, pp.1-5).

37

West Bengal Shops and Establishments Bill, 1961.

The Government of West Bengal published on 13 February 1961 the text of the West Bengal Shops and Establishments Bill, 1961, to be introduced in the Legislative Assembly of the State. According to the Statement of Objects and Reasons of the Bill, the object of the Bill is to repeal the Bengal Shops and Establishments Act, 1940, and to introduce in its place a new legislation with a view to eliminating various defects in the existing Act and providing the employees with some additional benefits in the context of changed circumstances. A brief summary of the salient provisions of the Bill is given below.

The Bill seeks to regulate holidays, hours of work, payment of wages and leave of persons employed in shops and establishments. The provisions of the Bill will not apply to (a) offices of or under the Central or State Government, the Reserve Bank of India, any railway administration or any local authority; (b) any railway service, water transport service, tramway or motor service, postal, telegraph or telephone service, any system of public conservancy or sanitation or any industry, business or undertaking which supplies power, light or water to the public; (c) institutions for the treatment or care of the sick, infirm, destitute or mentally unfit; (d) shops or stalls in any public fair or bazar held for a charitable purpose; and (e) stalls and refreshment rooms at railway stations, docks, wharves and airports. The State Government if it thinks fit to do so in the public interest, may, by notification, exempt from the operation of any of the provisions of this Act, any class or classes of shops or establishments of the following description, namely: (a) public utility concerns or undertakings; (b) clubs, residential hotels and boarding houses; (c) shops, dealing mainly in vegetables, meat, fish, dairy produce, bread, pastries, sweetmeats, flowers or other perishable commodities; (d) shops dealing mainly in medicines, surgical appliances, bandages or other medical requisites; (e) shops dealing mainly in articles required for funerals, burials or cremations; (f) shops dealing in tobacco, cigars, cheroots, cigarettes, biris, pan, liquid refreshments sold retail for consumption on the premises, ice, newspapers or periodicals; (g) shops dealing mainly in supplies, stores, or other articles necessary for ships; (h) shops or stalls in any public exhibition or show, so far as such shops or stalls deal in retail trade which is solely subsidiary or ancillary to the main purposes of such exhibition or show; (i) barbers' and hairdressers' establishments; (j) shops dealing in petroleum products or spare parts for motor vehicles; (k) excise shops; (l) seasonal commercial establishments engaged in the purchase of raw jute or cotton or in cotton ginning or cotton or jute pressing; and (m) such other class or classes of shops or establishments as the State Government may consider fit for exemption from all or any of the provisions of this Act.

Holidays in Shops.- Every shop shall be entirely closed in each week on at least one day and a half day next preceding or next following such day. The State Government may, if it thinks fit to do so in the public interest, by notification, specify zonal areas wherein, the day and the half day during which shops are to remain entirely closed, shall be the same for all shops and shall be such as may be mentioned in the notification. Every person employed shall be allowed in each week as holiday at least one day and a half day next preceding or next following such day.

No deduction on account of any holiday shall be made from the wages of any person employed in a shop.

Similar provision has been made for employees in commercial establishments and establishments for public entertainment or amusement.

Hours of Work.- In no shop shall the hour of opening be earlier than eight o'clock ante meridiem or the hour of closing be later than eight o'clock post meridiem.

The State Government or any officer empowered in this behalf, by notification, changes such limits of the hours of opening and closing of shops, either generally or for any particular area.

No person employed in a shop shall be required or permitted to work in such shop for more than nine hours in any one day or for more than forty-eight hours in any one week or after the hour of closing of such shop.

The total number of hours of work including overtime shall not exceed ten hours in any one day, and the total number of hours worked overtime shall not exceed one hundred and twenty hours in any one year.

No person employed in a shop shall be required or permitted to work in such shop (a) for more than seven hours in any one day, unless he has been allowed an interval for rest of at least one hour during that day, or (b) for more than five hours in any one day, unless he has been allowed an interval for rest of at least half an hour during that day. The periods of work and intervals for rest of every person employed in a shop shall be arranged by the shopkeeper so that together they do not extend over more than twelve hours in any one day.

No person employed in an establishment for public entertainment or amusement shall be required or permitted to work in such establishment for more than nine hours in any one day. A person employed in an establishment for public entertainment or amusement may be required or permitted to work overtime in such establishment so, however, that - (i) the total number of hours of his work including overtime shall not exceed ten hours in any one day, and (ii) the total number of hours worked overtime by him shall not exceed one hundred and twenty hours in any one year.

Employment of Children and Young Persons.- No child who has not completed the age of twelve shall be employed in any shop or establishment.

No young person between 12 and 15 years of age employed in a shop or an establishment shall be required to be permitted to work in such shop or establishment for more than seven hours in any one day or for more than forty hours in any one week.

No woman or young person shall be required or allowed to work in any shop or an establishment after eight o'clock post meridiem.

Leave.- A person employed in a shop or ~~an~~ an establishment shall be entitled - (a) after every twelve months' continuous employment, to privilege leave on full pay for fourteen days, (b) in every year, to sick leave on half pay for fourteen days on medical certificate obtained from a medical practitioner registered under the Bengal Medical Act, 1914, (c) in every year, to casual leave on full pay for ten days, and (d) to maternity leave in accordance with such rules as may be prescribed.

~~Privilege leave~~- Privilege leave may be accumulated up to a maximum of not more than twenty-eight days; sick leave may be accumulated up to a maximum not more than fifty-six days; and casual leave shall not be accumulated.

Overtime Wages.- When any person employed in a shop or an establishment is required or permitted to work overtime in such shop or establishment, the wages payable to such person in respect of such overtime work shall be calculated at the rate of one and one-half times of the ordinary rate of wages payable to him, and such ordinary rate of wages shall be calculated in the manner prescribed. This shall not operate to the prejudice of any higher rate of overtime wage granted under any agreement, award, custom or convention.

Notice of Termination.- No person shall, after continuous service for not less than twelve months in any shop or establishment, have his services terminated, without sufficient cause, unless he has been given one month's notice in writing or has been paid one month's wages in lieu of such notice. Continuous service includes any holiday, authorised leave or period of illegal lock-out.

Other provisions of the Bill deal inter alia with registration of shops and establishments, powers of inspectors, records and registers, power to make rules and penalties.

(The Calcutta Gazette, Extraordinary, 13 February 1961,
pp. 571-580).

40

Chapter 6. General Rights of Workers.

63. Individual Contracts of Employment.

India - February 1961.

Madhya Pradesh Industrial Employment (Standing Orders) Bill, 1961.

The Government of Madhya Pradesh published on 21 February 1961 the text of the Madhya Pradesh Industrial Employment (Standing Orders) Bill to be introduced in the Legislative Assembly of the State. According to the Statement of Objects and Reasons of the Bill, the Madhya Pradesh Industrial Relations Act, 1960, the Indian Trade Unions (Madhya Pradesh Amendment) Act, 1960, and the Madhya Pradesh Industrial Workmen (Standing Orders) Act, 1959 together form an integrated scheme of laws and orders on industrial relations. As the first two Acts were enacted a year after the enactment of the third, it has become imperative to bring the third Act, the Madhya Pradesh Industrial Workmen (Standing Order) Act, 1959 (vide pages 61-62 of the report of this Office for August 1959), in conformity with the first two Acts by re-enacting it. The Bill is designed to serve this purpose.

The provisions of the Bill will apply to every undertaking wherein the number of employees on any day during the twelve months preceding or on the day this Act comes into force or on any day thereafter was or is more than twenty; and such other class or classes of undertakings as the State Government may, from time to time by notification, specify in this behalf.

Nothing in the Industrial Employment (Standing Orders) Act, 1946, shall apply to any undertaking to which this Act applies.

The State Government may, by notification, apply standard standing orders to such class of undertakings and from such date as may be specified therein.

The standard standing orders made or amendments certified under this Act shall provide for every matter set out in the Schedule.

These include the following: classification of employees, e.g., whether permanent, temporary, apprentices, probationers, badlis and whether seasonal or otherwise, tickets, cards, service books, registers and service certificates, recruitment, manner of intimating to employees the period and hours of work, holidays, pay days and wage rates, shift working, holidays, procedure and authority to grant, closing and re-opening of Sections of the undertaking and temporary stoppages of work including laying off and the rights and liabilities of the employer and employees arising therefrom, liability to search and entry into premises by certain gates, attendance and late coming, leave, conditions, procedure and authority to grant, termination of employment otherwise than by way of punishment, and the notice thereof to be given to the employers and employees, punishment involving warning, censure, fine and deductions in wages, suspension or dismissal for misconduct, and acts or omissions which constitute misconduct, means of redress for employees against unfair treatment or wrongful exactions by the employer or his agents or servants.

Other provisions of the Bill deal inter alia with submission of amendments to standing orders, certification of amendments, appeals against orders of certifying officer, posting of standing orders, ~~up~~ settlement of disputes regarding application and interpretation of standing orders, appointment of inspectors, their powers and duties and penalties and procedure.

(Madhya Pradesh Gazette, Extraordinary,
21 February 1961, pp. 56-67).

67. Conciliation and Arbitration.

India - February 1961.

West Bengal: The Industrial Disputes (West Bengal Amendment)
Bill, 1961.

The Government of West Bengal published on 1 February 1961 the text of the Industrial Disputes (West Bengal Amendment) Bill to be introduced in the Legislative Assembly of the State. According to the Statement of Objects and Reasons of the Bill, the object of the Bill is to amend the Industrial Disputes Act, 1947 to include "Oxygen and acetylene" as a new item in the First Schedule to the said Act so that any company producing oxygen and acetylene may be declared to be public utility service under the said Act in case public interest so demands.

(The Calcutta Gazette, Extraordinary,
1 February 1961, pp. 527-528).

69. Co-operation and Participation of Industrial Organisations in the Social and Economic Organisations.

India - February 1961.

Workers' Participation in Management: 45 Public Undertakings to take lead.

Fortyfive important public undertakings will soon take the lead in giving their workers an effective voice in management.

This decision is reported to have been taken at a meeting held at New Delhi on 23 February 1961, presided over by Shri G.L. Nanda, Union Labour Minister.

The meeting is believed to have agreed thatthe private sector could be induced to implement the Government's objective of workers' participation in the management of industry only if the public sector set an example.

All Ministers in charge of Ministries concerned with industrial undertakings were present at the meeting. They included Shri Swaran Singh, Dr.P. Subbaroyan, Shri Jagjivan Ram, Shri K.D. Malaviya and Shri Mamubhai Shah.

A committee of officials, headed by the Union Labour Secretary, Shri P.M. Menon, will now choose the 45 units in the public sector in which the scheme is to be launched.

In the Labour Ministry, a separate division is being created to supervise the introduction and progress of the scheme. The division will be headed by Shri R.L. Mehta, Joint Secretary.

Another decision taken at the conference was that the Code of Discipline, already accepted by private employers and major trade unions in the country, should henceforth apply to State-owned undertakings also.

(The Statesman, 24 February, 1961).

40

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - FEBRUARY 1961.

81. Employment Situation.

Employment Exchanges: Working during November 1960.

General employment situation.- According to the Review of the Principal activities of the Directorate-General of Employment and Training during the month of November 1960, employment exchanges effected 234,028 registrations which was 6,226 more than the figure for October 1960. The number of employers who utilised the services of the employment exchanges showed a further rise from 9,499 in October 1960 to 9,916 in November 1960. The number of vacancies notified to the employment exchanges during November 1960 was 47,550 which was 1,735 more than that during the previous month. The number of placements effected during November was 25,624 as against 25,536 in the previous month. The number of registrants on the Live Register stood at 1,582,530 at the end of November 1960.

The employment situation in general was reported to have shown an upward trend in the States of Bihar, Gujarat, Punjab, Pondicherry, Rajasthan, Tripura and West-Bengal while slight decrease was reported from the State of Madras. It remained static in the States of Andhra Pradesh, Assam, Maharashtra, Madhya Pradesh and Uttar Pradesh.

Shortages and Surpluses.- Shortage was experienced in respect of stenographers, medical personnel such as doctors, nurses, midwives, compounders and laboratory technicians, trained teachers, physical training instructors, engineers, and skilled-craftsmen. While surpluses persisted in respect of clerks, untrained teachers, motor drivers, unskilled office workers and unskilled labourers.

Employment Market Information.- Employment Market Reports for the periods ending June 1959 in respect of Kakinada and Nagpur, for September 1959, in respect of Durg, Jabalpur, Karnal, Kakinada and Jullundur, for December 1959, in respect of Berhampur, Durg, Jullundur, and Karnal, for March 1960 in respect of Assansol, Berhampur, Durg, Meerut and Warrangal were issued during November 1960. Reports in the public sector in West Bengal State for the quarter ended June 1959, Andhra Pradesh for the quarter ended September 1959, Kerala for the quarter ended September 1959 and Maharashtra for the quarter ended 30 June 1960 were also issued during the month.

Central Employment Co-ordination Unit.- The Central Coordinating Unit rendered employment assistance to retrenched workers in various projects/establishments during the month of November 1960:-

	No. Retrenched.	No. Placed.	No. awaiting assistance.
a) Damodar Valley Corporation.	26	45	440
b) Bhakra Nangal Project.....	-	-	12
c) Bhilai Steel Project.....	2,724	-	2,724
d) Special Cell of the Ministry of Home Affairs.....	7	9	Class I- 16 0 Class II- 229 0 Class III- 5 0 Class IV - - 0
			250

Instructions on the undermentioned subjects connected with employment exchange policy and procedure were issued during the month of November 1960:-

Retention of seniority of registration by applicants placed in short duration jobs.- Under instructions as they stood till recently applicants placed against vacancies of duration of 3 months or less were permitted to retain their original seniority of registration provided they report for re-registration within 15 days of discharge from the temporary or short term appointment producing a certificate from their employer. This procedure came up for detailed discussion in the IV meeting of the Working Group of National Employment Service held in the Directorate General of Employment and Training in the Second week of August 1960. It agreed that applicants placed in jobs of six months duration or less should be permitted to retain their original seniority or registration at exchanges. It was also agreed that for this purpose applicants should be required to report to the employment exchange for registration within 15 days from the date of issue of discharge certificate by the employer.

Mention of caste or community in Exchange forms.- Certain standard forms used at Employment Exchanges contain an item headed "caste". Now it has been decided that this item need be completed only in the case of the applicants belonging to scheduled castes/tribes, Anglo-Indians and Backward Classes. In the case of other categories of applicants, the Working Group agreed that the decision should be left to individual States.

Staff Training.- The XXVIII training course for Employment Officers was held in the Directorate General of Employment and Training from 4 to 26 November 1960. In all 41 Employment Officers from various States attended the training course. The States which deputed officers were Andhra Pradesh, Assam, Bihar, Gujarat, Kerala, Madhya Pradesh, Maharashtra, Madras, Orissa, Punjab, Rajasthan and Uttar Pradesh. This was a combined training course for imparting instruction on employment exchange work and procedure as well as on collection and uses of employment market information.

Opening of new employment exchanges.- With the opening of one more employment exchange, a total of 284 employment exchanges were functioning at the end of November 1960.

(Review of the Principal Activities of the Directorate-General of Employment and Training during the month of November 1960; Ministry of Labour and Employment, Government of India, New Delhi).

Madras: Alternative Employment to Handloom Weavers:
Preference to be given in Co-operative Textile Mills.

Answering questions in the Madras Legislative Assembly on 25 February 1961, Shri R. Venkataraman, Industries Minister, stated that the Government had advised all new spinning mills and mills in the co-operative sector in the State to give preference to handloom weavers in the matter of recruitment.

The Minister added that this step taken by the Government would go a long way to provide alternative employment to handloom weavers.

Shri Venkataraman said four spinning mills were proposed to be established in the co-operative sector during the Third Plan period.

Besides these, licences had been granted for starting four co-operative spinning mills in the State. A co-operative spinning mill (16,000 spindles) at Pettai had started production in 1958; two mills at Srivilliputhur (12,000 spindles) and Nazareth (12,000 spindles) were under construction. The fourth one at Salem (12,000 spindles) was in the preliminary stage.

(The Hindu, 26 February 1961).

R

Punjab Compulsory Service Act, 1961 (No. 5 of 1961).

The Government of Punjab gazetted on 9 February 1961 the text of the Punjab Compulsory Service Act, 1961, of the Punjab Legislature. The Act which received the assent of the President on 2 February 1961 authorises the imposition of compulsory service for a public purpose. The term 'public purpose' has been defined to mean a purpose for executing works connected with the development of drainage or the prevention on ~~xxxxx~~ clearance of ~~worker~~-logging.

Whenever it appears to the District Magistrate that compulsory service for a public purpose is required in any area of his district, he may, by notification, declare such area to be a notified area.

At any time after the issue of the above notification, the District Magistrate may, by a General Order in writing, require all persons in the notified area to render compulsory service and thereupon every person shall, without payment of any remuneration to him, become liable, for a period not exceeding five days within a total period of three months to be determined by the Development Officer, to render compulsory service in such manner and according to such directions not being inconsistent with the General Order, as the Development Officer may specify.

Any person liable to render compulsory service under this Act who refuses ~~to~~ or neglects to render such service or fails to comply with any direction of the Development Officer for rendering such service, shall, on conviction by a Magistrate, be punishable with fine which may extend to one hundred rupees.

(The Punjab Government Gazette, Extraordinary,
9 February 1961, pp. 49-51).

83. Vocational Training.

India - February 1960.

Labour Ministry's Training Schemes: Working during
November 1960.

According to the Review of the activities of the Directorate General of Employment and Training during the month of November 1960, there were 160 institutes for training of craftsmen, 13 orientation centres for educated unemployed, 72 undertakings imparting apprenticeship training, and 13 centres holding evening classes for industrial workers. The total number of seats in all these centres and undertakings was 45,527, whereas the total number of persons undergoing training stood at 39,447.

Stores and Equipment.- Russian equipment machinery worth 16,765 rupees was reported as received during November 1960 under the UNTAA (ILO) Aid Programme. Total value of aid received upto the end of November 1960 is 1,880,976 rupees.

(Review of the Principal Activities of the Directorate-General of Employment and Training during the month of November 1960; Ministry of Labour and Employment, Government of India, New Delhi).

50

CHAPTER 11. OCCUPATIONAL SAFETY AND HEALTH.

INDIA - FEBRUARY 1961.

112. Legislation, Regulations, Official Safety and Health Codes.

West Bengal Boiler Operation Engineers' Rules, 1960.

The Government of West Bengal gazetted on 16 February 1961 the text of the West Bengal ~~Boiler~~ Boiler Operation Engineers' Rules, 1960, made in exercise of the powers conferred under the Indian Boilers Act, 1923, and in supersession of the West Bengal Boiler Engineers' Examination Rules, 1950. The Rules provide that the owner of a single boiler or two or more boilers connected in a battery or of so many separate individual boilers situated within a radius of 23 metres (75 feet) having a total heating surface exceeding 697 square metres (7,500 square feet) shall not use the same or permit the same to be used unless the boiler or boilers are placed in the direct charge of a competent person specified in rule 4 in addition to such number of boiler attendants as may be prescribed by the Chief Inspector of Boilers. The Chief Inspector of Boilers may permit any boiler to remain in charge of any person who holds a second class certificate of proficiency or exchange granted under the West Bengal Boiler Engineers' Examination Rules, 1950, for a maximum period of three months notwithstanding anything contained in these rules. Nothing in these rules shall debar a person holding a first class certificate of proficiency granted under the West Bengal Boiler Engineers' Examination Rules, 1950, from remaining in attendance or in charge of a boiler or boilers of any size and any such certificate shall for the purpose of these rules be deemed to have been granted under these rules.

Other provisions of the Rules deal inter alia with constitution of board of examiners, examinations for certificates of proficiency as engineers, age and training of candidates, examination subjects, mode of examination, grant of certificates, etc.

(Labour Department's Notification No. 201-LW/LW/IR-23/60 dated 11 January 1961; the Calcutta Gazette, Part I, 16 February 1961, pp. 495-504).

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

INDIA - FEBRUARY 1961.

CHAPTER 3. ECONOMIC QUESTIONS.

N Minimum Wages (Maharashtra Amendment) Act, 1960 (X of 1961)
(Maharashtra Government Gazette, Part IV, 23 February 1961, pp. 68-71).

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

X Andhra Pradesh Ceiling on Agricultural Holdings Act, 1961
(No. X of 1961) (Andhra Pradesh Gazette, Part IVB, Extraordinary, 21 February 1961, pp. 83-96).

CHAPTER 8. MANPOWER PROBLEMS.

R Punjab Compulsory Service Act, 1961 (No. 5 of 1961) (Punjab Government Gazette, Extraordinary, 9 February 1961, pp. 49-51).

2

BIBLIOGRAPHY.

INDIA - FEBRUARY 1961.

CHAPTER 3. ECONOMIC QUESTIONS.

- *(a) "Report on the NPC Seminar on Cooperation for Higher Productivity and Sharing the Gains of Productivity": National Productivity Council, India. pp.47.
- *(b) "Principles of Bonus Fixation": INTUC Publication; by G.D. Ambekar, ~~Ekasidant~~ Published by Indian National Trade Union Congress (Rastriya Mazdoor Congress), 17, Janpath, New Delhi, Price 50 nP. pp.16.
- *(c) "Progress Report (1 April to 31 December 1960)": National Productivity Council, 38, Golf Links, New Delhi. pp.17 plus Appendix A and B (Revised).
- *(d) "Suggestions for Programmed of Local Productivity Councils": N.P.C., 38 Golf Links, New Delhi. pp.20 (Revised).
- *(e) "Agenda Papers for Meeting of N.P.C.": National Productivity Council, 38, Golf Links, New Delhi. (Revised).
- *(f) "Guidance Notes Relating to Conferences, Seminars, Symposia, etc.": N.P.C., 38 Golf Links, New Delhi. (Revised).
- *(g) "Index Numbers of Parity (Statistical Analysis) Between Prices Received and Paid by the Farmer in the Punjab 1957-58": The Board of Economic Inquiry Punjab (India). Publication No.: Economic and Statistical Organisation, Government of Punjab, 1960. Price Rs.3-75nP. pp.82.

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

- *(a) "Report on the Second Enquiry": Agricultural Labour in India: Vol.1 - All-India: Labour Bureau, Ministry of Labour and Employment, Government of India, Simla. pp. 480.
- *(b) "Resurvey of Village Gijhi, District Rohtak": The Board of Economic ~~Enquiry~~ Inquiry Punjab (India); Publication No.61: Economic and Statistical Organisation, Government of Punjab, 1960. Price Rs.7-15nP. pp.144.
- *(c) "Economies of Tractor Cultivation in the Punjab for the Year 1957-58": The Board of Economic Inquiry Punjab (India); Publication No.62: Economic and Statistical Organisation, Government of Punjab, 1961. Price Rs.3.35nP. pp.86.
- *(d) "Effects of Bhakra Dam Irrigation on the Economy of the Borani Villages in the Hissar District 1954-55": The Board of Economy Inquiry Punjab (India); Publication No.65. Economic and Statistical Organisation Government of Punjab, 1961. Price Rs.5.10nP. pp.124.

* Publications received in this Office.

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

- *(a) "List of Factories Under the Operation of the Factories Act, 1948 in Andhra Pradesh for the Year 1957"; Office of the Chief Inspector of Factories, Andhra Pradesh, Hyderabad: Printed at the Government Press, Hyderabad, 1960. pp.285.
- *(b) "Annual Report of the Chief Inspector of Mines in India for the Year ending 31st December 1957": Mines Act 1952; Printed in India, by the Manager, Government of India Press, Calcutta, and Published by the Manager of Publications, Civil Lines, Delhi, 1960. pp. 229. Price Rs.29-50nP. or 75sh.

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

- * "Staff Councils and Associations in the U.K. and India": Indian Institute of Public Administration: Indraprastha Estate, Ring Road, New Delhi-1, December 1960. Price Rs.1.50nP. pp.53.

CHAPTER 8. MANPOWER PROBLEMS.

- *(a) "Jabalpur Employment Market Report (for the Quarter ended 30th June 1960)": Report No.JBP/1/1960; Directorate of National Employment Service, Madhya Pradesh, Jabalpur (November 1960); Gwalior, Government Regional Press, 1960. pp.13.
- *(b) "Gwalior Employment Market Report (for the Quarter ended 30th June 1960)": Report No.GWL/6/1960; Directorate of National Employment Service, Madhya Pradesh Jabalpur (November 1960); Gwalior Regional Press, 1960. pp.11.
- *(c) "Durg Employment Market Report (for the quarter ended 30th June 1960)": Report No.DURG/6/1960; Directorate of National Employment Service, Madhya Pradesh, Jabalpur (November 1960); Gwalior Government Regional Press, 1960. pp.13.

CHAPTER 11. OCCUPATIONAL SAFETY AND HEALTH.

- * "Report of the Commission of Enquiry appointed to inquire into the Causes of the Explosion in the Gas Holder No.4 at Lalbaug, Bombay"; Printed in India by the Manager, Government Central Press, Bombay and published by the Director, Government Printing and Stationary, Maharashtra State, Bombay-4, Price Re.0.23nP. pp. 26.

L

* Publications received in this Office.