

INTERNATIONAL LABOUR OFFICE
BRANCH OFFICE, NEW DELHI.Industrial and Labour Developments in
July-August 1967.N.B.-Each Section of this Report may be taken
out Separately.ANNEXE
539

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - JULY-AUGUST 1967.

11. Political Situation and Administrative Action.

Samyukta Dal Government formed in Madhya Pradesh.

Consequent upon a number of defections by members of the Congress Party and defeat on a budgetary demand in the Madhya Pradesh Legislative Assembly, the Governor of the State accepted the resignation of the Council of Ministers led by Shri D.P. Mishra and invited the leader of Samyukta Dal, Rajmata *of Gankior*, to form a new Government. The Rajmata decided to choose Shri Govind Narain Singh as the Chief Minister who was sworn in on 30 July 1967 in Bhopal to head a non-Congress Government in the State. Other representatives of the Constituent units of the SVD are the Jan Sangh, Krantikari Vidhayak Dal, Bharatiya Krantikari Dal, PSP and SSP.

(The Hindustan Times, 31 July 1967).

Congress Panel to Study Labour Situation
Appointed.

The Congress Working Committee at a meeting had at New Delhi on 1 August 1967, appointed a five-man Committee to report on the labour situation in the country and suggest measures to restore cordial relations between the Congress and the Indian National Trade Union Congress. The Committee consists of three former Union Labour Ministers, Shri Jagjivan Ram, Shri Gulzari Lal Nanda and Shri Khandubhai Desai and Shri V.V. Dravid INTUC president and Shri S.R. Vasavada a former President, Shri Nanda will be the convener.

The intention is to resolve the differences between the Congress and the Indian National Trade Union Congress which are seriously harming the trade union movement in the country. The Working Committee has received alarming reports about the help the Governments of West Bengal and Bihar are giving to Communist unions ~~are~~ to break the INTUC and pro-Congress Union through intimidation, violence or otherwise.

The anti-Communist unions are not able to resist the infiltration because acute differences have arisen between ~~the~~ the INTUC and the Congress units. Prominent INTUC leaders are supporting the ~~opposition~~ opposition Ministries.

The Committee will visit some industrial centres for an on-the-spot study of the problem. It has been given two months to complete its work ~~as~~ because the serious situation ~~breaks no delay.~~
is considered serious.

(The Hindustan Times, 3 August 1967).

12. Activities of External Services.

India - July-August 1967.

Meeting:

The Director attended by special invitation a Conference of Productivity and Management Organisations convened by the National Productivity Council at New Delhi on 24 and 25 July 1967. He acted as chairman of one of the Sessions on "Areas of the Overlapping and Manner of Streamlining Activities".

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13. Press and Opinion.

India - July-August 1967.

In addition to the attached clippings the following references to the ILO appeared in Indian Journals received in this Office:

1. April 1967 issue of 'Oil and Chemical Worker', publishes the text of a statement submitted by the National Federation of Petroleum Workers at a tripartite meeting convened by the Government to discuss the problem of job security in the three major oil companies operating in India. The statement among other matters draws attention of the Government to the recommendations made by the Petroleum Committee of the International Labour Conference held in October 1966 on the problem of Social Consequences of Structural and Technological Changes in the oil industry in different countries of the world. It adds that: "the Government of India is not a member of this industrial committee of the I.L.O. However, it should have no hesitation in accepting and implementing the ILO resolution and conentions on the issue of this Conference".

2. The June 1967 issue of 'the Indian Worker' contains the following reference to the ILO:

(a) Text of address of the Indian Workers' delegate at the 51st session of the IL Conference.

(b) An editorial entitled 'ILO Conference' which among other things welcomes the ILO's lead in highlighting the question of non-mannal workers.

(c) A news item relating to ILO Governing Body decisions on complaints of infringement of grade union rights in various countries.

3. The June 1967 issue of 'Hind Mazdoor' writing about workers participation in management mentions that "The International Labour Organisation (ILO) Institute for Labour Studies recently launched a research programme into worker-management schemes".

4. 'Labour Bulletin' (published by the Co-ordinating Committee of Independent Trade Union), dated June-July 1967 publishes a note under the caption 'Strike Recognised, Not Gherao'. Stressing that 'gherao' was 'basically an unlawful act', the note adds: "like the lock-out, the strike is an acknowledged weapon and the ILO has considered it as a right of the workers which should not be whittled down by national laws and regulations".

5. 'Industrial Bulletin' issued by the Employers' Federation of India, contains a note on 'social security in USA'. It says: "The term 'Social Security'----- was included in the Atlantic Charter in 1941 and later adhered to at the International Labour Conference in 1944".

6. AICC Economic Review dated 1 August 1967 contains an article on 'Unemployment Insurance in India: A Sociological Perspective'. There is a reference to the "ILO Convention of 1954".

7. The August 1967 issue of American Labour, under the column 'World of Labour' publishes extracts of speeches of Mr. Paul G. Hoffman and of the U.S. Employer delegate at the June 1967 Session of the ILO Conference.

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25. Wage-Earners' Organisations.

India - July-August 1967.

The Trade Unions (Madhya-Pradesh Amendment)
Bill, 1967.

The Government of Madhya Pradesh published on 3 July 1967 the text of the Trade Unions (Madhya Pradesh Amendment) Bill, 1967, proposed to be introduced in the Legislative Assembly of the State. The Statement of Objects and Reasons of the Bill declares that the Trade Unions Act, 1926 provides for registration of Trade unions subject to fulfilment of certain conditions. One of the conditions is that the rules of any unions seeking registration should prescribe the minimum subscription of twenty-five paise per member per month. It is felt that in the case of workers employed in agriculture, this condition operates harshly keeping in view the meagre earnings of agricultural workers. Presumably, it is due to high rate of subscription that there is almost no unionisation amongst agricultural workers where it is needed most. In order to encourage unionisation amongst such workers, it is necessary to prescribe a lower rate of subscription.

Opportunity has also been taken -

- (i) to exclude those industries from the purview of Chapter III-A of the said Act for which the Central Government is the appropriate Government within the meaning of the Industrial Disputes Act, 1947 (14 of 1947), and
- (ii) to declare Registrar, Additional Registrar and Deputy Registrar and members of the staff of their offices to be public servants within the meaning of section 21 of the Indian Penal Code, 1860 and also afford protection in regard to anything which is in good faith done or purported to be done under the Act.

For clause (ee) of sec.6 of the Trade Unions Act, 1936, the following clause is to be substituted:

"(ee) the payment of subscription by members of the Trade Union which shall be not less than twenty-five paise per month per member:

Provided that the minimum rate of subscription in the case of members of a Trade Union of agricultural workers shall be five paise per month per member."

For sub-section (1) of section 28-C of the Principal Act, the following sub-section is to be substituted namely:-

"(1) Any representative Union or where there is no representative Union any registered Trade Union in any industry other than an industry for which the Central Government is the appropriate Government within the meaning of sub-clause (i) of clause (a) of section 2 of the Industrial Disputes Act, 1947 (14 of 1947) may apply in the prescribed form for being entered in the approved list."

New clauses 28K and 28L to the Act seeks to declare Registrar, Additional Registrar and Deputy Registrar of Trade Unions and members of the staff of their offices to be public servants within the meaning of section 21 of the Indian Penal Code, 1860.

(The Madhya Pradesh Gazette, Extraordinary, Part B, 3 July 1967, pp. 1953-1955)

Finance Bill adopted by Lok Sabha.

The Lok Sabha approved on 28 July 1967 the Finance Bill after accepting several amendments moved by the Union Finance Minister, Shri Morarji Desai. The following are some of the changes proposed by the Finance Minister:

Indirect taxes: Loss of Revenue 153.6 million rupees in full year and 115.1 million rupees for the Centre this year.

Footwear: Total excise exemption on leather footwear of value not exceeding Rs.5; between Rs.5 and 8 producers to absorb duty.

Aluminium: Total exemption at product stage duty of Rs.600 per tonne on circles of gauges used in making utensils.

On aluminium ingots, plates, sheets and circles duty reduced by Rs.120 per tonne; major producers to absorb to the extent of Rs.250 of excise per tonne; smaller absorption by smaller producers. Tax credit certificates for excess production of aluminium over 1964-65 level.

Countervailing duty on aluminium ingot imports at same rate as excise duty.

Rayon: Effective rates of excise duty of 20 to 40 paise per kg. with deeper cuts in the case of small units. Units with production on an average of less than 10 tonnes per day to be entitled to the concessional rates for small units.

Excise duty on nylon yarn of deniers less than 30 reduced by Rs.18 per kg. On nylon yarn of deniers 30 and above but not exceeding 74 reduction of Rs.3 per kg.

Powerlooms: Duty on sized yarn of superfine count reduced from Rs.6.20 per kg. to Rs.5.20 per kg.

Cigars and Charoots: Exemption from the "nominal increases in duty" proposed in the budget.

Iron and Manganese Ore: Export duty on lumpy iron ore with iron content of 62 per cent. or more to be increased from Rs.10 to Rs.10.50 per tonne, and the duty on the two inferior grades with iron content range from 60 to 61.9 per cent. and up to 59.9 per cent. respectively, reduced to Rs.9 and Rs.7.50 per tonne; duty ~~not~~ on iron ore fines, including blue dust also reduced.

Payments by way of brokerage and commission or fees for professional services (but not interest) to be exempted from the purview of the provision for deduction of tax at source.

Limit of individual payments of interest which are exempt from the requirement of deduction of tax at source increased from Rs.200 to Rs.400.

Rate at which tax is to be deducted at source from interest proposed to be reduced from 25 per cent. to 20 per cent. in the case of payment to companies and to 10 per cent. on payments to non-corporate entities.

Interest payments to banking companies, co-operative banks, including land mortgage banks, financial corporations and other bodies which the Central Government might notify to be excluded from the purview of the new provision for deduction of tax at source.

Postal tariffs: No change in the existing postal rate of two paise for registered newspapers weighing not more than 60 grammes. This will particularly benefit language papers, dailies and weeklies.

(The Hindustan Times, 25 July and
29 July 1967)

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34. Economic Planning, Control and Development.

India - July-August 1967.

A Study of Index Earnings of Factory Workers
on Base 1956=100 Linked with Index on Base 1951=100*.

The Labour Bureau of the Government of India has been compiling for many years past, indices of money and real earnings in respect of workers employed in manufacturing industries. The series, in the first instance, was compiled on base 1939=100 and later a new series was started with base 1951=100, which is still continuing. The series with Base 1951=100, which covers the erstwhile 9 Part 'A' States and 2 Part 'C' States of Delhi and Ajmer prior to ~~reorg~~ reorganisation of States and to the corresponding area thereafter (details given in the next paragraph). The purpose of this study is to ascertain as to how far this series can be used to reflect the all-India position in spite of limited geographical coverage. This has been attempted by constructing an index series with an all-India coverage on a suitable base period and linking it with the one with base 1951=100.

The article points out the limitation of the index of earnings series on base 1951=100 and shows in a table indices of money and real earnings for all India on base 1951=100 and on base 1956=100 linked with indices on base 1951=100 for the period 1956 to 1964.

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* The Indian Labour Journal, Vol.VIII, No.6,
June 1967, pp. 505-509.

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Assets of Big Private Companies in India:
Study made By Government.

The Union Minister for Industrial Development and Company Affairs, Shri Fakhruddin Ali Ahmed, placed on the table of the Lok Sabha on 21 July 1967, a statement on the Department's study of the 43 largest private companies. According to the study eight out of first ten top private limited companies in India are foreign. Brooke Bond heads the list of these top 10 companies with assets worth 183.2 million rupees. Its paid-up capital is only 16.7 million rupees. Brooke Bond is also among the top 10 companies ranked both on the basis of their paid-up capital and net worth.

The other seven top foreign firms, ranked by assets, are: General Electric, Firestone, Glaxo Laboratories, I.C.I., Bata Shoes Company, Pfizer and Associated Electrical Industries. The only two Indian companies among the top 10 are Godrej and Tata Sons.

(The Statesman, 22 July 1967).

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Outlay of Rs.22460-Million estimated for
Annual Plan for 1967-68: National Income
expected to rise by 20 per cent.

The annual Plan 1967-68 which was laid on the table of both Houses of Parliament on 26 July 1967, envisages a total outlay of 22,460 million rupees - 11,720 million rupees for the Centre, 10,100 million rupees for the States and 640 million rupees for the Union Territories - as against 22,210 million rupees in 1966-67. The national income is expected to rise at current prices by about 20 per cent. to 275,000 million rupees compared with 229,000 million rupees in 1966-67. Of this increase, 12 per cent. would be due to growth of real output and the remaining 8 per cent. on account of price rise.

The annual Plan leaves an uncovered gap in resources to the extent of 540 million rupees. This is besides budgetary deficit of the order of 150 million rupees. The Plan document says that measures for covering the gap in State plans are under consideration. In the event of any portion of the gap of 540 million rupees not being covered, "the Plans of the State Governments concerned may have to be suitably adjusted."

The Plan accords top priority to agriculture and allied programmes. The provision for agricultural schemes, community development, co-operation and irrigation amounts to 5232.7 million rupees. This includes 100 million rupees for the Agricultural Refinance Corporation and 50 million rupees for land mortgage banks.

In addition, provision has been made for production and supply of agricultural inputs such as electricity for tubewells and lift irrigation, fertilizers, pesticides and implements. As regards the physical targets, the Plan envisages a production potential of 100 million tonnes of foodgrains, 12 million tonnes of sugarcane, 7 million tonnes of cotton, 9 million tonnes of oilseeds and 7.5 million ~~tonnes~~ bales of jute.

The area under improved seed for food grains will be 134.53 million acres, of which 16.23 million acres will be covered by high-yielding varieties. Irrigation potential at the out-let at the end of the current financial year will be 21 million acres and utilization 17.4 million acres. In addition, minor works will provide irrigation for another 3.5 million acres.

In industry, an effort has been made to provide the minimum outlay necessary for expansion and consolidation of the industrial base. The outlay for organised industries is 5201.9 million rupees and for village and small industries 435.5 million rupees.

Among the principal physical targets for 1967-68 in industry are: steel ingots 7.5 million tonnes; metallurgical and other heavy mechanical equipment 20,000 tonnes; machine tools including accessories 290 million; industrial machinery, including coal and other mining equipment, cotton textile, jute, sugar, paper, cement, printing and dairying machinery 562 million rupees; precision instruments 100 million rupees; 325,000 power-driven pumps and 13,000 agricultural tractors. Other targets are: sulphuric acid 850,000 tonnes, cement 13.2 million tonnes, mill-made cloth 4,200 million meters, khadi and handloom 3,300 million meters; sugar 2.2 million tonnes; fertilizers 786,000 tonnes; coal 72.50 million tonnes; crude petroleum 14.20 million tonnes.

For social services the allocations are as follows (in million of rupees): education 1116.6; scientific research 190.6; water supply 369.6; housing and urban development 258.7; welfare of backward classes 177.3; social welfare 44.3; craftsmen training and labour welfare 153.1; rehabilitation 160.8; rural works 65 and other programmes 260.8.

(The Hindustan Times, 27 July 1967).

Slow Growth of National Income and Inter-State Disparity in Per Capita Income: Results of a Study published by National Council of Applied Economic Research.

According to a study published by the National Council of Applied Economic Research, the first decade of planning did not bring about any major reduction in the inter-State disparity in per capita income. The study also said, the low growth rate of national income and its structural rigidity "seem to be bothering us as much today as at the time of the beginning of the Plan era".

The study gave comparable estimates of the income of States as well as the resultant national income for each of the three quinquennial years - 1950-51 (pre-Plan period), 1955-56 and 1960-61 - all reckoned at 1960-61 prices.

The analysis of the results of the study showed that India's national income in real terms increased by 38.3 per cent. in the first decade of planning while the per capita income rose from Rs.295 in 1950-51 to Rs.308 in 1955-56, and further to Rs.335 in 1960-61.

(The official estimate of national income released by the Central Statistical Organisation had shown that the national income in real terms increased by 44 per cent. over the period covered by the first two Plans).

An Improvement.- The annual rate of increase in per capita income was less than one per cent. in the First Plan period but improved to 1.8 per cent. in the second, according to the study. For the whole decade the average worked out to 1.3 per cent. Of the total increase of 15,800 million rupees in the Net Domestic Product (NDP) during the First Plan, Maharashtra, Madhya Pradesh, and Madras together contributed as much as 6,240 million rupees, accounting for more than 39 per cent. of the total increase in the NDP during the First Plan.

On the other hand four States - Orissa, Assam, Punjab and Kerala - together contributed only 1,920 million rupees, which is a little more than 12 per cent. of the total increase of the All-India NDP during the First Plan.

During the Second-Plan period, out of a total increase of 25,060 million rupees in the all-India NDP, Maharashtra alone contributed as much as 18.4 per cent.; U.P. contributed 14.4 per cent.; West Bengal 10 per cent.; and Madras 9.1 per cent.

This means these four States together contributed as much as 13,020 million rupees or about 52 per cent. of the total increase in the all-India NDP during the Second Plan, whereas five States - Assam, Kerala, Mysore, Orissa and Rajasthan - together accounted for only 3,280 million rupees of the total increase, or only for 13.1 per cent.

According to the study, the only significant feature of the growth in per capita income was that the range of difference between the maximum and minimum was gradually narrowing down. In the last year of the pre-Plan period the State on top had a per capita income which was 2.61 times the figure of the lowest-ranked State.

After five years - in the last year of the First Plan - the per capita income of the highest-ranked State was 2.32 times the figure of the lowest-ranked State, ~~to 2.16 by the end~~ and the ratio further decreased to 2.16 by the end of the Second Plan period.

The study concluded by saying "one may venture to pronounce, from the analysis of the results, that the low growth rate of the national income, its structural rigidity and the glaring disparity in the economic status of different constituent States put against the yet unchecked population growth, seem the beginning of the Plan era!"

(The Statesman, 23 August 1967 (.

Committees Appointed to Study Economic Recession, Wages, Incomes and Prices.

The Deputy Prime Minister, Shri Morarji Desai told the Finance Standing Committee of the Congress Parliamentary Party on 1 August 1967 that the recession in the economy was a passing phase and would be overcome in a few months. He explained the series of measures the Government was adopting to provide special assistance to the weak spots in the economy.

Under a new liberal policy adopted by the Reserve Bank of India, cheaper finance would be available for certain priority sectors like — exports, engineering and metallurgical industries, agricultural machinery and equipment, trucks commercial vehicles and small-scale industries. The Reserve Bank has ensured supply of credit to ultimate borrowers in these specified sectors at 6 to 8 per cent. The Bank's steps to increase refinance in respect of advances to smallscale industries is expected to remove an impediment in the way of flow of credit into this sector. The new policy also envisages refinance facilities by the Reserve Bank at the preferential rate of 4.5 per cent. for packing credit advance to exporters of engineering and metallurgical products.

The Congress Party set up on 11 August 1967, two Committees of senior members to make a detailed study of the problems of economic recession and wages, incomes and prices. Shri K. Hanumanthaiya will head the committee to study recession, while Shri S.N. Mishra will be chairman of the committee on prices, wages and incomes. Both are deputy leaders of the party.

Suggestions of Federation of Indian Chambers of Commerce and Industry.— The Federation of Indian Chambers of Commerce and Industry has also submitted a note to the Government containing suggestions to combat the recession in the Indian economy. In the FICCI's view, recession is attributable to five principal factors. Cuts in Government investment have immobilized large sectors of the engineering industry, while the increase in food prices has reduced disposable income in urban areas with the result that demand for consumer durables has been sharply reduced. In the fan-making industry, 14 per cent. of the capacity was idle in 1966 against 5 per cent. in 1965. Decline in exports taken together with liberal imports had an adverse effect on industrial production in some sectors. High taxation on companies allows them no elbow room to stimulate demand through price cuts. Finally the credit squeeze has inhibited industrial activity.

Offering suggestions to combat recession, the FICCI asks for cuts in excise duties on some industrial raw materials and finished products to encourage demand; a reduction of taxes on companies; and liberal credit. A plea is made for scrapping administrative controls to give manufacturers freedom to adjust production to demand. Export is accepted as a possible solution for bringing idle capacity into operation, but this will require "special" incentives and facilities. At the same time, imports should be curbed by higher tariffs to enlarge the market open to indigenous manufacturers.

The FICCI is of the view that money, now going, for instance, into subsidies on food and fertilisers, should be diverted to industrial projects under construction and to superstructure development in the field of power and transport. A switch in Government spending from welfare to investment another ~~spending~~ remedy recommended the FICCI has recommended to combat the current recession in industry. A plea for higher efficiency is coupled with a reminder to the Government of its duty to ensure that labour legislation does not stand in the way of rationalising the whole gamut of employer-employee relations.

Symposium on Recession.- A symposium on recession was held at Madras on 12 August 1967, by the Madras State Board of the All-India Manufacturers' Organisation. The remedies suggested by the symposium were: a significant reduction in taxation, pride of place to agriculture, no new development projects until the existing units in the country - both large and small - were worked to full installed capacities and found buyers for all their production, and early restoration of industrial peace all over India.

(The Hindustran Times, 2 August 1967;
 The Statesman, 6 August 1967;
 The Times of India, 12 August, 1967;
 The Hindu, 13 August, 1967).

Administrative Reform's Commission's
Recommendations on Reorganisation of
Planning Commission Accepted.

The Prime Minister of India Mrs. Indira Gandhi announced in the Lok Sabha on 17 July 1967, the Government's decision that the Planning Commission should not be burdened with executive functions and should only formulate plans and evaluate performance. She said that this decision was on the lines of the Administrative Reforms Commission's recommendations and had the concurrence of the State Chief Ministers. Mrs. Gandhi told the House that the Government had also accepted the suggestion of the Chief Ministers that the Prime Minister should continue as chairman and the Finance Minister as member of the Planning Commission. While other Central Ministers will not be formally associated as members, the Prime Minister will, whenever necessary, invite them to participate in the deliberations of the Commission.

The Prime Minister indicated that there would be no Planning Minister. She said that financial, administrative and general questions relating to planning will be handled in Parliament by the Prime Minister, ~~the~~ or the Finance Minister. Other Union Ministers will deal with their respective subjects, whenever they arise in the House.

The Planning Commission will have a whole-time deputy chairman who need not be a member of the Council of Ministers. The Government agreed with the broad approach of the Administrative Reforms Commission that the planning body should be a compact and small body of full-time members. The Government also felt it was not necessary to make any part-time appointments to the Commission, she said.

The Administrative Reforms Commission had recommended that the Planning Commission should consist of five full-time members, including the deputy chairman, and two other part-time members as might be found necessary.

(The Hindustan Times, 18 July 1967).

Kerala: Sabarigiri Hydel Project
Inaugurated.

The Vice-President of India, Shri V.V. Giri inaugurated on 28 August 1967, Kerala's gigantic Sabarigiri Hydel Project. With the commissioning of the 300-MW Sabarigiri project built at a cost of 370 million rupees mostly with U.S. assistance, Kerala's power generating capacity has been doubled. The Vice-President said that Kerala was poised for a resurgent industrialisation with several unique features. He mentioned the vast potential for generation of low cost hydro. electric power and the major harbour at Cochin coupled with the shipbuilding yard on the anvil among these features.

(The Hindustan Times, 29 August 1967).

35. Productivity.

India - July-August 1967.

Measurement of Productivity in the Manufacturing Industries in India - A Review of Methodology adopted in Different Studies*.

The purpose of the above-captioned study, which has appeared in July 1967 issue of the Indian Labour Journal, is to indicate the various attempts made by different authors and organisations in the field of measurement of productivity of the manufacturing industries in India and to highlight the main features of the methodologies adopted by these authors and organisations towards this end. This study relates, ~~in particular,~~ to particular, to the problem confronted in the measurement of productivity at industry level and does not cover the problems of productivity measurement at plant level. Further, the study is based on the available material and, therefore, may not necessarily bring out the complete picture. The study has referred to the various authors and their publications who have made attempts to measure productivity. Among others a reference is also made to the ILO Report on Method of Labour Productivity Statistics.

In conclusion the study states that methodology suggested for calculation of total productivity indices cannot be considered as perfect since the concept of total productivity is a difficult one and it is a complicated job to measure the various factors entering into the calculation of total productivity. Factors like education of workers, their social background, etc., which can hardly be measured numerically, also influence total productivity. Further, for calculating total productivity, salaried staff, working capital, etc., have also to be taken into account. Difficulty in the measurement of capital input is indeed great. Because of the difficulties involved, Dr. Beri used an indirect method for measuring capital consumption by taking into account consumption of electric power which was deemed to be proportional to the amount of services of ~~per~~ plant and

*The Indian-Labour Journal, Vol.VIII, No.7,
July 1967, pp. 597-612.

machinery used. Because of the various limitations involved in the measurement of total productivity, indices of total productivity as worked out by a few authors can at best be considered as a very crude estimate of the true values.

Conference of Productivity and Management
Organisations held at New Delhi 24-25 July
1967.

A Conference of Productivity and Management Organisations was convened by the National Productivity Council at New Delhi on 24 and 25 July 1967. Shri Fakhruddin Ali Ahmed, Minister for Industrial Development and Company Affairs, and the President N.P.C. inaugurated the Conference. Among others, the Conference was attended by the Government officials and representatives of All-India Management Association, ATIRA, Ahmedabad, Employers' Federation, Institutes of NITIE, Industrial Engineers, Applied Manpower Research, etc. Shri P.M. Menon, Director of this Office also attended the Conference, and acted as a chairman of one of the sessions on "Areas of overlapping and manner of streamlining activities".

The Conference was divided into four sessions. The subjects of the session were: (i) Activities of individual organisations as part of national economic development; (ii) Areas of overlapping and manner of streamlining activities; (iii) Plans for the future; and (iv) Formulation of the recommendations of the Conference.

The following are among the important decisions taken by the Conference:-

i) A co-ordination Committee would be constituted under the Chairmanship of Prof. M.S. Thacker to suggest methods of effecting closer liaison among organisations with similar objectives and programmes and to develop a system of exchange of information in an effective way.

ii) Advance information about research projects proposed to be undertaken should be circulated to other organisations.

iii) The NPC might reduce its emphasis on training activities and concentrate more on consultancy work. The training activities could be taken up by specialised agencies.

iv) The NPC might divert some of its training activities towards the development of workers and supervisors.

v) In consultancy work there should be greater emphasis on follow up work relating to implementation.

(Documents of the Conference have been sent to Geneva by surface mail as annexures to this Report).

'L' (Documents received in this Office).

36. Wages.

India - July-August 1967.

Central Government accepts Recommendations of Central Wage Board for Iron Ore Mining Industry.

A Resolution dated 3 June 1967 of the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment) states that the Central Wage Board for Iron Ore Mining Industry submitted its final report to Government on 21 February 1967. The Wage Board made recommendations for grant of two interim wage increases. These were accepted by Government and the parties were advised to implement them.

The Board's recommendations are unanimous. After careful consideration, the Government has decided to accept the recommendations of the Board as detailed below and to request the parties to implement them expeditiously.

The Government hopes that joint endeavours will be made by the managements of the Iron Ore Mines and the concerned labour unions to raise the existing level of productivity through technological improvements and better utilisation of the labour force.

Wage Board's Recommendations:

1. Extent of Industry Covered.- Iron ore mining industry will include all activities connected, directly or indirectly, with the mining of iron ore such as prospecting, survey, mining and preparation of ore, ore loading and ore handling, all engineering, mechanical and electrical installations, repairs and maintenance, transportation, stores, laboratory and quality control, medical and sanitation, welfare and education, ~~with~~ watch and ward, etc. It will also include all administrative and record keeping offices in the mining areas and those in the districts within which the mining areas are situated. If beneficiation (washing and screening) sintering and pelletisation plants are also situated in the mining areas, they too will be covered by the iron ore mining industry.

2. Categories of Employees.- (i) Unless otherwise stated, the Board's recommendations should apply to all workmen in the iron ore mining industry, time-rated as well as piece-rated whether employed directly or by or through contractors in raising or handling of iron ore or on work incidental thereto. They should also apply to clerical staff and to all workers doing administrative work, to health, medical, welfare and teaching staff and also to workers like telephone operators, peons, chowkidars, etc. who come within the purview of clause(s) of Sec.2 of Industrial Disputes Act, 1947.

(ii) Board's recommendation should not apply to the following:-

- (a) Those who are temporarily or casually engaged on civil engineering, construction work relating to buildings, roads and expansion;
- (b) Apprentices and learners engaged for training in trades or jobs of skill under the provisions of the Apprentices Act, 1961 or under any specific contract;
- (c) Employees of head offices situated outside the mining areas.

3. Grouping of Mines for Wage Fixation.- With a view to giving facilities of increasing wages in a phased manner to units of the industry wherein existing wages are low, the iron ore mines in the country should be classified into the undermentioned three groups or categories on the basis of the minimum level of wages (total emoluments) existing on 1 April, 1966:-

Group of Mines Mins, wherein total minimum emoluments on 1.4.66 were:

	<u>Per month</u>	<u>Per day</u>
I	Below Rs.91/-	Below Rs.3.50
II	Rs.91/-to Rs.104/-	Rs.3.50 to Rs.4.00
III	Above Rs.104/-	Above Rs.4/-.

4. Minimum Total Emoluments in Various Groups of Mines.- The total minimum emoluments of the lowest paid unskilled workers corresponding to the All India average consumer price index number 166 (1949=100) with effect from 1 January 1967 in the various groups of mines mentioned in clause 3 should be as follows:-

- (a) Rs.104 per month or Rs.4.00 per day in group I mines.
- (b) Rs.117 per month or Rs.4.50 per day in group II mines.
- (c) Rs.130 per month or Rs.5.00 per day in group III mines.

The total emoluments mentioned here and in clauses 3 and 14 include basic wage, dearness allowance, cash value of foodgrain concession, if any, interim wage increases recommended by the Board, mining allowance, house rent allowance, if any, and fuel allowance if paid in cash and not the money value of fuel supplied or the amount paid to the Forest Department to enable the workers to collect fuel in the forest.

5. Split up of Total Minimum Emoluments.- The total minimum emoluments should, in future, consist of basic wage and dearness allowance. When the total minimum emoluments are Rs.130 per month or Rs.5.00 per day the basic wage of the lowest paid unskilled worker should be Rs.75 per month or Rs.3.00 per day, and dearness allowance should be Rs.55 per month or Rs.2.00 per day.

6. Pay Scales for Workers other than Clerks and Teachers.- There should be the undermentioned 12 monthly and daily basic scales of pay for time-rated workers in the industry other than clerks and teachers, subject to the recommendation about phased increase in the basic wage of the first four categories of workers. In column 4 of the statement below are the daily pay scales ~~exercised into~~ converted into monthly on the basis of 26 working days.

(Please see table on the next page)

Sl. No.	Monthly pay scales.	Nearest equivalent daily pay scales (on 26 working days basis).	Daily pay scales converted into monthly on the basis of 26 working days.
(1)	(2)	(3)	(4)
1.	75-2-85 ...	3.00-0.08-3.40	78.00-2.08-88.40
2.	80-2-90 ...	3.20-0.08-3.60	83.20-2.08-93.60
3.	85-2-95-3-110 ...	3.40-0.10-4.40	88.40-2.60-114.40
4.	95-2-105-3-120 ...	3.80-0.10-4.80	98.80-2.60-124.80
5.	110-3-125-4-145 ...	4.35-0.12-4.95- 0.15-5.70	113.10-3.12-128.70- 3.90-148.20
6.	130-5-180 ...	5.10-0.20-7.10	132.60-5.20-184.60
7.	155-6-185-7-229 ...	6.00-0.25-8.50	156.00-6.50-221.00
8.	170-8-210-10-260 ...	6.60-0.35-10.10	171.60-9.10-262.60
9.	215-10-285-15-330 ..	8.30-0.40-10.70- 0.50-12.70	215.80-10.40-278.20- 13.00-330.20
10.	255-10-275-15-395 ..	9.85-0.50-11.35- 0.55-15.20	256.10-13.90-295.10- 14.30-395.20
11.	325-15-475	12.50-0.55-15.25- 0.60-18.25	325.00-14.30-396.50- 15.60-474.50
12.	350-20-450-25-575 ..	13.50-0.80-17.50- 0.90-22.00	351.00-20.80-455.00- 23.40-572.00

7. Dearness Allowance.- The dearness allowance should consist of 2 parts, one of which should vary with variations in the cost of living. The dearness allowance, which is a part of the total emoluments corresponding to the average All India consumer price index number 166 (1949=100) will not be reduced unless the index number goes below 144. The other part of the dearness allowance should rise or fall depending upon the changes in the index number above 166. The following should be the monthly or daily rates of dearness allowance:

Basic wage per month	Dearness allowance per month.	Basic wage per day	Dearness Allowance per day.
(1)	(2)	(3)	(4)
Upto Rs.149/-	Rs.55.00	Upto Rs.5.70	Rs. 2.00
Rs.150-Rs.299	Rs.60.00	Rs.5.71-Rs.11.50	Rs.2.30
Rs.300-Rs.399	Rs.65.00	Rs.11.51-Rs.15.25	Rs.2.50
Rs.400 & above.	Rs.70.00	Above Rs.15.35	Rs.2.75

8. Variable Dearness Allowance.- Variable dearness allowance should be determined in the manner shown below:-

- (1) For every variation of 2 points in the All India-consumer price index number beyond 166(1949=100) the dearness allowance should vary @ Re.1.50 per month for monthly-rated workers and @ Re.0.06 per day for daily-rated workers. There shall be no adjustment for rise or fall of less than 2 points. If, for example, the index number goes upto 186 in one quarter, the workers will be entitled to an increase of Rs.15 in the dearness allowance they are entitled to at the cost of living index number 166; if again it goes from down to 178 in the next quarter, the increase will be Rs.9 in the dearness allowance at 166.
- (2) In mines, wherein workers are supplied foodgrains, etc. at concessional rates, the rise in the cash value of such concession, from 1 January, 1967 onwards, should be adjusted against the variable dearness allowance. The cash value of such concession should be determined by mutual agreement between the parties, failing which, by arbitration.
- (3) There should be no revision in dearness allowance either upward or downward in the first two months from the date of revised wage structure coming into effect, i.e. from 1 January 1967. The first adjustment of variable dearness allowance should therefore come into effect from 1 March 1967 on the basis of average All India Consumer Price Index Number for the quarter ending 31 December 1966, as soon as index numbers for this quarter become available. The revision in future should come into effect from 1 June, 1 September, 1 December and 1 March, on the basis of the average All India consumer price index numbers for the previous quarters ending 31 March, 30 June, 30 September and 31 December respectively, as soon as such average index numbers are available.

9. Dearness Allowance as part of Emoluments.-

The dearness allowance should continue to be treated as part of emoluments for the purpose for which it has been hitherto treated.

10. Phased Increase in Wages.- While the increments in the pay scales and the dearness allowance in the case of first four categories of workers, whose wages have been phased should remain unaffected, their basic wages should be phased on the basis of total emoluments in the three groups of mines mentioned in clause 3 as on 1 April 1966 in the manner shown below:-
(In rupees)

Total minimum emoluments as on 1-4-66.	Cate- gories.	Daily wages from				
		1-1-68	1-1-69	1-1-68	1-1-70	1-1-71
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Below Rs.3.50 per day.	I	2.00	2.25	2.50	2.75	3.00
	II	2.20	2.45	2.70	2.95	3.20
	III	2.40	2.65	2.90	3.15	3.40
	IV	2.80	3.05	3.30	3.55	3.80
Rs.3.50 to Rs.4/-per day.	I	2.50	2.75	3.00	..	..
	II	2.70	2.95	3.20	..	..
	III	2.90	3.15	3.40	..	..
	IV	3.30	3.55	3.80	..	..
Above Rs.4/- per day.	I	3.00	..	..	..	..
	II	3.20	..	..	..	..
	III	3.40	..	..	..	..
	IV	3.80	..	..	..	..

Phasing of wages of similar categories of workers should be effected in respect of monthly-rated workers taking into account the basic wage and the dearness allowance prescribed for them.

11. Standardised Nomenclature.- The parties should take steps, as soon as possible to evolve standardised list of nomenclature in the industry.

12. Categories of workers, other than Clerks.- All the time-rated workers, other than clerks, should be categorised by mutual agreement between the representatives of employers and workers in a mine in view of their present emoluments, nature of duties, responsibilities, experience, etc. and any dispute arising therefrom should be settled by voluntary arbitration or adjudication.

13. Piece Rates.- The following provisions should govern the piece rates and fall-back wages in the industry:-

(i) With effect from 1 January 1967, in no case piece-rated workers should get total wages less than the wages fixed for a minimum paid daily-rated worker. A piece-rated worker should therefore get, with effect from 1 January 1967, a minimum wage of Rs.4, Rs.4.50 and Rs.5 in the groups I, II, III mines, respectively. The piece-rated workers should get the same percentage increase in their piece rated as the minimum paid daily-rated workers of a corresponding category get in their total emoluments under the revised scheme of wages.

(ii) During the period of phasing, the piece-rated workers, corresponding to the first four categories of workers in whose case phasing of wages has been recommended, should be entitled to the same percentage increase in the piece-rated as would be given to the minimum paid daily-rated workers in the total emoluments of those categories with the proviso that their daily emoluments should, in no case, be less than the wages fixed for the minimum paid daily-rated workers in that category ~~worker is~~ including the annual increment. For example, if the minimum wage of category I worker is raised from Rs.78 to Rs.104 per month, i.e. by 33 1/3 per cent the piece-rates of the piece-rated workers of the corresponding category should also be increased by 33 1/3 per cent. for the same work load.

(iii) (a) A minimum fall-back wage should be paid to the piece-rated workers when they are unable to perform their norm of work under circumstances beyond their control such as when sufficient work is not available, when there is any natural impediments on account of which work cannot be carried on.

(b) To be entitled to the fall-back wage, workers should not leave the premises before their shift is over without ~~perior~~ prior permission of management. The daily fall-back wage should be 80 per cent. of the daily wage of a time-rated worker of corresponding category.

(c) The fall-back wage in the case of piece-rated workers corresponding to the first four categories, whose wages have been phased, should also be worked out in similar manner taking phased increased in future years into consideration for calculation of the fall-back wage on 80 per cent. basis.

14. Minimum Total Emoluments of Clerks.- The minimum total emoluments of the lowest paid clerks, with effect from 1 January 1967, should be Rs.175 per month consisting of Rs.120 basic and Rs.55 dearness allowance at the consumer price index number 166 (1949=100).

15. Pay Scales of Clerks.- The following should be the pay scales for three ~~cate~~ grades of clerks, with effect from 1 January 1967:-

Grade	Pay Scales	
III	Rs.120-10-170-12-290	(5+10 years).
II	Rs.190-12-250-15-400	(5+10 years).
I	Rs.300-15-375-20-575	(5+10 years).

Semi-clerical grades.
(in respect of some mines only) Rs.100-7-135-10-185 (5+10years).

Clauses 16 to 21 of the Report deal with dearness allowance for clerks, categorisation of clerical staff, teachers' pay scales, dearness allowance for teachers, wages of apprentices and learners, method of fitment of monthly-rated workers and daily-rated workers.

22. Holidays and Leave Facilities.- The workers in the mines, other than those of HSL, MISCO and NMDC should be allowed the undermentioned holidays and leave facilities, subject to the condition that if in any mine the existing holidays and leave facilities as a whole, are better than those recommended, they should continue.

- (i) Six holidays with full pay which should include the Republic Day and the Independence Day, and
- (ii) 18 days' sick leave with full pay on the basis of existing practice, if any, and where there is none, on the certificate of registered medical practitioner.

23. Gratuity Fund.- The Board has recommended that the Government should consider the possibility of creating a gratuity fund out of a cess to be levied for the purpose. This recommendation will be considered by the Government.

24. New Gratuity Scheme.- The existing gratuity schemes in the iron ore mines should continue unless and until a gratuity fund recommended in clause 23 is created. However, in the units of the industry, where there is no gratuity scheme, at present a beginning should be made by introducing a gratuity scheme providing for the following terms and conditions:-

Events entitling gratuity	Quantum of gratuity
(1) On death or on physical/mental incapacity, whilst in service, which renders the workman unfit for further service.	15 days' basic wages, for each completed year of service, subject to a maximum of 15 months basic wages.
(2) On superannuation at the age of not less than 58 years, after completion of not less than 5 years service.	-Do-
(3) Voluntary retirement or resignation :	
(a) Upto 10 years of service.	Nil
(b) Over 10 years but below 15 years of service.	10 days' basic wages, for each completed year of service, subject to a maximum
(c) Over 15 years of service.	15 days' basic wages for each completed year of service, subject to a maximum of 15 months' basic wages.
(4) On termination of service by the employer:	
(a) Upto 5 years' of service.	Nil.
(b) Over 5 years' of service.	15 days' basic wages for each completed year of service, subject to a maximum of 15 months basic wages.

25. Exemption from the above Gratuity Scheme.-
The mines belonging to HSL and NDMC will not be covered by the above scheme and instead that will be covered by the scheme of gratuity which has been introduced in HSL, mines and which is going to be introduced in NDMC mines on the basis of the gratuity scheme for the public sector undertakings of the Government of India.

26. Option to Convert Grain Concessions, etc. into cash.- The present system of supplying food-grains at concessional rates should continue unless the workers and management desire otherwise and agree to have the value of foodgrain concession as on 1 January 1967 converted into cash. In that case from the said date onwards the workers would be entitled to full quantum of variable dearness allowance as recommended by the Board.

27. Permanency of Workers.- The Board has recommended that all persons with six months' continuous service should be given facilities which are normally available to permanent workers. The Board has added that the break in service caused due to the stoppage of mining work in the rainy season, or by other reasons, on which the workers have no control, should be waived and this period of absence should count in the calculation of continuous service and that such workers return to work, they should be given preference over the new workers. As classification of workmen, e.g. permanent, temporary, etc. is one of the matters to be provided for in the Standing Orders of establishments covered by the Industrial Employment (Standing Orders) Act, 1946, the above recommendation of the Board will apply only to those establishments which have no Standing Orders.

28. Contract Labour.- The Wage Board has recommended that there should be no discrimination between contract workers and regular workers in the matter of wages. This recommendation is accepted by the Government. The Board has also recommended that early steps should be taken to abolish contract system of labour in terms of the Supreme Court decision and the tripartite decision on this subject and that in particular, it should be the responsibility of the principal employer, wherever contract labour is continued, to see that all labour laws applicable are implemented. This matter is already being pursued by the Government who propose to undertake a general legislation on the subject of contract labour; no separate decision on this recommendation is called for.

29. Existing Earnings and Benefits.- The recommendations mentioned in the above clauses are without prejudice to the existing higher earnings, amenities, benefits, etc. which are at present available to the workers.

30. Period of Enforcement.- The above recommendations are for a period of 5 years taking effect from 1 January 1967 and remaining in force till 31 December 1971 in respect of all categories of workers ~~of~~ to which the above recommendations would apply.

31. Wages for purposes of Production/Incentive Bonus Schemes.- The bonus earnings of the workers under the production/incentive bonus schemes, which are at present in operation in some mines will continue to be determined on the same basic wages in each case as were applicable prior to coming into force of this Board's recommendations till such time as in view of the changed circumstances, the production/incentive bonus schemes are not modified.

32. Prices of Iron Ore offered by MMTC.- The Board has recommended that since for the purpose of iron ore export, the MMTC has a monopoly, Government should consider the advisability of devising a suitable machinery to look into the question of fixing reasonable prices for the iron ore. This matter will have to be considered by the Government as a matter of policy and overall consideration of the country.

33. Machinery for interpretation.- If there are any differences about the interpretation of the Board's recommendations, they should be settled in a bipartite meeting consisting of the representatives of employers and workers in the concerned unit. If no settlement is reached therein, the dispute should be settled either by conciliation or arbitration or adjudication as provided under the Industrial Disputes Act, 1947 and the Code of Discipline.

(The Gazette of India, Extraordinary,
Part I, Sec.1, 7 June 1967,
pp. 229-238).

Central Government accepts Recommendations
of Central Wage Board for Limestone and
Dolomite Mining Industries.

A Resolution dated 3 June 1967 of the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment) states that the Central Wage Board for Limestone and Dolomite Mining Industries submitted its final report to Government on 21 February 1967. The Wage Board made recommendations for grant of two interim wage increases. These were accepted by Government and the parties were advised to implement them.

The Board's recommendations are unanimous. After careful consideration, the Government has decided to accept the recommendations as detailed below and to request the parties to implement them expeditiously.

The Government hope that joint endeavours will be made by the managements of the Limestone and Dolomite Mines and the concerned labour unions to raise the existing level of productivity through technological improvements and better utilisation of the labour force.

Wage Board's Recommendations:

1. Extent of Industry Covered.- Limestone/Dolomite mining industry will include all activities connected, directly or indirectly, with the mining of these minerals such as prospecting, survey, mining and preparation of these minerals, loading and unloading and their otherwise handling, all engineering, mechanical or clerical installations repairs and maintenance and transportation, stores, laboratory and quality control, medical and sanitation, welfare and education, watch and ward, etc. They will also include all administrative offices in the mining areas and those in the districts within which the mining areas are situated. Limestone mining will also cover all captive kilns if the owner of the kiln and the quarry from which the lime is being obtained for burning into the kilns is the same person and it is situated in the limestone mining area, i.e. within a radius of 10 kms. from the furthest limestone mine or quarry in the limestone mining centre.

The limestone mining industry will not include the following:

- (i) All limestone mines and quarries covered by the recommendations of the First Cement Wage Board and kilns connected therewith;
- (ii) Shahabad Stone Quarries and Shahabad (Gulbargah district) and stone quarries of the Associated Industries(Kotah)Ltd., Ramganjmundi;
- (iii) Lime kankar quarries and calcite mines.

2. Categories of Employees.- (i) Unless otherwise stated, the Board's recommendations should apply to all workmen in the industry, time-rated as well as piece-rated, whether employed directly or by or through contractors in raising or handling of limestone and dolomite or on work incidental thereto.

They should also apply to clerical staff and to all workers doing administrative work, to health, medical, welfare and teaching staff and also to workers like telephone operators, peons, chowkidars, etc. who come within the purview of clause (s) of section 2 of Industrial Disputes Act, 1947.

(ii) Board's recommendations should not apply to the following:-

- (a) Those who are temporarily or casually engaged on civil engineering, construction work relating to building, roads and expansion;
- (b) Apprentices and learners engaged for training in trades or jobs of skill under the provisions of the Apprentices Act,1961 or under any specific contract;
- (c) Employees of head offices situated outside the mining areas.

3. Grouping of Mines for Wage Function.- With a view to giving facility of increasing wages in a phased manner to units of the industry wherein existing wages are low, the limestone and dolomite mines in the country should be classified into the undermentioned three groups or categories on the basis of the minimum level of wages-(total emoluments) existing on 1 April 1966:

Group of Mines/quarries wherein total minimum emoluments on
Mines. 1 April 1966 were :

	<u>Per month</u>	<u>Per day</u>
I ...	Below Rs.91	Below Rs.3.50.
II ...	Rs.91 to Rs.104	Rs.3.50 to Rs.4.
III ...	Above Rs.104	Above Rs.4.

4. Minimum Total Emoluments in Various Groups of Mines/Quarries.- The total minimum emoluments of the lowest paid un-skilled workers corresponding to the All India average consumer price index number 1966 (1949=100) with effect from 1 January 1967 in the various groups of mines/quarries mentioned in clause 3 should be as follows:-

- (a) Rs.104 per month or Rs.4.00 per day in Group I mines/quarries;
- (b) Rs.117/- per month or Rs.4.50 per day in Group II mines/quarries;
- (c) Rs.130/- per month or Rs.5/- per day in Group III mines/quarries.

The total emoluments mentioned here and in clauses 3 and 13, include basic wage, dearness allowance, cash value of food grain concession, if any, interim wage increases recommended by the Board, mining allowance, house rent allowance, if any, and fuel allowance if paid in cash and not the money value of fuel supplied or the amount paid to the Forest Department to enable the workers to collect fuel in the forest.

5. Split up of Total Minimum Emoluments.- The total minimum emoluments should, in future, consist of basic wage and dearness allowance. When the total minimum emoluments are Rs.130/- per month or Rs.5/- per day, the basic wage of the lowest paid unskilled worker should be Rs.75/- per month or Rs.3/- per day, and dearness allowance should be Rs.55/- per month or Rs.2/- per day.

6. Pay Scales for Workers other than Clerks and Teachers.- There should be the undermentioned 12 monthly and daily basic scales of pay for time-rated workers in the industry other than clerks and teachers, subject to the recommendations about phased increase in the basic wage of the first four categories of workers. In column 4 of the statement below are the daily pay scales converted into monthly on the basis of 26 working days.

(In Rupees)

Sl. No.	Monthly Pay Scales.	Nearest equivalent daily pay scales (on 26 working days' basis).	Daily pay scales converted into monthly on the basis of 26 working days.
(1)	(2)	(3)	(4)
1.	75-2-85	3.00-0.08-3.40	78.00-2.08-88.40
2.	80-2-90	3.20-0.08-3.60	83.20-2.08-93.60
3.	85-2-95-3-110	3.40-0.10-4.40	88.40-2.60-114.40
4.	95-2-105-3-120	3.80-0.10-4.80	98.80-2.60-124.80
5.	110-3-125-4-145	4.35-0.12-4.95- 0.15-5.70	113.10-3.12-128.70- 3.00-148.20
6.	130-5-180	5.10-0.80-7.10	132.60-5.20-184.60
7.	155-6-185-7-220	6.00-0.25-8.50	156.00-6.50-221.00
8.	170-8-210-10-260	6.60-0.35-10.10	171.60-9.10-262.60
9.	215-10-285-15-330	8.30-0.40-10.70- 0.50-12.70	215.80-10.40-278.20- 13.00-330.20
10.	225-10-275-15-395	9.85-0.50-11.35- 0.55-15.20	256.10-13.00-295.10- 14.30-395.20
11.	325-15-475	12.50-0.55-15.25- 0.60-18.25	325.00-14.30-396.50- 15.60-474.50
12.	350-20-450-25-575	13.50-0.80-10.50- 0.90-22.00	351.00-20.80-455.00- 23.40-572.00

7. The dearness allowance should consist of two parts, one of which should vary with variations in the cost of living. The dearness allowance which is a part of the total emoluments corresponding to the average All India consumer price index number 166(1949=100), will not be reduced unless the index number goes below 144. The other part of the dearness allowance should rise or fall depending upon the changes in the index number above 166. The following should be the monthly or daily rates of dearness allowance:

Basic wage per month.	Dearness Allowance per month.	Basic wage per month	Dearness Allowance, per day.
(1)	(2)	(3)	(4)
	Rs.	Rs.	Rs.
Up to Rs.149	55.00	Upto 5.70	2.00
150-299	60.00	5.71-11.50	2.30
300-399	65.00	11.51-15.35	2.50
400 and above.	70.00	Above 15.35	2.75

8. Variable Dearness Allowance.-Variable dearness allowance should be determined in the manner shown below:-

- (1) For every variation of 2 points in the All India consumer price index beyond 166 (1949=100) the dearness allowance should vary @ Re.1.50 per month for monthly-rated workers and Re.0.06 per day for daily-rated workers. There shall be no adjustment for rise or fall of less than 2 points. If, for example, the index number goes upto 186 in one quarter, the workers will be entitled to an increase of Rs.15/- in the dearness allowance they are entitled to an increase of at the cost of living index number 166; if again it goes down to 178 in the next quarter, the increase will be Rs.9/- in the dearness allowance at 166.
- (2) In mines and quarries, wherein workers are supplied goodgrains, etc. at concessional rates, the rise in the cash value of such concession from 1 January 1967 onwards, should be adjusted against the variable dearness allowance. The cash value of such concession should be determined by mutual agreement between the parties, failing which, by arbitration.
- (3) There should be no revision in dearness allowance either upward or downward in the first two months from the date of revised wage structure coming into effect, i.e. from 1 January 1967. The first adjustment of variable dearness allowance should therefore come into effect from 1 March 1967 on the basis of average All India consumer price index number for the quarter ending 31 December 1966, as soon as index numbers for this quarter become available. The revision in future should come into effect from 1 June, 1 September, 1 December and 1 March, on the basis of the average All India consumer price index numbers for the previous quarters ending 31 March, 30 June, 30 September and 31 December, respectively, as soon as such average index numbers are available.

9. Phased increase in Wages.— While the increments in the pay scales and the dearness allowance in the case of first four categories of workers, whose wages have been phased should remain unaffected, their basic wages should be phased on the basis of total emoluments in the three groups of mines mentioned in Clause 3 as on 1 April 1966 in the manner shown below:—

Total minimum emoluments as on 1-4-66.	Categories.	Daily Wages from				
		1-1-67	1-1-68	1-1-69	1-1-70	1-1-71
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Below Rs.3.50 per day.	I	2.00	2.25	2.50	2.75	3.00
	II	2.20	2.45	2.70	2.95	3.20
	III	2.40	2.65	2.90	3.15	3.40
	IV	2.80	3.05	3.30	3.55	3.80
Rs.3.50 to Rs.4/- per day.	I	2.50	2.75	3.00	..	..
	II	2.70	2.95	3.20	..	..
	III	2.90	3.15	3.40	..	..
	IV	3.30	3.55	3.80	..	..
Above Rs.4/- per day.	I	3.00	..	..	..	..
	II	3.20	..	..	..	..
	III	3.40	..	..	..	..
	IV	3.80	..	..	..	..

Phasing of wages of similar categories of workers should be effected likewise in respect of monthly-rated workers taking into account the basic wage and the dearness allowance prescribed for them.

10. Standardised Nomenclature.- The parties should take steps, as soon as possible to evolve standardised list of nomenclature in the industry.

11. Categorisation of Workers, other than Clerks.- All the time-rated workers, other than clerks, should be categorised by mutual agreement between the representatives of employers and workers in a mine in view of their present emoluments, nature of duties, responsibilities, experience etc. and any dispute arising therefrom should be settled by voluntary arbitration or adjudication.

12. Piece Rates.- The following provisions should govern the piece-rates and fall-back wages in the industry:-

- (i) With effect from 1 January 1967, in no case piece-rated workers should get total wages less than the wages fixed for a minimum paid daily-rated worker. A piece-rated worker should therefore get, with effect from 1 January 1967, a minimum wage of Rs.4/-, Rs.4.50 and Rs.5/- in the groups I, II, III mines, respectively. The piece-rated workers should get the same percentage increase in their piece rates as the minimum paid daily-rated workers of a corresponding category get in their total emoluments under the revised scheme of wages.

(ii) During the period of phasing, the piece-rated workers, corresponding to the first four categories of workers in whose case phasing of wages has been recommended, should be entitled to the same percentage increase in the piece rates as would be given to the minimum paid daily-rated workers in the total emoluments of those categories with the proviso that their daily emoluments should, in no case, be less than the wages fixed for the minimum paid daily-rated workers in that category including the annual increment. For example, if the minimum wage of category I worker is raised from Rs.78/- to Rs.104/- per month, i.e. by 33.1/3 per cent the piece rates of the piece-rated workers of the corresponding category should also be increased by 33.1/3 per cent for the same work load.

(iii)(a) A minimum fall-back wage should be paid to the piece-rated workers when they are unable to perform their norm of work under circumstances beyond their control such as when sufficient work is not available, when there is any natural impediments on account of which work cannot be carried on.

(b) To be entitled to the fall-back wage, workers should not leave the premises before their shift is over without prior permission of management. The daily fall-back wage should be 80 per cent. of the daily wage of a time-rated worker of corresponding category.

(c) The fall-back wage in the case of piece-rated workers corresponding to the first four categories, whose wages have been phased, should also be worked out in similar manner taking phased increase in future years into consideration for calculation of the fall-back wage on 80 per cent. basis.

13. Minimum Total Emoluments of Clerks.- The minimum total emoluments of the lowest paid clerks, with effect from 1 January 1967, should be Rs.175/- per month consisting of Rs.120/- basic and Rs.55/- dearness allowance at the consumer price index number 166 (1949=100).

14. Pay Scales of Clerks.- The following should be the pay scales for three grades of clerks, with effect from 1 January 1967:-

<u>Grade</u>	<u>Pay Scales</u>	
III ..	Rs.120-10-170-12-290	(5+10 years)
II ..	Rs.190-12-250-15-400	(5+10 years)
I ..	Rs.300-15-375-20-575	(5+10 years)

Semi-clerical grade

(in respect of some mines only)

Rs.100-7-135-10-185 (5+5 years).

Clauses 15 to 20 of the report deals with dearness allowance for clerks, categorisation of clerical staff, teachers' pay-scales, dearness allowance for teachers, wages of apprentices and learners, and method of fitment into new pay-scales of monthly-rated workers and daily-rated workers.

21. Holidays and leave facilities.-The workers in the mines, other than those of HSL, MISL should be allowed the undermentioned holidays and leave facilities, subject to the condition that if in any mine the existing holidays and leave facilities as a whole, are better than those recommended, they should continue.

- (i) Six holidays with full pay which should include the Republic Day and the Independence Day.
- (ii) 18 days sick leave with full pay on the basis of existing practice, if any, and where there is none, on the certificate of registered medical practitioner.

22. Gratuity Fund.- The Board has recommended that the Government should consider the possibility of creating a gratuity fund out of a cess to be levied for the purpose. This recommendation will be considered by the Government.

23. New Gratuity Scheme.- The existing gratuity schemes in the limestone/dolomite mines/quarries should continue unless and until a gratuity fund recommended in clause 22 is created. However, in the units of the industry, where there is no gratuity scheme at present a beginning should be made by introducing a gratuity scheme providing for the following terms and conditions:-

Events entitling gratuity.

Quantum of gratuity.

- (1) On death or on physical/mental incapacity, whilst in service, which renders the workman unfit for further service. 15 days' basic wages for each completed year of service, subject to a maximum of 15 months basic wages.
- (2) On Superannuation at the age of not less than 58 years, after completion of not less than 5 years' service. -Do-
- (3) Voluntary retirement or resignation:-
 - (a) Upto 10 years of service. Nil.
 - (b) Over 10 years but below 15 years of service. 10 days' basic wages, for each completed year of service.
 - (c) Over 15 years of service. 15 days' basic wages for each completed year of service, subject to a maximum of 15 months' basic wages.
- (4) On termination of service by the employers:
 - (a) Upto 5 years' service. Nil.
 - (b) Over 5 years' service. 15 days' basic wages for each completed year of service, subject to a maximum of 15 months' basic wages.

24. Option to convert grain concessions, etc. into cash.- The present system of supplying food-grains at concessional rates should continue unless the workers and management desire otherwise and agree to have the value of foodgrain concession as on 1 January 1967 converted into cash. In that case from the said date onwards the workers would be entitled to full quantum of variable dearness allowance as recommended by the Board.

25. Permanency of Workers.- The Board has recommended that all persons with six months' continuous service should be given facilities which are normally available to permanent workers. The Board has added that the break in service caused due to the stoppage of mining work in the rainy season, or by other reasons, on which the workers have no control, should be waived and this period of absence should count in the calculation of continuous service, and that when such workers return to work, they should be given preference over the new workers.

As classification of workmen, e.g. permanent, temporary, etc., is one of the matters to be provided for in the Standing Orders of Establishments covered by the Industrial Employment (Standing Orders) Act, 1946, the above recommendation of the Board will apply only to these establishments which have no Standing Orders.

26. Contract Labour.- The Wage Board has recommended that there should be no discrimination between contract workers and regular workers in the matter of wages. This recommendation is accepted by the Government. The Board has also recommended that early steps should be taken to abolish contract system of labour in terms of the Supreme Court decision and the tripartite decision on this subject and that in particular, it should be the responsibility of the principal employer, wherever contract labour is continued, to see that all labour laws ~~applicable~~ applicable are implemented. This matter is already being pursued by the Government who propose to undertake a general legislation on the subject of contract labour; no separate decision on this recommendation is called for.

27. Existing Earnings and Benefits.- The recommendations mentioned to the above clauses are without prejudice to the existing higher earnings, amenities, benefits, etc. which are at present available to the workers.

28. Period of Enforcement.- The above recommendations are for a period of 5 years taking effect from 1 January 1967 and remaining in force till 31 December 1971 in respect of all categories of workers to which the above recommendations would apply.

29. Wages for purpose of Production/Incentive Bonus Schemes.- The bonus earnings of the workers under the production/incentive bonus schemes, which are at present in operation in some mines/quarries will continue to be determined on the same basic wage in each case as was applicable prior to coming into force of this Board's recommendations till such time as in view of the changed circumstances, the production/incentive bonus schemes are not modified, ~~changed~~

30. Machinery for interpretation.- If there are any differences about the interpretation of the Board's recommendations, they should be settled in a bipartite meeting consisting of the representatives of employers and workers in the concerned unit. If no settlement is reached therein, the dispute should be settled either by conciliation or arbitration or adjudication as provided under the Industrial Disputes Act, 1947, and the Code of Discipline.

(The Gazette of India, Extraordinary,
Part I, Sec.1, 7 June 1967, pp.239-248).

Central Government accepts Recommendations of Central Wage Board for Coal Mining Industry.

A Resolution dated 21 July 1967 of the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment) states that the Central Wage Board for the Coal Mining Industry submitted its final report to the Government on 13 February 1967.

The Wage Board had already made recommendations for grant of two interim wage increases. These were accepted by the Government and the parties were advised to implement them.

The Government has ~~an~~ carefully considered the Board's Report and decided that the recommendations in respect of the following matters should be accepted:-

- (a) Minimum Wage;
- (b) Dearness Allowance;
- (c) Wage structure of the time-rated and piece-rated workers except reduction of work-loads in the case of loaders in Madhya Pradesh and Orissa;
- (d) Pay scale of clerical, technical and supervisory staff;
- (e) Coal Mines Bonus Scheme, with the retention of the existing condition relating to minimum attendance;
- (f) Allowances mentioned in Chapter XII of the Report other than underground allowance;
- (g) Underground allowance without the provision for annual increase of 1 per cent. recommended by the Wage Board;
- (h) Sick leave without the provision for accumulation;
- (i) Paid festival holidays;
- (j) Leave without pay;
- (k) Quarantine Leave;
- (l) Paid leave for T.B., Cancer and injury leave; and
- (m) Railway fares.

The above recommendations, as accepted by the Government will be brought inot operation with effect from 15 August 1967.

The Board's recommendation regarding introduction of a gratuity scheme will be examined by the Government and decision taken thereon in due course.

In view of Government's recent decision to decontrol coal prices, it has been represented that it will take some time for employers to make the necessary readjustments to enable them to implement the recommendations. Employers and workers have generally agreed to enter into bipartite talks in this connection regarding the phasing of the disbursement of additional benefits in the initial period, wherever employers may have such difficulties. Government would ~~commend~~ commend the holding of such talks between the parties with a view to arriving at mutually acceptable arrangements.

Board's Recommendations.— The Neyveli Lignite Corporation was excluded from the scope of the reference to the Board by Government's decision dated 18 December 1962.

The reference would cover all employees in the coal mining industry who fall within the definition of the term 'workmen' in Section 2(s) of the Industrial Disputes Act, 1947 (Act XIV of 1947), including miners and other sirdars.

Minimum Wage.— The Board is of the opinion that the minimum wage of category I surface worker of Rs.5 per day at All India Average Working Class Consumer Price Index Number 166 (Base 1949=100) would be fair and reasonable. Inclusive of bonus payment at the rate of 10 per cent. of basic pay pro-rata on attendance, the lowest paid category I surface worker will be entitled to Rs.5.50 per day or Rs.143 per month (Paras 24 and 25). Shri Worah, however, had his reservations on payment of bonus pro-rata on attendance.

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Scheme for Dearness Allowance.— "For every point rise over the Index Number 166, to which the Board's wage structure is linked, the dearness allowance shall be 3 paise per day. The method of calculation of the Index shall be on the basis of the average of six months; i.e., from January to June and July to December, in each year and the adjustments will be made on 1 October and 1 April each year respectively as at present. If there are fractions in the average the next higher integer will be taken."

The Board has made it clear that if there is a fall in the average cost of living Index Number for any period of six months from the average Index Number for the previous period of six months, the dearness allowance will be reduced to the extent of such fall at the rate of 3 paise per point per day, but not if the Index Number falls below 166.

Wage Structure: A. Time-rated Categories.- The existing ten categories should be compressed into six categories, as shown in Appendix V of the Report.

The following are the scales of pay for the six daily rated categories at All India Average Working Class Consumer Price Index Number 196 (Base 1949=100).

Categories.	Daily wage Minimum.	Increment.	Daily Wage Period Maximum.	Period	Attendance Bonus.
I. ..	5.00	0.10	6.00	10 years	+ 10 %
II. ..	5.35	0.12	6.55	10 years	+ 10 %
III. ..	5.90	0.15	7.40	10 years	+ 10 %
IV. ..	6.90	0.20	8.90	10 years	+ 10 %
V. ..	7.95	0.28	10.75	10 years	+ 10 %
VI. ..	10.90	0.40	14.90	10 years	+ 10 %

B. Collieries of the National Coal Development Corporation including categorisation of the Excavation Section, Deep Shaft and Mechanised Mines.- Monthly paid staff of the National Coal Development Corporation who are at present governed by the Central Pay Commission scales of pay, Railway Rules, Corporation Rules or by other rules should be allowed to opt for the scales of pay and other service conditions recommended by the Board for similar monthly rated staff in the private sector collieries. Such option shall be exercised within 12 months from the date the recommendations of the Board come into effect and the option once exercised shall be final and binding.

The Board recommends the following scales of pay for workmen of the excavation section:-

- Category E - Rs.6.75-0.20-9.75
- Category D - Rs.10.75-0.40-14.75
- Category C - Rs.12.00-0.60-18.00
- Category B - Rs.13.50-0.70-20.50
- Category A - Rs.16.00-0.90-25.00

New appointees in category 'F' should be given the scales of the clerical grade III, with option to the existing employees to continue in category V daily scale or to opt for the monthly scale. Job descriptions for these categories given in the Award in Reference No.57 of 1959, should stand. Operators of shovel/drag lines of 10 cubic yard capacity and above or dumpers of 45 tonne capacity and above should be given 25 per cent. higher wages than what they draw in their present categories.

Piece-rated Workers.- The Board has classified the piece-rated workers into 5 groups.

For these 5 groups, the Board recommends the following wage structure with its fall-back wage (minimum guaranteed wage) for each group, as shown below at the All India Average Working Class Consumer Price Index-Number 166(Base 1949=100):-

	<u>Basic Wage</u>	<u>Fall-Back Wage</u>
	<u>Rs.</u>	<u>Rs.</u>
Group I	5.25	5.00
Group II	5.40	5.00
Group III	5.90	5.25
Group IV	6.00	6.00
Group V	6.75	6.00

Work loads have been prescribed for pick miner, machine loader, Quarry pick miner, Quarry miner, Drill coal miner, Quarry loader and Wagon loader.

Different scales of pay for the clerical staff who have been classified under four groups and for technical and supervisory staff classified under eight grades, have been prescribed.

The following are the scales of pay for clerical staff at the All India Average Working Class Consumer Price Index Number 166(Base 1949=100).

- Group III - Rs.180-5-230-7-265 Plus 10% attendance bonus.
- Group II - Rs.205-7-275-10-325 Plus 10% attendance bonus.
- Group I - Rs.245-10-325-15-385 Plus 10% attendance bonus.
- Special Grade - Rs.305-15-425-20-505 Plus 10% attendance bonus.

The Board has decided that the Technical and Supervisory staff should be divided into eight grades (A to H) and recommended the following pay scales at the All India Average Working Class Consumer Price Index Number 166(Base 1949=100):-

- Grade A - Rs.405-20-605-25-730
- Grade B - Rs.305-15-395-20-575
- Grade C - Rs.245-10-305-15-440
- Grade D - Rs.205-7-247-10-337
- Grade E - Rs.180-5-210-7-273
- Grade F - Rs.165-4-205-5-230
- Grade G - Rs.146-3-176-4-184
- Grade H - Rs.140-3-170-4-178.

Outlying Coalfields: Andhra Pradesh.- Coal cutters in this field should be placed in new category -IV.

Subject to the broad agreements (reached between the representatives of the management of Singareni Collieries and the representatives of the Unions) the wage structure and the proposed categorisation for Bengal and Bihar should be made applicable to the Singareni Collieries Co.Ltd., with necessary modifications and changes, occasioned by the special condition.

Madhya Pradesh, Orissa and Maharashtra.- Categorisation proposed by the Board for Bengal and Bihar should be adopted in the outlying coalfields of Madhya Pradesh, Maharashtra and Orissa. In the case of specific categories not mentioned in the categorisation proposed by the Board the managements and the unions concerned should at local level, by agreement, fit in such workers in the appropriate categories on the basis of their present emoluments, skill involved and other relevant factors. Workers employed in the private power stations and railways should also be fitted in the proposed categorisation recommended by the Board.

Assam.- The existing separate categorisation of surface and underground workers will be replaced by one categorisation for both surface and underground workers and the differential between surface and underground workmen, will be maintained by a separate underground allowance as in the rest of the country. All time rated daily paid workers shall be placed in six categories as shown in Appendix VA with the following basic consolidated scales of pay at All-India Working Class Consumer Price Index Number 166 (Base 1949=100).

Categories.	Daily-wage Minimum.	Daily-wage Increment.	Daily-wage Maximum.	Period of scale.	Attendance and deferred bonus.
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I	...	Rs. 5.75	Rs. 0.11	Rs. 6.85	10 years.	Plus 10%
II	...	Rs. 6.15	Rs. 0.14	Rs. 7.55	10 years.	Plus 10%
III	...	Rs. 6.80	Rs. 0.18	Rs. 8.60	10 years.	Plus 10%
IV	...	Rs. 7.95	Rs. 0.23	Rs. 10.25	10 years.	Plus 10%
V	...	Rs. 9.15	Rs. 0.32	Rs. 12.35	10 years.	Plus 10%
VI.	...	Rs. 12.25	Rs. 0.46	Rs. 17.15	10 years.	Plus 10%

Clerical Staff.- Basic consolidated scales of pay at All India Working Class Consumer Price Index Number 166(Base 1949=100).

- Clerical Grade III - Rs.205-6-265-8-305
(15 years) Plus 10% attendance bonus and deferred bonus.
- Clerical Grade II - Rs.235-8-315-12-375
(15 years) plus 10% attendance bonus and deferred bonus.
- Clerical Grade I - Rs.280-12-376-16-440
(12 years) plus 10% attendance bonus and deferred bonus.
- Special Grade - Rs.350-16-430-20-570 (12 years)
plus 10% attendance ~~allowance~~ bonus and deferred bonus.

Technical and Supervisory Staff.- Scales of pay at cost of living at All India Working Class Consumer Price Index Number 166 (Base 1949=100).

- Grade A - Rs.475-20-575-25-825 (15 years)
Plus ~~atte~~ 10% attendance and deferred bonus.
- Grade B - Rs.350-16-430-20-630 (15 years)
Plus 10% attendance and deferred bonus.
- Grade C - Rs. 280-12-340-16-500 (15 years)
Plus 10% attendance and deferred bonus.
- Grade D - Rs.235-8-275-12-395 (15 years)
Plus 10% attendance and deferred bonus.
- Grade E - Rs.205-6-235-8-315 (15 years)
Plus 10% attendance and deferred bonus.
- Grade F - Rs.190-5-215-6-275 (15 years)
Plus 10% attendance and deferred bonus.
- Grade G - Rs.166-4-206-5-216 (12 years)
Plus 10% attendance and deferred bonus.
- Grade H - Rs.160-4-200-5-210 (12 years)
Plus 10% attendance and deferred bonus.

The categorisation and grades will be the same as the ones recommended for the rest of the country. In the case of categories not covered or any other difficulty in categorisation the matter should be settled by mutual negotiation failing which by arbitration or adjudication.

Coal Mines Bonus Scheme-1948.- The provisions in Para 8 of the Scheme relating to forfeiture of bonus because of participation in an illegal strike, should be removed.

Bonus should become a definite part of the wage of the worker and it should no longer be conditional on a minimum attendance qualification.

The Board recommends that the Bonus should be paid quarterly as hitherto, but pro-rata on attendance. Shri Worah, however disagreed with the recommendation for payment on pro-rata attendance.

Bonus should be calculated at 10 per cent. of the new consolidated basic wage and the same should be paid quarterly pro-rata on attendance to all employees who are covered by the Board's recommendations and whose new basic pay does not exceed Rs.730 per month.

Underground Allowance.— Underground allowance shall be paid to all these who are entitled to receive it at present at the rate of 5 per cent. of the new consolidated pay with a maximum of Rs.25 per month. This allowance shall be increased by 1 per cent. with a corresponding increase of Rs.5 per month in the maximum after every twelve months from the date the recommendations of the Board come into effect until it reached the rate of 10 per cent. of the basic pay, with a maximum ~~of~~ limit of Rs.50.

~~Diff~~ Different allowances have been prescribed for tip pushing, stacking and ~~loading~~ reloading, overtime for persons holding positions of supervision and management and doing confidential work, officiating acting allowance, water seepage/bailing allowance, dressing allowance, ~~the~~ thin seam allowance, first-aid allowance, surplus allowance, bad ventilation allowance, night shift allowance, etc.

Leave and Railway Fare.— The Board makes the following recommendations:—

Leave.— Privilege leave or annual leave with wages (Majority recommendation):—

- (a) A workman employed underground in a coal mine shall be entitled to annual leave with wages at the rate of one day for every twelve days of work performed by him;
- (b) A workman who is employed otherwise than as stated in (a) above shall be entitled to annual leave with wages at the rate of one day for every sixteen days of work performed by him.

Casual Leave.— Five days paid casual leave in the year with liberty to prefix or suffix casual leave to Sundays, weekly rest days or paid festival holidays should be granted to workmen. (This is a majority recommendations Shri Worah dissenting).

Sick Leave.- All workmen shall be entitled to 15 days sick leave ~~with~~ in the year on full pay or 30 days in the year on half pay with a right to the workmen to accumulate sick leave for a period of 60 days and 120 days respectively, in the entire period of service. (Majority recommendation one member dissenting).

Paid Festival Holidays.- The existing provision for seven paid festival holidays in the year is adequate and should continue. If, however, any unit is granting more than seven paid festival holidays, it shall be continued.

Leave without pay.- One month's leave without pay in the year should be granted.

Quarantine Leave.- The provision of the Model Standing Orders shall stand.

Païd leave for T.B., Cancer, Leprosy, Mental Disease, Paralysis and Occupational Diseases like Pneumoconeosis, Sillicosis, etc.- Special leave with pay on medical certificate for atleast six months in the first instance should be granted and paid by the Coal Mines Welfare Fund. If within a period of six months it is found that the disease is curable, longer leave should be granted depending on the circumstances of each case.

Injury Leave.- The question of extending the applicability of Rules 83 and 83A of the Fundamental Rules to the Coal Industry should be gone into by the Industrial Committee on Coal Mining.

Railway Fare.- The condition of three months' uninterrupted service on return from leave should be rescinded and all workmen should be paid return railway fare within a week of their being allowed to resume duty on return from leave.

Railway Fare concessions should be allowed to be accumulated for a period of two years. The members representing the industry do not agree with this recommendation.

Railway Fares should include boat fare wherever payable.

The Class by which the workmen shall be entitled to travel will be as follows:-

- If the workman's basic wage is Rs.165/- or less per month - III class.
- If the workman's basic wage is above Rs.165/- and upto Rs.265/- - II Class.
- If the workman's basic wage is Rs.265/- per month - I class.

House Rent Allowance.-Section 5.- House rent allowance of Rs.8 per month should be paid from 1 January 1967 to all workmen who are not provided with free housing. Those who are offered accommodation and do not avail themselves of the offer, will not be entitled to payment of the house rent allowance. The three employers' representatives on the Board do not agree with this recommendation.

No house rent should be charged to workers who are provided with housing accommodation.

Alternative light Employment for Disabled Workmen - Section 7.- Government should look into the matter and formulate a proper scheme to ensure that every disabled workman who is capable of performing lighter work is provided with such alternative employment.

Free Fuel - Section 9.- Free fuel should be supplied to all workmen in the coal industry. Where such practice does not exist it should be introduced and where free fuel is being supplied, the existing practice, quantity and manner of supply should be continued.

(The Gazette of India, Extraordinary,
Part I, Sec.1, 25 July 1967,
pp. 375-392).

Annual Report of the Coal Mines Bonus Schemes
for the Year 1965*.

A summary of the Annual Report for the year 1965 of the Coal Mines Bonus Schemes has been published in the June 1967 issue of the Indian Labour Journal.

Among other things, the Act provides for the payment of quarterly bonus equal to one-third of the basic earnings in the quarter provided certain conditions relating to minimum attendance, etc., are fulfilled. The Bonus Schemes were enforced in various States and in the year 1965 they were in operation in Andhra Pradesh, Assam, Bihar, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, and West Bengal. The Schemes were applicable to those employees in coal mines, whose basic earnings did not exceed Rs.300 per month but they did not apply to persons employed (i) as malis, sweepers, or domestic servants, (ii) in a coal mine belonging to or under the control of the National Coal Development Corporation Ltd., on monthly rates of pay and under conditions of service which for the time being are similar to those obtaining in Railway establishments or under conditions of service which entitle them to pension under the Civil Rules, and (iii) as labourers of a contractor for building, brick making or tile making. The administration of the Schemes has been the responsibility of the Chief Labour Commissioner's Organisation since August 1952.

Out of the 822 collieries, the average number of quarterly bonus returns received during the year was 650 and out of the average number of 563,179 workers employed during the year in collieries submitting returns 358,873 (i.e. 63.72 per cent.) qualified for bonus, as against 421,495 and 354,955 (i.e. 84.2 per cent.) respectively during the previous year. The average number of workers who were paid bonus was 327,818 as against 324,372 during the previous year. The total amount of bonus paid to the workers during the year was Rs.64,744,916 as against Rs.62,895,210 during the previous year.

Of the total 4,808 irregularities including 1,045 brought forward from the previous year, 3,591 irregularities were rectified during the year under report and 82 irregularities were closed either after issue of warning to employers or because unpaid bonuses had been subsequently paid or prosecution/certificate cases had been filed in the Courts.

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* The Indian Labour Journal, Vol.VIII, No.6,
June 1967, pp. 509-511.

Wage Freeze discussed at Chief Ministers' Conference.

At the recent Chief Ministers' Conference held at New Delhi, labour leaders all over the country sharply criticised the proposal to freeze wages. An opinion survey revealed a definite polarization of views on the issue with labour and Leftist political leaders opposing the move and industrialists and Congress leaders favouring it. The following are the views expressed by a cross-section of political, labour and industrial leaders:

Shri Namboodripad, Chief Minister of Kerala said that the talk of freezing prices, profits, dividends and wages, under the present circumstances, had no meaning. After all, the shooting up of prices was not a recent development; it had been going on for more than a decade. Too often had "holding the price line" been talked about. Nobody would believe that it would be done now, unless a serious re-examination is made of the reasons why prices have been spiralling.

Shri Brahamananda Reddy, Andhra Chief Minister was in favour of the move if it was going to arrest prices and ensure that the Plan resources were not upset. It was a big issue which required a threadbare examination and a series of measures should be taken to make the whole issue workable with utmost efficiency.

Shri Ram Swaroop Verma, U.P. Finance Minister said that the wage freeze would adversely affect the labour and benefit the capitalists. There should be control over income and expenditure and more than anything else over prices. He suggested demonetisation to unearth black money, estimated at 15,000 million rupees. Shri S.R. Vasavada, president of the INTUC-affiliated National Federation of Indian Railwaymen did not approve of a wage freeze at a time when living costs were rising and productivity was going up. It would dishearten workers and take away the incentive to increase productivity. Since dearness allowance was generally linked to the cost of living index, wages would automatically fall if prices were lowered.

Shri S.R. Kulkarni, President of the All-India Port and Dock Workers' Federation said that if the Government decided to freeze wages, the organised labour movement would have to think seriously in terms of a "work freeze". The Deputy Prime Minister's statement on the question was likely to be "a camouflage to deprive the Government employees in particular and other workers in general of the benefits of rise in gearness allowance to meet the rising cost of living.

If the Government was serious in evolving and implementing a radical economic and fiscal policy and if it succeeded in holding price line and freezing profits, the question of wage freeze will not arise. There had been a substantial erosion of the real wages of workers, including government employees. The existing level of real wages was even below the pre-war level. It was therefore, clear that the wages were already frozen and there was nothing left to freeze.

(The Hindustan Times, 17 July 1967) .

Study of Wages in Private and Public Sectors
published by National Council of Applied
Economic Research: Lowest wages paid by
Industries in Andhra Pradesh

According to a study of wages in the private and public sectors conducted by the National Council of Applied Economic Research elimination of inter-State wage differentials must wait a more balanced regional economic development. The yearly earnings in the States during 1956-1963 show that wages in Andhra Pradesh were the lowest and those in Maharashtra the highest and double of those in Andhra.

Ranked on the basis of average annual earnings, the first six industries are petroleum and coal products, ship-building and repair, electricity, gas and steam, basic metal industries, cement and textiles.

Compared to the first six industries in Sweden, the U.S. and Canada, wage differentials in India are narrower than in those countries.

No generalisation can be made about either the private or public sector of industry paying higher wages. For instance, in Madras nine out of the 12 industries studied pay higher wages in the private sector; in Madhya Pradesh, seven out of the nine industries in the public sector pay higher wages. The wage differences in the cotton textile industry are slowly disappearing.

In the iron and steel industry, the public sector plants pay the highest wages (excluding incentive payments). TISCO and IISCO trail far behind.

In the sugar industry, wages are higher outside U.P. and Bihar.

The Council says that standardisation is necessary if a rational wage structure is to be evolved in the country. In the case of the textile industry, labour has already demanded and the employers have accepted it. "It is only a matter of time before the unions grow sufficiently in strength to demand this in other industries as the experience of other countries demonstrates it."

Specific Obligation.- The Council says that tripartite settlement of the wage question through the agency of wage boards has been accepted by the Government as a policy. It would, therefore, seem to be the best course of action open to the Government that this question of standardisation and the period of transition during which this policy would be implemented, were made a specific obligation of wage boards to work out. The magnitude of the rate schedule, the geographical differential and many other closely connected problems can be adequately dealt with only at the wage boards' level.

The Council has pointed out that, by and large, the wage boards have not considered it necessary to go into the structure of wage differentials in the industry they examined. As in the case of the fixation of the minimum basic wage in different parts of the country, there is no uniformity in their recommendations, each board tending to go its own way. "This is clearly not the desirable procedure."

"It is time at least that the future wage boards were specifically asked to examine the question and ~~also~~ help evolve a scientific wage structure so that no problem of shortage of skills arose in any important field", the Council adds.

(The Hindustan Times, 22 August 1967).

Final Report of the Wage Board for Working Journalists published.

The Wage Board for Working Journalists has, in its final report submitted recently to the Government, recommended a monthly basic pay of Rs.105 for Journalists employed in the lowest class of daily or weekly. It says the basic wage for a working journalist in first class working newspapers and news agencies should be Rs.190 a month, while those working in first class weeklies or periodicals should be Rs.160. The Board has also divided the country into three areas for the purpose of dearness allowance - cities with a population of more than one million, those between 500,000 and one million and those under 500,000.

The minimum and maximum D.A. payable area-wise is: Rs.40 and Rs.120 in Area III, Rs.55 and Rs.140 in Area II and Rs.70 and Rs.150 in Area I.

The Board has recommended the classification of newspapers, news agencies, weeklies and other periodicals into seven categories on the basis of their gross annual revenue.

Working journalists have been grouped into various categories and scales of pay fixed for each of them.

(The Statesman, 10 August 1967).

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

INDIA - JULY-AUGUST 1967.

41 Agriculture.

Tea Districts Emigrant Labour (Repeal) Bill,
1967.

Shri Jaisukhlal Hathi, Union Minister of Labour, Employment and Rehabilitation introduced in the Lok Sabha on 26 June 1967 a Bill to provide for the repeal of the Tea Districts Emigrant Labour Act, 1932, and for matters connected therewith. According to the Statement of Objects and Reasons of the Bill, the Tea Districts Emigrant Labour Act, 1932 regulates recruitment of workers for tea gardens in Assam from outside the State and their repatriation. Experience gained in the working of the Act for the past few years has shown that it is no longer necessary ~~for~~ to continue in existence the pattern of assisted emigrant labour, for tea gardens in Assam, as conditions which justified the introduction of the scheme about thirty years ago, have greatly altered during the intervening period. It is, therefore, proposed to repeal this Act. Any residual functions after the repeal of the Act that may be left over are proposed to be entrusted to the Government of Assam by making an express provision to that effect in the repealing Act.

The Bill provides ~~that~~ notwithstanding the repeal of the Tea Districts Emigrant Labour Act, 1932, and notwithstanding anything to the contrary contained in the said Act,-

(a) every emigrant labourer in whose case, on the 3rd day of August, 1960, a period of three years from the date of his entry into Assam had not expired,

(b) every emigrant labourer entering Assam on or after the 3rd day of August, 1960, being the date of the Agreement arrived at the Ninth Session of the Industrial Committee on Plantations, and before the commencement of this Act, and

(c) every emigrant labourer who is in Assam immediately before the commencement of this Act and whose right of repatriation has not been waived or

forfeited by agreement or otherwise under any provisions of the said Act,

shall, as from the date of expiry of a period of three years from the date of his entry into Assam, whether such expiry occurs before or after the commencement of this Act, have the right to be repatriated, and may be repatriated, under the said Act, as if it had not been repealed and the provisions of the said Act in so far as they relate to the enforcement of the right of repatriation of emigrant labourers shall continue to apply as if for the references therein to the Controller, references to the State Government of Assam or an officer authorised by that Government in this behalf had been substituted:

Provided that no such emigrant labourer shall have the right to be so repatriated unless he makes an application in this behalf-

(a) within a period of six months from the commencement of this Act, where the aforesaid period of three years has expired before such commencement, or

(b) within a period of six months from the date of expiry of the aforesaid period of three years, where the latter period expires after such commencement.

(The Gazette of India, Extraordinary,
Part II, Sec.2, 26 June 1967,
pp. 523-526).

Recommendations of the Panel on Improvement
in the Working of the Indian Agricultural
Research Institute submitted: Autonomous
Status suggested.

The report of the Panel headed by Dr. Kanungo which was asked to review and suggest improvements in the working of the Indian Agricultural Research Institute, was recently submitted ~~to~~ to the Administrative Reforms Commission. In view of the Institute's national importance the panel felt that it must be autonomous and free from unduly complex administrative restrictions, subject, however, to appropriate audit and with its programmes and activities open to public view.

The panel recommended several short and long-term measures for improving the working and status of the Institute.

Realising the need for a simple straight line of authority to bring the best out of the scientists engaged by the Institute, the panel has suggested that the Institute should have a governing body with a scholar-scientist as its chairman and director of the Institute with an appropriate status. This should be the supreme policy making body.

To absorb the best talents available, the panel has suggested that all recruitments to academic and research posts should be by open competition. The appointment of professor and associate professor should be done by a committee of which the director should be the chairman.

The panel also recommended that divisional heads should be given more powers in the matter of employing temporary skilled labour and unskilled daily wage labour.

(The Statesman, 21 August 1967).

Maharashtra: Agro-Industrial Foundation
set up.

The President of India, Dr. Zakir Husain inaugurated on 24 August 1967 the Indian Agro-Industrial Foundation at Uruli Kanchan, near Poona. The foundation will seek to work for the development of agriculture, horticulture, animal husbandry and allied activities on modern scientific lines to propagate the knowledge and techniques of these subjects among farmers. It proposes to undertake a three-fold programme covering: development, experiment and research, and extension service.

The main activity will be the organisation of a hybrid seed farm in co-operation with the National Seeds Corporation. The local authorities at Uruli Kanchan have offered 100 acres of land to the foundation.

(The Times of India, 25 August 1967).

42. Co-operation.

India - July-August 1967.

Panel to Study Land Acquisition Act set up.

The Government of India announced on 30 July 1967, the appointment of a 25-member Committee comprising members of Parliament and representatives of State Governments to examine the entire framework of the Land Acquisition Act, 1894. The Committee which will be headed by Shri Anand Narain Mulla, M.P., will examine, among other things, the scheme of acquisition of land for public purposes and for companies in the public and private sectors under the Act. The Committee in particular, will examine principles which should govern acquisition of land for a public purpose, principles for determining compensation, reasons for administrative delays and remedial measures, extent of Government responsibility for rehabilitation of evicted families and recommendations about discharge of this responsibility; and feasibility of enacting a uniform Central Law on land acquisition. This may be applicable to the whole country although the subject is in the concurrent list.

The Committee is expected to submit its report to the Government by the end of March, 1968.

(The Hindustan Times, 31 July 1967).

Meeting of Industrial Committee on Plantations
held at Madras, 19 August 1967.

The meeting of the Industrial Committee on-Plantations was held at Madras on 19 August 1967. Among others the meeting was addressed by Shri Jaisukhlal Hathi, Union Minister for Labour, Employment and Rehabilitation. Addressing the meeting the Union Minister said that the Government was formulating a retirement-cum-family pension scheme to cover workers who are members of the Employees' Provident Fund and the Coal Mines Provident Fund. The Government was examining the question of extending the Employees' Provident Fund to workers in Cinchona plantations. Among the plantations, only tea, rubber and coffee were covered under the provident fund scheme at present. He told the meeting a declining trend in employment had been evident for some time in tea plantations accompanied by higher productivity. The reasons attributed for the decline were: mechanization, rationalisation of work, increased labour productivity and tendency towards casualization.

The Minister said the main problem was how to make use of the surplus labour on plantations and the incapacity of the industry to absorb all the new entrants. The problem would become acute in the coming years when repatriate labour from Ceylon started arriving.

The Minister also spoke of the need to regulate the working hours for children in plantations. While the Minimum Wages Act had stipulated a 27-hour week for children the Plantation Labour Act had allowed children to work up to 48 hours a week. He thought this anomaly should be rectified by amending the rules of the Plantation Labour Act.

The meeting decided that the system of contract labour in plantations should be abolished wherever possible. The meeting agreed to amend the Plantation Labour Act so as to raise the wage limit for coverage (by the Act) from Rs.300 to Rs.500 per month, Shri Hathi said. It was also agreed that the State Governments should not amend the Plantation Labour Act without getting prior approval of the tripartite industrial committee on plantations.

(The Statesman, 20 and 21 August, 1967).

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CHAPTER 5. WORKING CONDITIONS AND LIVING
STANDARDS.

INDIA - JULY-AUGUST 1967.

50. General.

Service Conditions of Port Workers Reviewed:
New Allowances Recommended by Court of Inquiry.

The Court of Inquiry presided by Shri Salim M. Merchant, which went into the service conditions of port trust workers, has made the following recommendations:

B Category workmen: (a) attendance money should be increased from Re.1.00 to Rs.1.75 per day; (b) privilege leave should be allowed at the rate of one day for every 17 days; (c) sick leave should be allowed at the rate of 14 days of half pay for every year; (d) five days' casual leave in a year; (e) five days' paid holidays in a year; (f) a gratuity scheme which is already in force in Bombay should be extended to other ports from 1 October 1967; and (g) medical and housing facilities as for A Category ~~categories~~ workers should be extended to these workers.

C Category workers: The C Category workers are at present treated as purely casual labour and they do not get any facilities. The Court of Inquiry has recommended that after four years of services, these workmen ~~should~~ should be put in Category B and will be entitled to all those facilities from that date. They will also be entitled to five days' paid holidays.

(The Hindustan Times, 26 August, 1967).

Kerala: Results of a Family Budget Survey
published.

A family budget survey was conducted under the direction of a three-man committee appointed by the State Government for the purpose of computing a fresh series of working class consumer price indices. Though the survey was limited to a specific purpose, it has thrown interesting light on some aspects of the domestic economy of the working class.

According to the survey the average monthly income per working class household is the highest (Rs.217), at Ernakulam, the hub of industrial activity in Kerala, while it is as low as Rs.116 in Trivandrum, which has very few industries. Ernakulam is also at the top with an average family expenditure of Rs.204.78 and Meppady in South Wynad, where tea, coffee and cardamom are grown, comes last with a little over Rs.122. The families were found to be managing with their income only at Ernakulam, Alleppey and Meppady.

Cost of Food.— Food, clothing and shelter (including fuel and lighting) take away the lion's share of the earnings. The expenditure on this account varies from about 82 per cent. at Ernakulam and Punalur to 87 per cent. in Trivandrum, Alleppey and Trichur and 90 per cent. in Meppady.

The 'food group' alone includes as many as 33 items as against only 14 in the previous survey. Analysis of the data shows that the percentage expenditure on food ranged from 57.18 (lowest) at Ernakulam to 67.33 (highest) at Meppady. The expenditure on food goes up when there is no appreciable increase in income. Wheat and tapioca are also being consumed by the workers in varying quantities in addition to rice.

Size of Family.— The 'miscellaneous group' consists of 13 items, including toilet, recreation, betel leaves, arecanut and tobacco, beedi and intoxicants, newspapers, travel, medical care and education. The expenditure on these items varies from about 12 per cent. at Cannanore and Munnar to 13 per cent. in Trivandrum, Alleppey and Trichur and about 18 per cent. at Punalur and Ernakulam.

The average size of a working class family in Kerala ranges from five in Meppady to 6.65 in Trichur. The average size of an urban family in Kerala, according to the 1961 census was 6.19.

(The Hindu, 31 July 1967).

Main Recommendations of the Education
Commission Accepted.

The Committee of Members of Parliament on Education Policy has accepted all but three of the important recommendation of the Education Commission. The Committee's report was placed on the table of both Houses of Parliament on 25 July 1967 by Shri Triguna Sen, Union Education Minister. The three recommendations which have not been accepted relate to the starting of five or six big universities, selective admission at the secondary and undergraduate stages and the creation of a new administrative structure. The report has recommended that priority should be given to the development of a national system of education to accelerate transformation of the existing social order, provide adequate and equal educational opportunity to every child, make the rising generation conscious of the fundamental unity of the country, proud of its cultural heritage and confident of its great future, emphasize science and technology, and cultivate high moral, social and spiritual values.

The Committee has also recommended that along with development of regional languages as media of education, every effort should be made to develop Hindi as the link language.

(The Hindustan Times, 26 July, 1967).

Chapter 5. Working Conditions and Living Standards.

51. Hours of Work.

India - July-August 1967.

Annual Report on the Working of the Hours of
Employment Regulations (Railways) for the
Year 1965-66*.

A review of the annual Report on the Working of Hours of Employment Regulations (Railways) for the year 1965-66 has been published in August 1967 issue of the Indian Labour Journal. Among other things, the review discusses the scope and application of the regulations, administration, classification of employees, inspections conduction and irregularities and their rectification. During the year under review, 8,537 establishments were inspected as against 9,834 inspected during the previous year. Out of the total of 104,933 irregularities (including 33,004 irregularities from the previous year), the Railway Administration rectified 77,061 (73.4 per cent.) irregularities during the year under report leaving a balance of 27,872 (26.6 per cent.) irregularities at the close of the year.

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* Indian Labour Journal, Vol.VIII, No.8, August 1967, pp. 675-679.

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

India - July-August 1967.

Iron Ore Mines Labour Welfare Cess (Amendment)
Bill, 1967.

Shri Jaisukhlal Hathi, Union Minister of Labour, Employment and Rehabilitation, introduced in the Lok Sabha on 19 June 1967 a Bill to amend the Iron Ore Mines Labour Welfare Cess Act, 1964.

According to the Statement of Objects and Reasons of the Bill section 2 of the Iron Ore Mines Labour Welfare Cess Act, 1961, provides for the levy of a cess, on all iron ore produced in any mine, at such rate not exceeding fifty paise per metric tonne as the Central Government may from time to time fix by notification in the Official Gazette. At present, the rate of cess thus levied is twenty-five paise per metric tonne. The proceeds of the cess levied and collected, reduced by the cost of collection, are being utilised to promote the welfare of labour employed in the iron ore mining industry. For collection of the cess, eight Cess Commissioners have been appointed in the important iron ore producing States. The cost of machinery for collection comes to about four to five per cent. of the cess collected. This cost of collection is likely to be higher when the full complement of staff necessary for checking, inspection, supervision and accounting is appointed. In order to reduce the expenditure towards the cost of collection, it is proposed to amend the Act so as to collect the cess as a duty of customs in respect of iron ore which is exported out of India and as a duty of excise in respect of iron ore which is sold or otherwise disposed of by the owners of mines to steel plants and other units producing pig iron, etc. The cess as duty of customs will be collected through the agency of the Customs Department (as is being done in the case of cess on mica) and as duty of excise will be collected through the agency of the steel plants, etc., at the time of receipt of the despatches by them. A saving of approximately 200,000 rupees is expected from this change in the mode of collection of cess.

The Bill seeks to achieve the above object.

(The Gazette of India, Extraordinary, Part II,
Sec. 2, 19 June 1967, pp. 496-501).

56. Labour Administration.

India - July-August 1967.

Annual Report 1966-67 of the Ministry of Labour and Employment published: Labour Problems Reviewed*.

The report on the activities of the Department of Labour and Employment, Ministry of Labour, Employment and Rehabilitation during the year 1966-67, which has been recently published by the Government of India, is in two volumes. Volume I covers the activities of the Department in the fields of industrial relations, wages, social security, working conditions and allied matters. The activities in the field of employment and Training are reviewed in Volume II. The following are some of the salient features of the Report.

features General Labour Situation.- Reviewing certain significant of the economy during the year 1966-67 such as set back in agricultural production, slackness in industrial growth, devaluation, and the rise in wholesale prices and the working class consumer Price Index, the report points out that these developments had their impact on industrial relations situation during the year. The country lost 10.5 million man-days (provisional) in 1966 on account of strikes and lock-outs in industry as compared to 6.9 million man-days lost in 1965. The deterioration in the industrial atmosphere could be attributed partly to economic reasons, viz., continued rise in prices and consequent stresses and strains felt in the economy.

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Report 1966-67, Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment) Government of India, New Delhi. Vol.I, pp.103, Vol.II, pp.48.

In the Central Sphere, while the labour situation was by and large in Railways, Defence establishments and oilfields, the atmosphere was somewhat disturbed in the ports and docks and insurance establishments. A number of strikes were reported in the ports of Calcutta, Bombay, Madras and Visakhapatnam. Industrial relations in Cochin Port were also strained. In the Insurance Companies, there were agitations by the workers on various issues, including the introduction of electronic computers by the Life Insurance Corporation. The settlement arrived at between the Indian Banks Association and the Bombay Exchange Banks Association on the one side and the All India Bank Employees Association and the All India Bank Federation Employees Federation on the other on 19 October 1966 was one of the ~~constanding~~ outstanding examples of the value of the collective bargaining in maintaining an atmosphere of cordial industrial relations.

In the Coal Mines there were 110 strikes and five lock-outs accounting for about 0.18 million of man-days lost in 1966 as compared to 67 strikes and 0.19 million of man-days lost in 1965. Thus, it will be seen that the number of strikes went up but their duration was reduced. During January-February, 1967, 11 more strikes were reported which resulted in a loss of more than 77,600 man-days. In mines other than coal and oilfields 115 strikes were reported and the man-days lost were 0.082 million as compared to 0.582 million of man-days lost in the previous year. Thus, there was a marked decrease in the man-days lost in the non-coal mines in the current year.

Workers had to undergo hardship owing to lay-off and retrenchment particularly in cotton textile mills. But the situation somewhat improved towards the end of the year. In the cotton textile industry as against 35 units which remained closed at the beginning of 1966 there were only 29 non-working units at the end of the year. The number of workers affected also decreased from 44,700 to 39,400. The main reason for the closure of cotton textile mills was the shortage of cotton. To retrieve the situation Government had to take suitable measures for the procurement and distribution of cotton in the market. The mills were also directed to close for an extra day per week in addition to the normal weekly holidays on payment to the workers of compensation at 50 per cent. of their basic wages and dearness allowance.

Prevention and Settlement of Industrial Disputes.- On the legislative side the Industrial Disputes Act, 1947 continued to govern industrial relations situation in the country. On the voluntary side the Code of Discipline in Industry and Industrial Truce Resolution continued to be the main instruments in the prevention and settlement of industrial disputes, enforcement of awards, etc. The working of the Voluntary Machinery can be judged from the data given below:-

	Code of Discipline & Industrial Truce Resolution		
	1966	1965	1964
(1) No. of complaints received.	864	1,399	1,710
(2) No. of complaints not requiring any action.	154	233	168
(3) No. of complaints requiring action.	710	1,166	1,542
Of those requiring action, percentage of complaints:-			
(a) Not substantiated on enquiry.	13	7	9
(b) Where the breaches were set right or settled otherwise.	62	44	37
(c) Under investigation.	25	49	54

A substantial reduction in the number of total complaints received in the year 1966 was perhaps a reflection of the increasing desire among the Central Organisation of Employers and Workers to settle their disputes through bipartite discussions and negotiations.

The Central Implementation and Evaluation Machinery continued to extend its activities in other directions. In 1966, it secured recognition for 14 unions under the Code of Discipline. It also collected information about the extent of establishment of the grievance procedure in the mines and oil-fields and a report is under preparation.

During the year 1966, 20 cases of alleged violation of the Code of Conduct were received. Of these 6 did not require any action. Five were forwarded to the respective State Governments for appropriate action and 6 were not substantiated on enquiry. In three cases the breaches were brought to the notice of the erring parties.

The conciliation machinery set up under the Industrial Disputes Act, 1947, continued to play a very useful role in bringing together parties to the dispute and exploring ways of amicable settlement. The following table shows the functioning of the Central Industrial Relations Machinery:-

	1966	1965
1. No. of disputes referred to Industrial Relations Machinery.	5,695	5,705
2. No. of failure reports received.	737	625
(i) Of (2) above, No. of disputes referred to adjudication.	255 (35%)	291 (47%)
(ii) Of (2) above, No. of disputes referred to arbitration.	108 (15%)	169 (27%)

It will be seen that there was a marked decline in the cases referred to arbitration and adjudication in 1966 as compared to 1965. In order to promote greater recourse to voluntary arbitration for resolving disputes, the Government have decided to set up a tripartite National Arbitration Promotion Board.

Joint Consultation.- Joint consultation has been receiving greater emphasis. The scheme of Workers' Participation in Management which was started during the Second Plan made further headway. Joint Management Councils have been set up in 47 establishments in the public sector and 100 establishments in the private sector. More or less similar arrangements have been made in the State Bank of India. Seminars continued to be organised to acquaint employers, workers and their unions with the philosophy and techniques of Joint Management Councils. An assessment of the working of the scheme in 21 undertakings has been completed.

Wage Boards and Payment of Bonus Act.- During the year under report Wage Boards were appointed for three more industries viz., (i) Leather Industry, (ii) Road Transport, and (iii) Electricity Undertakings. The Wage Boards for Tea, Coffee, Rubber Plantations, Iron Ore Mining, Limestone and Dolomite Mining and Coal Mining submitted their final reports; the Wage Boards for Leather and Engineering Industries recommended an interim wage increase and the Wage Board for Port and Dock Workers submitted recommendations for a second interim wage increase. The recommendations of these wage boards are being implemented.

The following table indicates the position in regard to the Wage Boards set up since 1957:-

1. Wage Boards which have given final recommendations and which have been implemented, more or less, fully.	Cotton Textiles (Cement, Sugar, (1st Wage Board), Jute, Iron & Steel and Coffee Plantations.
2. Wage Board which have given final recommendations and which are now being implemented.	Tea and Rubber Plantations.
3. Wage Boards which have given interim recommendations and which have been more or less implemented.	Non-Journalists, Working Journalists, Cement (2nd Wage Board) and Port & Dock Workers Wage Board (D.A. and 1st interim increase).
4. Wage Boards which have given interim recommendations and which are being implemented.	Port and Dock Workers (2nd interim increase) Engineering Industries, Leather Industry, Heavy Chemicals and Fertilizers and Sugar Wage Boards.
5. Wage Boards which have not yet made any recommendations.	Second Wage Board for Cotton Textiles and Wage Boards for Road Transport and Electricity Undertakings.
6. Wage Boards which have submitted final report and which are report under consideration of the Government.	Iron Ore Mining Industry, Lime Stone & Dolomite Mining Industry and Coal Mining Industry.

During the year the constitutional validity of the Payment of Bonus Act, 1965 and its various sections was challenged in different High Courts and in the Supreme Court. While the Supreme Court has held Section 10 relating to the payment of minimum bonus as valid, it has declared Sections 33, 34(2) and 37 of the Payment of Bonus Act, 1965 as ultra vires the Indian Constitution. The situation arising out of the Supreme Court judgment was considered by the Standing Labour Committee at its meeting on 26 October 1966. The Committee set up a bipartite committee to examine the matter further. The bipartite committee met twice but no agreement could be reached.

The Minimum Wages Act, 1948 continued to provide wage protection to persons employed in sweated industries. In 1965, a one-man Committee was constituted by the Government of India to undertake a comprehensive survey of the various matters connected with the administration of the ~~various matters~~ Minimum Wages Act, 1948. This Committee has since submitted its report. The question of minimum wages for agricultural labour was discussed at a Seminar in August 1965. A Committee set up by this Seminar considered the question of fixation and revision of minimum wages for agricultural labour and made certain recommendations which have been brought to the notice of the State Governments. The need for strengthening of the enforcement machinery has also been emphasised. In pursuance of another recommendation made at the Seminar, a Co-ordinating Committee on Agricultural Labour consisting of representatives of the Planning Commission and the Ministries and Departments concerned with agricultural labour was set up in November 1966 to coordinate and review the progress of implementation of various schemes for improving the conditions of agricultural labour and to advise how best the activities in these respects could be developed.

Social Security.- In the field of social security, the coverage of the Employees' State Insurance and Employees' Provident Fund Schemes has been enlarged. During the current year, the E.S.I. Scheme was extended to 43,000 workers bringing the total to over 3.1 millions in 273 centres. Medical care benefits were extended to 171,950 family units (Insured Persons) bringing the total number of family units covered so far to about 3.2 millions consisting of about 12.6 millions of beneficiaries. Steps were also taken to improve further the quality of the services rendered by the Corporation. The E.S.I.S. Review Committee set up on the recommendations of the Standing Labour Committee to review the working of the Scheme has submitted its Report. The recommendations of the Committee are under the consideration of the Government.

The basic features of the E.P.F. Act and the Scheme remained unchanged in the year under report. The Act was extended to Tobacco, Paper Products and Licensed Salt industries in the current year bringing a total of 106 industries and classes of establishments under the purview of the Act. The membership of the Fund increased from 4.6 millions at the end of 1965-66 to 4.8 millions at the end of January 1967. The rate of contribution under the E.P.F. Act was increased from 6½% to 8% in 23 more industries, bringing the total number of industries to which the enhanced rate of 8% now applies to 54 out of a total of 106 covered under the Act.

The Coal Mines Provident Fund Scheme, 1948 was extended to the coal mines and ancillary organisations of the Neyveli Lignite Corporation Ltd., with effect from 1 January 1967. The total number of collieries and organisations covered under the Coal Mines Provident Fund Scheme came to 1,287 at the end of 1966-67. The number of subscribers to the fund also increased by 45,956 in the year ~~beginning~~ bringing the total to 484,521.

Un-employment insurance is an important ingredient of a system of Social Security. A draft outline of an un-employment insurance scheme covering the members of the Employees' Provident Fund and the Coal Mines Provident Fund has been under the consideration of the Government for sometime. The outline was briefly considered by the 23rd Session of Indian Labour Conference in October 1965. It is under further study with reference to its financial and other implications and in the light of experience of comparable schemes in other countries. Meanwhile, the I.L.O. has also offered the services of an expert to assist the Government of India in finalising the Scheme of Unemployment Insurance; the offer has been accepted.

A scheme for Retirement-cum-Family Pension Benefits for workers is also currently under examination by an official working group.

Working Conditions and Welfare.— Welfare, safety and working conditions of labour have an important bearing on production and productivity. There is widespread awareness of the need for increasing productivity and to arrest the present spiralling prices, but little has been done to translate this awareness into practice. Increase of productivity involves the solution of a number of problems like the security of employment and sharing the gains of productivity, etc., which have to be squarely faced.

The President's Conference on Industrial Safety held in December 1965, endorsed the proposal for the setting up of a National Safety Council and State Safety Councils for industries other than Mines. The Standing Labour Committee, at its 24th Session, held in February 1966, approved the proposal. Accordingly the National Safety Council was registered as a Society under the Societies Registration Act with its headquarters in Bombay.

The National Council for Safety in Mines which was set up in July 1963 held safety and accident prevention classes in different mines regularly to educate the supervisory staff including the Overmen and Sirdars employed in coal mines. Three fully-equipped publicity vans have been carrying out publicity and propaganda work in mines through audio-visual means. During the year under report the Council was actively engaged in the revival of Pit Safety Committees to create a consciousness among the miners about the safe methods of working and safety measures to be adopted. The enthusiastic celebration of Safety Week in the various coalfields and mica mining areas ~~were~~ was of great assistance in generally arousing safety consciousness and improving the working conditions in mines.

The activities of the Welfare Funds created for coal and mica mines were expanded during the year. A number of large water supply schemes were in various stages of implementation in the coalfields. In addition, 10 deep wells were dug in coal mining areas and in the mica mine areas 60 wells were constructed. The total number of Cooperative Credit Societies, Primary Cooperative Stores and Wholesale or Central Cooperative Stores of colliery workers which were registered and functioning in different coalfields up to the end of the year under report increased to 564. In the mica mining area in Bihar a Central ~~Government~~ Consumers' Cooperative Stores with 8 branches and 6 primary units continued to supply consumers' goods to mica mining population and 4 primary stores catered to the needs of mica miners in Andhra Pradesh. During the year under report construction of 5,770 houses and 23 barracks was completed under various housing schemes and another 11,974 ~~houses~~ houses and 100 barracks were in different stages of construction in the coal mining areas.

A Committee on Labour Welfare was set up under the Chairmanship of Shri R.K. Malviya. The Committee, among other things, is to review the functioning of various statutory and non-statutory welfare schemes in ~~industrial~~ industrial establishments and suggest ways and means for improving the functioning of existing welfare measures. It is also expected to suggest measures for introducing welfare schemes for rural labour in general with particular reference to agricultural labour.

So far, 2,748 Consumers' Cooperative Stores or Fair Price Shops have been set up under this Ministry's Scheme in about 3,954 industrial establishments in the country employing 300 or ~~more~~ workers. The total coverage in both the public and the private sectors thus works out to 70%. In the public sector undertakings under the Central Government, the coverage is nearly 90%. The Department of Labour and Employment continued its efforts to persuade the defaulting employers to fall in line with those who had already set up such stores or shops. Since a number of establishments have not yet implemented the Scheme, legislation to make it obligatory for the employers to set up these shops is under consideration. Eleven wholesale stores have been set up with financial and managerial assistance from the statutory Welfare Funds in the coal and mica mining areas and 7 more are being organised. These stores to which about 350 primary stores are affiliated serve a large percentage of coal and mica mine workers.

Training in Labour Policy and Programmes.-

Training of officers administering labour policies and programmes continued to receive adequate attention. The Central Institute for Training in Industrial Relations conducted two courses of specialised in service training for the Central and State Government officers of the Industrial Relations Machinery. Training facilities were also availed of by the nominees of some foreign Governments, under the Colombo Plan, the I.L.O. Expanded Programme of Technical Assistance, Special Commonwealth African Assistance Plan and Commonwealth Education Cooperation Plan. The Industrial Safety, Health and Welfare Centres of the Central Labour Institute and the three Regional Labour Institutes conducted a large number of training programmes on industrial safety and hygiene and related subjects. Besides, training programmes for the benefit of various organisations were also organised by the Regional Labour Institutes. Exchange of trainees and experts under the various Technical Assistance Programmes continued. Thus, while India received technical assistance from advanced countries and International Organisations, it has also been possible for her to spare experts needed by other countries either directly or through agencies in charge of international cooperation.

The Scheme of Workers' Education operated through the Central Board for Workers' Education continued to maintain steady progress. Over 128,300 additional workers attended worker education classes held at factories and establishments. The Board brought out a number of publications on matters of interest to workers. The Scheme of grants-in-aid was expanded to include short-term courses, like one-day school and three-day seminar, which unions and workers could conduct with greater facility than the normal three-month course.

Size and content of the Fourth Plan.-In last year's report, it was mentioned that the labour policy and programmes to be pursued in the Fourth Plan will be an extension of the principles accepted in the Third Plan. The Labour Panel constituted by the Planning Commission is currently engaged in giving a final shape to its recommendations. The Labour Panel has now made its recommendations in regard to the Labour Policy and Programmes.

A sum of 1,450 million rupees has been tentatively indicated for the programme of craftsmen training and labour welfare in the Draft Fourth Plan. The break up of the remaining 200 million rupees is as under:-

TABLE	Fourth Plan Provision (in Million Rupees)
I. Labour Schemes - Centre.	120.0
(a) Safety, working conditions, etc.	35.2
(b) Industrial relations.	17.4
(c) Labour welfare & social security.	55.0
(d) Research surveys.	12.4
II. Labour Schemes - States.	38.0
III. State Governments' share towards Employees' State Insurance Scheme.	42.0
TOTAL.	<u>200.0</u>

Under safety and working conditions, it is proposed to expand the activities of Central and Regional Labour Institutes and to have a comprehensive programme including the more effective enforcement of mining and industrial safety legislation. The new programmes in the field of Industrial Relations relate to increasing emphasis on the preventive aspects. Besides, the Industrial Relations Machinery would be suitably strengthened and trained for more intensive conciliation work to preserve industrial harmony and for effective implementation of labour legislation and awards.

Additional welfare measures are also envisaged both at the Centre and the State levels. These measures include an integrated programme for agricultural labour which contemplates extension and better enforcement of the Minimum Wages Act, introduction of an advisory service in rural areas and other welfare measures including provision of mobile dispensaries, mobile shops and mobile audio-visual vans. As the over-all size of the Fourth Plan is not yet final the programme content and also the allotment of funds for the craftsmen training and labour welfare is liable to undergo change.

National Commission on Labour.- A comprehensive review of labour laws, industrial relations and working and living conditions of labour has not been made since the Royal Commission on Labour reported as far back as 1931. Government, therefore, decided to undertake a fresh and comprehensive review of the labour policy and its working and appointed on 24 December 1966, a National Commission on Labour. (For details please see pp. 1-2 of the Report of this Office for November-December 1966).

Among other things, Volume II of the report deals with programmes of craftsmen training and manpower and employment with tentative allocation of 1,250 million rupees. The Directorate-General of Employment and Training is in charge of the development and administration of programmes, relating to Employment and Vocational Training on a national basis.

A copy each of Volume I and Volume II of the Report, 1966-67, of the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment) was sent to Geneva on 23 August 1967 vide this Office minute D.2/3607/67 of the same date.

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32. Public Finance and Fiscal Policy.

India - July-August 1967.

Budget Demands of Labour Ministry Passed:
Unemployment Insurance Scheme to be
Introduced: Measures proposed to check
recession and delay in Payment of Wages.

Replying to the debate on the budget demands of the Ministry of Labour, Employment and Rehabilitation, the Union Minister Shri Jai Sukh Lal Hathi told the Lok Sabha on 20 July 1967, that the Government proposed to bring forward an unemployment insurance scheme and certain measures to ensure job security for workers.

The scheme, which may be introduced before the end of the year, will cover initially only those who are members of the Employees' Provident Fund, the Coal Mines Provident Fund, and exempted funds under the Employees Provident Fund Act 1952.

The rate of benefit will be 50 per cent. of average pay in the case of members of the Employees' Provident Fund and 50 per cent. of average total emoluments in the case of members of the Coal Mines Provident Fund. The average will be calculated on the basis of pay or total emoluments received by an employee 12 months before termination of employment. The rate of contribution to the Unemployment Insurance Fund, which will be administered by a separate board, will be 0.35 per cent. of pay or total emoluments to be paid by both the employer and employees. The employer will be made responsible for collection of contributions. The Centre will meet the cost of administration of the fund.

To eliminate delays in regard to payment of wages, Shri Hathi said, "I am thinking of giving executive power and authority" to recover wage dues in the same way as land revenue arrears. The present procedure of going to labour courts for non-payment of wages took a long time, he noted. Shri Hathi recognised that "many things" had to be done for labour so that it might be inspired by a spirit of partnership in the country's industrial progress.

"Some of the things" which were proposed to be done, he said, included an amendment of the Industrial Disputes Act to give the labour tribunals the power to go into the merits of the case when there were complaints of wrongful dismissals. At present the tribunals had only the power to inquire whether proper procedures had been followed. He also proposed to provide for a "subsistence allowance" to workers during the period of suspension.

Referring to the hardship caused to workers because of the present recession, Shri Hathi said the industries which had been most hit were textile and engineering. His Ministry had taken up the question with the Ministries concerned. A decision had been taken to set up a textile corporation to take care of "sick mills". As far as the engineering industry was concerned, the Railway Ministry had decided to place more orders for wagons and this should help the industry.

Referring to the demand for wage freeze, Shri Hathi said he might point out that the Government was considering increasing the wages of coal mine labour as recommended by the Wage Board. Shri Hathi emphasised that the exertions of labour alone would not bring about productivity. They had also to see that there was a "progressive management" and a cadre of managers who would carry the workers with them, not merely "extract" work from them.

In this context, Shri Hathi spoke of the importance of quick redressal of workers' grievances. The implementation machinery both at the Centre and in the States had to be geared up. The State Governments had agreed to call meetings of the implementation committee as often as possible.

On the subject of automation, Shri Hathi said: "In a country where there is growing unemployment we should take care that this is a selective one." "Workers should not be rendered surplus on account of introduction of automation."

Shri Hathi also condemned gheraos and raked out any wage freeze in isolation.

(The Hindustan Times, 21 July 1967;
The Statesman, 29 July 1967)

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Chapter 6. General Rights of Workers.

67. Conciliation and Arbitration.

India - July-August 1967.

Industrial Disputes (West Bengal Amendment) Bill, 1967.

- The Government of West Bengal published on 6 July 1967 the text of the Industrial Disputes (West Bengal Amendment) Bill, 1967, proposed to be introduced in the Legislative Assembly of the State. The Statement ~~and~~ of Objects and Reasons of the Bill declares that in accordance with judicial pronouncements, universities and other educational institutions, solicitors' firms, research institutes, etc., are not "industries" under the Industrial Disputes Act, 1947. These are, therefore, outside the purview of the said Act and there is thus no machinery for settling disputes arising therein. This is not a happy state of affairs. Disputes or differences between the employers and the persons employed in such institutions or establishments are not uncommon and, in the absence of any machinery for promoting a settlement, they often lead to considerable unrest. It is considered necessary, therefore, to amend the Industrial Disputes Act, 1947, in its application to West Bengal, to bring the aforesaid institutions and establishments within the purview of the said Act. To guard against any other establishments remaining outside the purview of the Act, it is also necessary to give Government powers for bringing such establishments under the Act, when considered necessary, by a notification.

Difficulties are sometimes experienced in filling up the posts of Presiding Officers of the Labour Courts. Persons with requisite qualifications as laid down in the Industrial Disputes Act, 1947, are not always easy to find. To remove this difficulty, it is considered necessary to provide for appointment of First Class Magistrates and persons employed in Higher Labour Service with five years' experience as Presiding Officers of the Labour Courts.

The object of this Bill is to amend section 2 and 7 of the Industrial Disputes Act, 1947, in its application to West Bengal, keeping the aforesaid purposes in view.

A proposed amendment to clause (j) and section 2 of the Act provides that after the word "workmen", the following words shall be added, namely:-

"and notwithstanding any decision of any Court to the contrary, shall also include any university, college, school and other educational institution, institute for carrying on research work, auditor's or solicitor's firm, and any other establishment as the State Government may, by notification in the Official Gazette, declare as industry".

(The Calcutta Gazette, Extraordinary,
6 July 1967, pp. 2037-2038).

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES OF WORKERS.

INDIA - JULY-AUGUST 1967.

71. Employees and Salaried Intellectual Workers.

Andhra Pradesh: Revised Pay Scales recommended by Andhra Pay Commission.

The Chief Minister of Andhra Pradesh, Shri K. Brahmaananda Reddi placed before the State Assembly in Hyderabad on 24 June 1967 the report of the Andhra Pay Commission submitted by Shri N.D. Krishna Rao, former Chief Justice of Andhra who headed the Commission. As a result of the revised pay scales, the additional expenditure to be incurred would be 3.6 million rupees this year and 12.5 million rupees next year. The additional cost in future would be 22.1 million rupees. There are more than 0.23 million Government employees.

The Commission had reduced the existing 146 different pay scales, excluding I.A.S., I.P.S., and other special scales to 26.

(The Hindu, 26 July 1967).

Maharashtra: Revised Pay Scales recommended
by Badkas Pay Commission.

The Finance Minister of Maharashtra, Shri S.K. Wankhede, placed on both the Houses of Maharashtra Legislature on 5 July 1967 the 815-page printed report of the Badkas Pay Commission. The report has recommended rationalised pay scales for the employees of Maharashtra Government, involving an additional expenditure of about 50 million rupees to the Government. The Commission has recommended that the minimum pay of Class IV employees should be Rs.70 per month against the present Rs.65. This is to rise to a maximum of Rs.90 per month. The pay-scales for the junior clerk, recommended by the Commission, is Rs.110 to Rs.200.

At present, there are three scales for junior clerks, the starting pay being Rs.100 in one and Rs.120 in two others.

The revised scale for the senior clerks is Rs.150 to Rs.270. The Commission has recommended this uniform scale for this category, abolishing the existing multiplicity of scales. The starting pay in these existing scales varied between Rs.120 and Rs.200 per month.

In the case of Government employees getting mofussil scales of pay at present, there will be no immediate benefit to those getting a pay of over Rs.1,100. Those getting between Rs.500 and Rs.1,100 will get an increase between Rs.30 and Rs.10. The increase in the case of those drawing a salaries between Rs.100 and Rs.500 will vary between Rs.10 and Rs.20, while those getting below Rs.100 will get a rise between Rs.8 and Rs.20.

(The Times of India, 6 July 1967)

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

India - July-August 1967.

Agreement Reached on D.A. Issue between Central Government and its Employees: Strike Withdrawn: Additional D.A. to be paid in Cash.

The Central Joint Council of Action of Central Government Employees served a notice for a nation-wide token strike on 11 September 1967 if the demands of the Central Government employees including the payment of dearness allowance dues in cash were not met by the Government. Consequent upon an agreement reached between the Government and the union leaders at a meeting held at New Delhi on 29 August 1967, the strike notice by the JCA was withdrawn. The Deputy Prime Minister, Shri Morarji Desai agreed to pay in cash the additional dearness allowance to employees in the pay-slab of Rs.70-449 from 1 September 1967.

About 2.7 million Central Government employees in the income slabs up to Rs.449 a month will receive additional dearness allowance in cash with their September pay due on 1 October 1967. The D.A. arrears for the period of February 1 to 31 August will remain deposited in the employees' provident fund accounts till 31 March 1968, and can be withdrawn by them at their option the following month.

According to the revised rates, employees in the lowest slab will get an additional D.A. of Rs.12 over the existing rates of Rs.47 a month, and Rs.20 in the highest slab over the existing Rs. 120.

The increased rates seek to neutralize the rise in the cost of living up to 185 points (from 1 February) and 195 points (from 1 June).

On rough calculation, the revised D.A. rates would cost the exchequer an approximate amount of 290 million rupees during September to March 1968. The arrears for the period of February to August are estimated at 240 million rupees.

The Government will have to pay in cash another 72 million rupees during the rest of the current financial year if the cost of living index rises further by 10 points to 205, when employees in the income slab of Rs.450 to Rs.499 will also be entitled to revised D.A. rates.

The D.A. rates rise for every 10 points is Rs.6 for employees drawing less than Rs.110 a month; Rs.7 for the Rs.110-149 slab; Rs.8 for the ~~the income slab of Rs.450 to Rs.499 will~~ Rs. 150-209 slab; Rs.9 for the Rs.210-399 slab; and Rs.10 for the Rs.400-499 slab.

(The HindustanTimes, 30 August and 12 September, 1967).

Chapter 9. Social Security

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92. Legislation.

India - July-August 1967.

Working of the Maternity Benefit Acts during 1965*.

June issue of the Indian Labour Journal contains a review of the Working of the Maternity Benefit Acts during 1965.

During the year under report, the percentage of establishments submitting returns to the total number of establishments covered by the State Acts/Central Act varied from 11.8 in Madhya Pradesh to 100.0 in Bihar, Orissa and Uttar Pradesh in respect of factories and 49.0 in Tripura to 100.0 in Punjab and West Bengal in respect of plantations.

Among the various States, Kerala reported the largest number of cases in which maternity benefit was paid either fully or partially. Next in order came Mysore, Madras and Gujarat. In plantations, Assam reported the largest number of cases in which maternity benefit was paid during the year under review. The number of claims paid in factories as well as the amount of maternity benefit paid was the highest in Kerala. The proportion of women workers who were paid maternity benefits in full or part in factories and plantations, to the total number of women workers who claimed such benefits during the year under review was fairly high in all the States.

The percentage of claims to the total number of women employed in 'factories' and in 'plantations' was the highest in Kerala and West Bengal respectively. As compared to 1964, the overall percentage of claims to the total of women employed were lower in factories, plantations and mines during 1965.

* The Indian Labour Journal, Vol.VIII, No.6,
June 1967, pp. 511-513.

The average amount of benefit paid per case in factories varied from State to State, the highest (Rs.251.00) being in 'Bihar' and the lowest (Rs.63.00) in Punjab. The average amount of maternity benefit paid per case during 1965 was Rs.117.00, Rs.120.00 and Rs.196.00 for factories, plantations and mines respectively.

The number of complaints received was the highest in Kerala in respect of factories and in Assam in respect of plantations. Prosecutions were launched only in a few cases, as generally the violation of the Acts or the Rules thereof, which led to complaints was reported to be of a minor nature.

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