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INTERNATIONAL LABOUR OFFICE
INDIAN BRANCH

Industrial and Labour Development in September, 1951.

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

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - SEPTEMBER 1951.

11. Political Situation and Administrative Action.

Mr. Nanda appointed Minister for Planning.

Mr. G.L. Nanda, Deputy Chairman of the Planning Commission, has been appointed Minister for Planning with effect from 15 September 1951. Mr. Nanda will continue to hold his office in the Planning Commission.

It is understood, however, that the Government does not intend to create a separate Ministry of Planning, at least as long as the Planning Commission continues to exist in its present form.

(The Statesman, 16 September 1951).

Ninth Meeting of the Bihar Labour Advisory Board, Patna, 22 September 1951: Go-slow Policy discussed.

The ninth session of the Bihar Central (Standing) ^{Labour} Advisory Board was held at Patna on 22 September 1951, Dr. A.N. Sinha, Minister for Labour and Finance, Government of Bihar, presiding. The meeting was attended by representatives of employers, workers and Government. Mr. S.P. Saksena of this Office attended the meeting as observer on ILO's behalf.

Agenda.- The agenda before the meeting included the following items:-

(1) Consideration of the Report of the Go-slow committee; (2) Consideration of the proposal to deal with the question of rival trade unions; (3) Revision of the constitution of the Bihar Central (Standing) Labour Advisory Board; and (4) Character, status and rights of seasonal employees in the seasonal factories like sugar and shellac.

I. Go-slow Policy: Report of the Committee.- The meeting discussed the report of a Committee appointed at an earlier session of the Board to go into the

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question of go-slow tactics adopted by workers in industries.

The Committee in its report ~~it~~ had stated that there was a general complaint of fall in the productivity of labour. In the opinion of the Committee, this might be due to various causes such as low level of wages, lack of recreational amenities, lack of welfare facilities, want of social security, fear of loss of employment either on account of mechanisation or other forms of re-organisation, or retrenchment due to other causes, lack of proper vocational training, huge untapped reserve of rural workers who could be engaged in industrial work making it advantageous to employ workers without proper training at low wages rather than having a smaller number of more efficient ~~train~~ and trained persons, want of ~~inefficiency~~ proper attention to machinery^{yes}, and managerial inefficiency.

While discussing this question, the Committee had in view certain cases of go-slow by workers brought to ~~their~~^{its} notice by the Labour Department, particularly in the sugar factories during the last crushing season. It appeared from an analysis of those cases that the go-slow was adopted on account of one or the other of the following causes:- (i) delay in settling an industrial dispute; (ii) fear of retrenchment; (iii) non-implementation of agreements or awards; and (iv) some local and accidental causes. In all these cases, go-slow was adopted because legal strike was not possible in view of the pendency of the adjudication or conciliation proceedings.

After taking into consideration all the facts and circumstances, the committee had made the following recommendations.

1) Go-slow by workers should be treated on par with strike.

2) When workers wilfully act in such a way that the production of a factory, or a part thereof, falls below the average normal production, the industrial equipment and levels of the management remaining the same, the workers should be held to have adopted deliberate go-slow tactics. Whenever there was an allegation of go-slow, it should be necessary to investigate and fix the average output of production for each unit or department, and if the production fall below the normal, i.e., average output, everything else remaining normal, it should be considered to be go-slow by workers. The average quantum of production should be calculated on the figures of the preceding 5 years, excluding any abnormal period. In case of a factory which had not completed 5 years, the preceding months and years need only be considered

in calculating the average production. In case of difference of opinion regarding the figure of average of production, the matter should be referred to the Labour Commissioner, who should hold such enquiry, as he thinks fit, take expert advice, if necessary, and give his decision, which should be acceptable to both the parties.

3) As a general rule, the workers should not resort to ~~slow~~ go-slow without proper notice. A notice expressing the intention of the workers to go-slow and setting forth the reasons for the same should be served on the management, and the local Conciliation Officer, with copies to the Labour Commissioner and the Government. The date of commencement of go-slow should not be less than 7 days from the date on which the notice is served on the management. The notice will remain in force for 4 weeks from the date of the service of the notice on the management. It may not be necessary to notify the exact date of starting the go-slow.

4) As soon as a notice of go-slow is received in a public utility service, the Conciliation Officer of the local area should intervene and try to bring about a settlement, and take all such measures as were necessary in the case of a notice of strike.

5) The workers should not resort to go-slow during the pendency of conciliation proceedings or pendency of an adjudication proceeding arising out of a notice of go-slow. Conciliation must be concluded within 4 weeks of the notice.

6) In a non-public utility service the employer should immediately hold discussions with the representatives of the recognised union on receipt of the notice of go-slow, and try to come to a settlement. Either party may seek the assistance of the local conciliation officer in case the dispute is not amicably settled, and the assistance of the local conciliation officer should be made available as far as practicable.

7) Sometimes, just like a lightning strike, go-slow may be resorted to without ~~the~~ notice on sudden provocation either with or without the consent of the union. If it was without the consent of the union, it would be the responsibility of the union to take every step possible to call it off immediately.

8) Go-slow due to malpractices by the management would be justified.

9) Go-slow for any unjustifiable reason would be unjustified e.g., if demands of the workers which were

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the basis ~~of~~ for the go-slow were found, on enquiry by the Labour Commissioner, to be unjustified, any go-slow by the workers on the basis of these demands would be unjustified.

10) If it was found, after enquiry, by the Labour Commissioner that go-slow was unjustified, following actions shall be taken: a) For unjustified go-slow at the instance of the union, office-bearers of the union who were not employees, would be debarred ~~for~~ from holding office for a period of one year. The Office bearers who were employees would be further liable for such punishment as may be provided for in the Standing Orders, in the discretion of the management for simple misconduct. (b) In the case of unjustified go-slow by workers without the union's consent, the ring-leaders held responsible for the go-slow would be liable for punishment provided for major misconduct, including dismissal.

11) Government should immediately consider the necessity of strengthening the conciliation machinery in order that there may not be avoidable delay in the settlement of industrial disputes.

12) The employers and the employees should scrupulously honour the decision of the Bihar Central (Standing) Labour Advisory Board regarding retrenchment including retrenchment of seasonal workers. This will give a sense of security in the mind of the employees and will help to considerably reduce the chances of go-slow.

13) The employers should see to it that agreements and awards were implemented as speedily as possible. Government should also have the machinery to pursue the implementation of agreements and awards, and it should not hesitate to take action under the law for non-implementation.

Notice to be given before go-slow is adopted.- The meeting arrived at an unanimous decision that in cases of allegations of go-slow, the Labour Commissioner should decide whether there was go-slow or not and that the basis for comparison should be the average production of the period not less than 12 months preceding the go-slow period. All abnormal periods and extraordinary factors like the introduction of new machines etc. should be eliminated, or should be taken into account, while determining the average production. The workers also agreed to give notices of go-slow to managements.

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II. Rival Trade Unions.- In the memorandum on this subject prepared by the Government for the session, the following main principles were recommended in dealing with the question of rival trade unions: (1) Any number of trade unions can be registered in a single establishment, but before registering a new union at a place where there was in existence, a registered union, the Registrar of Trade Unions will examine carefully the bonafides of the union claiming the registration. (2) The employer must recognise one of the registered unions, and in granting this recognition care should be taken that the union which was most representative of the workmen was recognised. (3) Status quo should be maintained in the case of the unions which were at present registered and recognised unless their registration was cancelled by the Registrar of the Trade Unions, in which case the recognition should be withdrawn. (4) A rival union can claim recognition only after it had functioned for at least one year at the establishment concerned. (5) The employer should deal with all questions of general interest to the workmen with the recognised union only. (6) Cases of individual workmen, having no general application to others can be brought up before an employer by a registered union of which the workman was a member, even though that union may be not be recognised, and the parties can come to a settlement about such matters. In no case will ~~the~~ employer enter into an agreement on matters of general interest with a union which was not recognised. (7) When there was a dispute about the representative character of unions for the purposes of recognition, the Labour Commissioner will try to determine the representative character after taking into consideration the membership, and such other evidence as may be produced before him. Voting by secret ballot will be taken only in extreme cases, and as a last resort. Voting if necessary will be restricted only to members of the registered unions and the rival union should secure at least 75 per cent of the vote ~~mark~~ before it can dislodge the existing recognised union. (8) Recognition as a result of voting should not be disturbed for one year.

Discussions.- Discussing these recommendations, the employers suggested that a worker should be allowed to join only one union at a time. This was likely to help in the determination of the most representative union. It was also suggested that there should be no provision for voting and the question should be decided by the Labour Commissioner but if the method of voting was to be retained, it should take place under the supervision of the officers of the Labour Department. The percentage of votes to be secured by a rival union for dislodging the existing recognised union, should be 60 instead of 75 as suggested in the

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memorandum and that the minority union should have the right to call for a ballot again after one year. The employers should deal only with recognised unions and not with all registered unions. Finally, no union should be allowed to deal with cases of non-members. It was also pointed out by the employers that the criterion 60 or 75 per cent votes should be applied only, if there were two unions, but in cases where there were more than two, application of this rule would be difficult. It was therefore suggested that the question should be decided on the basis of largest valid membership.

The workers' point of view was that the best course would be to settle the question of representative union by mutual agreement between the parties, as decisions by a Tribunal always left a trail of bitterness between the parties concerned. Workers group was in favour of the provision for voting and pointed out that in a democracy one has to believe in the method of secret ballot.

The workers' group was divided as regards the recommendation that cases of individual workers might be brought before an employer by a registered union, even though it may not be recognised by the employer. The INTUC group were in favour of dropping this recommendation, while the other workers were in favour of the suggestion.

Concluding the discussion, Mr. R.S. Pandey, Secretary, Department of Labour, Bihar stated that if it was ~~argued~~ ^{argued} that the recommendation relating to cases of individual workers should be deleted, the provision for securing 75 per cent votes for dislodging trade unions could be reduced to 60. He explained that the Registrar or ~~Trade~~ Trade Unions had found it difficult to decide the question of representative union because one worker was found on the rolls of more than one union. It was not always necessary that the worker himself should have paid the subscription; somebody else might have paid for him. The provision contained in the Government memorandum did not relate to the recognition for the first time but to the dislodging of a recognised union. The Government took note of the views expressed by the various groups and would take a decision in the light of all these discussions.

III. Nature, Status and Rights of seasonal employees in seasonal factories like sugar and shellac. The memorandum on this subject stated that recently there had been a decision of the Labour Appellate Tribunal of India in the case Madho Raut and others Vs. Motipur Sugar Factory Limited, which had a bearing on the right of re-employment of the seasonal workers,

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from season to season. In the course of the decision, the Tribunal said:

"As we have already noticed the applicant has admitted that he was a seasonal employee and Shri Ranen ~~Roy~~ Roy appearing for him admits that he was not paid any retaining allowance for the off-season of 1949-50 or any previous off-seasons, since his first appointment in the season 1945-46. The principal question, therefore, which we have to determine, is what are the rights of a seasonal employee in the sugar industry of Bihar to whom retaining allowance for the off-season is not paid.

"The applicant does not plead in his application that such seasonal employees continue to be in service during the off-season either by custom or otherwise. In the statement filed by the Company, it is, however, stated that in his award dated the 20th November, 1949, Shri Shiva Pujan Rai recognised that the employment of seasonal workers at the beginning of the season lay in the discretion of the employer. In this state of the pleadings, the question as to whether seasonal workers who had worked in the preceding season have by custom a right either to be re-employed at the beginning of the next season or have the right to be regarded as being in service during the preceding off-season does not arise. In fact at the time of hearing, the applicant's representative did not urge that by custom if such seasonal workers have a right to be re-employed in the next season, they are to be regarded as being played off during the off-season in between the preceding season. We did not think it necessary to take evidence to see whether there is that practice, but assuming such a practice to exist, it would not be right to introduce or proceed upon the fiction that they are to be regarded as being played off during the off-season. Prima facie seasonal workers to whom no retainer is paid or payable are employed for the season and their service is to terminate with the end of the season and so their employment in the next season is a new employment. During the off-season they are free to employ themselves elsewhere and are under no obligation to join in the next season a view, which has been adopted in Walchandnagar Industries, Ltd., Vs. their workmen (Bombay Gazette, Extraordinary, dated the 16th April, 1948), which we approve.

In fact in all Standing Orders three classes of employees are mentioned, namely permanent workers, seasonal workers and temporary ones and seasonal workers are defined to be those who are engaged or employed for the season. The last contention on behalf of the applicant is that all seasonal workers of sugar factories in Bihar have been given the right as is being claimed by the applicant by the award of Shri Shiva Pujan Rai mentioned above. The award was given in a dispute between all the Sugar Factories of Bihar and their ~~workmen~~ employees.

"We have got the award of Shri Shiva Pujan Rai, dated 20th November, 1949, before us with regard to the employment of seasonal workers, it lays down as under: 'The factories are prepared to re-employ employees of the previous season on the conditions laid down in the interim award already issued by me subject to the condition that such employment shall be offered when there will be vacancies and the post has not been abolished as a result of general retrenchment or rationalisation. The factories recruitment shall be done on the revised nomenclature. The factories shall not be bound to re-employ seasonal employees discharged or dismissed after lawful enquiries'.

"It is clear ~~that~~ from this that no orders were passed compelling the factories to re-employ seasonal workers but they themselves offered to re-employ them subject to certain conditions. The case of the applicant would, however, be governed by the last paragraph of the quotation ~~which... we have italicized~~, if it is held that he was discharged or dismissed. But it was not so. He was only refused re-employment in the following season".

This decision of the Appellate Tribunal had given rise to a fear in the mind of ~~the~~ Labour that seasonal employees in sugar factories now stood entirely at the mercy of the employers, that they would or would not be re-employed at the discretion of the management and that the management may replace any number of old hands by new recruits at the beginning of each crushing season. There was a sense of frustration amongst the workers that a certain amount of security of employment which the seasonal workers had enjoyed, by custom and convention, was being suddenly taken away. Unless a satisfactory solution was found, this may lead to industrial unrest during the next season resulting in ~~the~~ loss of production.

There was a general complaint before the commencement of the season 1950-51 that the sugar factories were contemplating retrenchment of a large number of seasonal employees either on the ground of abolition of posts or rationalisation or as a measure of reducing the labour cost. There was a likelihood of a considerable industrial unrest on this account. The Government, therefore, approached the Bihar Central (Standing) Labour Advisory Board for advice on the question of retrenchment generally, in the meeting of the Board held in September 1950. The Board agreed that any proposal for retrenchment should, in the first instance, be discussed by the employers with the registered and recognised trade unions, and if there was an agreement between the two, the retrenchment should be given effect to according to the terms of the agreement. In case of disagreement between the employers and the union, it was agreed that the matter should be referred to the Labour Commissioner for advice, and his advice should be binding on both the employers and the employees. It was felt that it should be left to the Labour Commissioner to consult such experts as may be necessary. At subsequent meetings of the Labour Commissioner with sugar mill workers' unions and the Bihar Sugar Mills Association, a settlement was arrived at in the matter of retrenchment of seasonal employees under which, both the employers and the labour accepted the procedure laid down by Government in the matter of retrenchment i.e., any question of retrenchment, including retrenchment of a seasonal worker, should, in the first instance, be discussed by the employer with the representatives of registered and recognised trade union. In case of an agreement, the proposal would be given effect to in terms of the agreement. In case there was no agreement the matter would be referred through the Association to the Commissioner of Labour, Bihar, for his advice and the Labour Commissioner's advice would be acceptable to both the parties. Retrenchments might be formulated among others, for the following reasons: (1) re-organisation due to mechanisation; (2) re-organisation due to change of process; (3) re-organisation due to surplus staff; and (4) re-organisation due to the factories being absolved of certain responsibilities either by statutory or executive instructions. Removal of an employee under the regular procedure for acts of misconduct would not be construed as retrenchment.

The sugar factories in Bihar gave full co-operation in the matter during the last season. In two of the sugar factories, the employers were able to negotiate settlements with the recognised unions and retrenchments of the seasonal employees were carried out in pursuance of those settlements. In certain other factories, proposals for retrenchment were submitted to the Labour Commissioner. The Labour

Commissioner made an investigation into each proposal, and obtained Government orders, which were published in the form of resolutions in Bihar Gazette. Each one of these orders regarding retrenchment was accepted and carried out by the employers and the employees. This helped a great deal in maintaining industrial peace in sugar factories during the last season (1950-51). The memorandum concluded that there would appear to be hardly any justification for making a departure from the policy that was followed during the last season in the matter of re-employment or non-re-employment of seasonal workers in sugar factories. Any departure from that policy will be in conflict with the settlements between the employers and employees and will also run counter to the decision of the Labour Advisory Board. It was also likely to disturb the industrial peace. The memorandum recommended that the decisions taken in respect of sugar factories may be applied mutatis mutandis to the seasonal workers in shellac factories.

Employers' assurances.- During the discussion, the workers' group supported the Government memorandum and pressed for continuing the present practice which was based on an agreement arrived at a meeting of the Advisory Board for the employment of seasonal workers. They were not inclined to accept the recent ruling of the Tribunal which had decided that the employment of seasonal workers ~~would~~ ended with the season and that they had no claims to continued employment in the next season.

The employers' representatives declared that inspite of the Appellate Tribunals' decision they did not propose any violent change from the present position. Concluding the Labour Secretary said that the employers must give information well in advance of any surplus labour in the seasonal factories and the Labour Commissioner as an impartial person will decide the issue.

The session also discussed the question of revision of the constitution of the Board. A suggestion was made to include among the official members, the Chief Inspector of Factories also. As to the representative of workers it was pointed out that they should be taken from the associations of workers and not from isolated unions unless the Government was fully satisfied that any such union was important in any industry.

Before the close of the session, the ILO representative addressed the meeting. He stated that the ILO had always been anxious to study the social and economic problems of the working class

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and was ready to offer all assistance by way of information and expert knowledge obtained from all over the world.

(Memoranda on the items of the Agenda of the meeting of the Board, received in this Office. *(Sent to Geneva under this office Minute No D-1/1826/51 dated 56 October 1951).*

Mr. Saksena's notes on the proceedings of the meeting).

14. Conventions and Recommendations.

India - September 1951.

Employment of Children (Amendment) Act, 1951
(XLVIII of 1951): Measure to enforce
Provisions of Night Work of Young Persons
(Revised) Convention.

The Employment of Children (Amendment) Bill, 1951 (vide page 7 of the report of this Office for August 1951), as passed by Parliament received the assent of the President on 1 September 1951 and has been gazetted as Act No. XLVIII of 1951. The Act which makes certain amendments to the Employment of Children Act, 1938, provides, inter alia, that no child who has not completed his fifteenth year shall be employed or permitted to work in any occupation; connected with the transport of passengers, goods or mails by railway; or connected with a port authority within the limits of any port; and that no child who has completed his fifteenth year but has not completed his seventeenth year shall be employed or permitted to work in the above occupations, unless the periods of work of such child for any day are so fixed as to allow an interval of rest for at least twelve consecutive hours which shall include at least such seven consecutive hours between 10 p.m. and 7 a.m. as may be prescribed. The provision concerning prohibition of night work of children does not apply to any child while employed or permitted to work in such circumstances and under such conditions as may be prescribed either as an apprentice or for the purpose of receiving vocational training; the competent authority is also empowered to suspend the operation of the provision for such period as it thinks fit if an emergency has arisen and the public interest so requires. Other provisions of the Act deal with maintenance of register, display of notice containing abstracts and penalty.

(The Gazette of India, Extraordinary,
Part II, Section 1; 3 September 1951,
pp. 300-302).

CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

INDIA - SEPTEMBER 1951.

21. United Nations and Specialised Agencies.

Seminar on Youth Welfare to be held in India;
Agreement signed with U.N.

An agreement for holding a seminar on "Youth Welfare including Youth Movements and Organisations" for countries in South-East Asia from November 1 to 21, 1951 was signed on 28 August between representatives of the United Nations and the Government of India.

India will be the host country. The Governments of Burma, Ceylon, India, Indonesia, Pakistan, the Philippines, Thailand and of the British territories in South-East Asia have been invited to take part in the seminar. National and international organisations interested in youth welfare activities are being invited to send observers. The U.N. and its specialised agencies, such as the ILO, UNESCO, WHO and FAO will be sending experts in problems of youth welfare both in urban and rural areas.

Exhibition planned.- The seminar will discuss problems connected with the welfare of youth in this region and attempt to evolve short-range and long-range welfare programmes for the participating countries. A Youth Welfare exhibition will also be organised.

Mr. G.D. Sondhi, lately of the Indian Educational Service, has been appointed by the U.N. as Director of the seminar. Dr J.F. Bulsara, the Far Eastern Representative of the U.N. Division of Social Activities, will be Co-Director.

The Indian delegation will be led by Mr. K.G. Saiyaidain, Joint Educational Adviser to the Government of India. In addition to the official delegation, various Ministries of the Government of India, State Governments and prominent youth welfare organisations in India are being invited to send observers.

(The Statesman, 7-9-1951).

25. Wage-Earners' Organisations.

India - September 1951.

Negotiations between AIRF and Railway Authorities:
Tentative Agreement on Three Issues reached .

Reference was made at pages 14-15 of the report of this Office for August 1951 to the meeting between representatives of the All-India Railwaymen's Federation and the Railway Minister regarding various demands of the railway workers.

On 16 September 1951, Mr. J.P. Narain, President of the Federation, addressing a workers' meeting at Madras, said that a tentative agreement had been reached between the Federation and the Railway Ministry on three of the five issues which were the subject of dispute. The agreed points included the setting up of permanent negotiating machinery at various levels, from district to Railway Board. The second point of agreement was the formation of a permanent national tribunal for adjudication in any disputes that might arise from time to time. The tribunal would arbitrate on issues which could not be settled across the table by the Federation and the Government. Whether the tribunal would function exclusively for the railways or would also deal with issues common to all Government employees was still under discussion, he said. The Government should submit to Parliament such of the awards of the tribunal as were unacceptable to them, stating ~~this~~ its case. Parliament would then decide the matter finally by a resolution. Thirdly, it had been agreed to set up machinery for dealing with differences in day-to-day administrative matters, like disciplinary action, dismissals and stoppage of increments.

(The Statesman, 17-9-1951).

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27. Salaried Employees' Organisations.

India - September 1951.

First All-India Cine Technicians' Conference:
Emphasis on forming Central Association.

An all-India Cine Technicians' Conference convened by the South India Cine Technicians' Association was held at Madras on 2 September 1951, Srimati Protima Das Gupta presiding. Over 500 delegates from various parts of the country attended the meeting. The Conference was inaugurated by Mr. P.S. Kumaraswamy Raja, Chief Minister, Madras State.

Presidential address: need to form trade union:-
Srimati Protima Das Gupta, in the course of her presidential address, said that cine technicians whether free-lance or permanently attached to some studio or laboratory, had played a vital role in the progress of the film industry. It was ~~their~~ their work in the four essential departments in the industry, namely, photography, sound, processing and editing, that brought forth the finished product.

The cine technicians' plight, she said, was a sorry one; but, the time had come for decisive action. The South Indian Technicians' Association had taken the lead in calling together a meeting of technicians from all over India. The first and most imperative need was for the formation of an All-India Association. Such an association must be a body with funds of its own, as it was useless to rely on Government or outside help. Despite the fact that the film industry was India's eighth most important industry and that, as such, it was a highly productive source of revenue and could be made an instrument of propaganda, Government still pursued its short-sighted policy of doing nothing at all for the industry, apart from increasing the entertainment tax. Every representation made had been turned down or ignored. Government together with the exhibitors, took away 82 per cent of the total earnings of the film industry and put nothing at all back into it.

Once the All-India Association was formed, Srimati Protima Das Gupta said, it should present a united front to the Government and demand recognition under the Trade Union Act, so that arbitrary dismissals, lack of pensions and leave rules, etc., could be put an end to. The various studio committees should come together to place their grievances before the appropriate authorities.

Srimati Protima Das Gupta also urged the need for setting up a Film Academy for training technicians. The Academy could be affiliated to universities and foreign film academies.

Standing committee appointed.- The Conference passed a resolution stating that a Standing Committee should be formed with two members nominated from each of the three Cine Technicians' Associations in Madras, Bombay and Calcutta, Mr. L.V. Prasad, Mr. N. Krishna-swami (convener) and Srimati Protima Das Gupta, with powers to co-opt. The Committee would devise ways and means of promoting the welfare of cine technicians and would make representations to the Government whenever necessary.

(The Hindu, 3 September 1951).

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27. ~~Industrial~~ Employers' Organisations.

India - September 1951.

Annual General Meeting of United Planters' Association of Southern India, Coonoor,
27-30 August, 1951.

The annual general meeting of the United Planters' Association of Southern India was held at Coonoor from 27 to 30 August 1951, Mr. D.C. Kothari presiding. The conference was inaugurated by the Governor of Madras, Mr. Hare Krishna Mahtab, Minister for Commerce and Industry, Government of India, also addressed the conference.

Inaugural address: Government's aim to ensure fair deal to labour stressed.- In the course of his inaugural address, the Governor of Madras assured the planters that the various labour laws and regulations were intended to ensure a fair deal to labour, an obligation cast on the Government by the new Constitution. The Plantation Labour Bill now before Parliament was fairly comprehensive and Government desired all disputes to be settled by friendly negotiation without recourse to outside intervention. He appealed to the planters and plantation labour to strive their utmost to maintain friendly relations.

Presidential address: equitable taxation policy urged.- Mr. D.C. Kothari in his presidential address, referred to the various problems facing the plantation industry. He said ~~that~~ that the tea industry ~~and~~ had generally had a favourable year, though production, amounting to 98.02 million lbs was a million pounds below the 1949 production largely due to climatic factors. The coffee crop for the last season was an average one, and only amounted to some 18,000 tons. The small crop was responsible for some ~~interests~~ increase in prices, but these prices were still a long way behind the world prices. Exports had to be drastically curtailed in view of the small crop. The Rubber industry had had a very trying time, with world prices shooting up to dreamy levels on the one ~~hand~~ hand, and the local price on the other hand remaining at a figure that would hardly cover the cost of production with no margin for urgently needed rehabilitation and development of estates. The price that the Government of India had fixed after the Tariff Board enquiry, not only bore ~~no~~ comparison with the prevailing world price, but did not even ~~now~~ allow the grower to undertake any effective or largescale modernisation of his garden which was absolutely necessary to enable him to continue in economic production. As regards taxation, it was a pity that the Government was not able to make any substantial reduction in its administrative expenditure. The Association wanted a careful and well

thought out expenditure programme mainly with a view to see that all non-productive expenditure was kept at the minimum so that all the available resources ~~are~~ ^{were} employed in contributing to the productive wealth of the country. This would help to avoid necessary fresh taxation. Even the existing level of taxation had hampered capital formation. In the three years commencing from 1948 new foreign capital coming into this country was roughly ~~Rs~~ 105 million, or about 2 per cent of the total foreign capital in India. This should ~~not~~ be taken as an expression of the not surprising doubt and perplexity of foreign investors as to the intention of the Government of India on the place of private enterprise in India's economy. As regards the plantation industry, Mr. Kothari said that he was not exaggerating when he claimed that it was the most heavily taxed industry in India, for, not only was it subject to income-tax, and agricultural income tax in some States, but also excise and export duties, besides many other local taxes. Further, there was a threat from the Government of Madras in the form of an additional land taxation on commercial crops, and an estate duty on land. The combined effect of all these taxes would be to raise the cost of production to a high level which would weaken the competitive capacity of the product in the international markets. This was the largest single factor hampering the country's export trade.

He urged upon the Government to give serious consideration to this question. Otherwise India would soon find herself unable to check consumer resistance which seemed to be growing steadily in all her principal overseas markets. The need to reduce the incidence of taxation, both Central and State, and direct and indirect on plantation crops, particularly on tea was never greater than at present.

Labour legislation increases production cost.-
 Next to taxation another reason for the steady increase in the cost of production in recent years was Government's enactment of various labour laws providing amenities to labour without considering the economic strength of the industries ~~concerned~~ concerned. ~~In~~ What the industry could bear must be scientifically gone into before the Government attempted to implement these various labour measures. In this connection, he pointed out that so far as the plantation industry was concerned, all the labour was recruited from the agricultural section of the community and welfare measures must relate to the standards which the labourers were normally accustomed to. Further the burden on the industry as a result of these labour laws must be commensurate with the increased yield which productive efficiency must aim at. Making a particular reference to the Plantation Bill, now before Parliament, Mr. Kothari said that he would quote an instance to show how ~~any~~ attempt to prescribe uniform working conditions in plantation labour all

over India, not taking into consideration the differences that exist due to various factors like climate, situation of ~~the estates~~ the estates, and the difference in the raising of the various plantation crops could result in legislation that was difficult to implement. Taking the statistics of tea production in the State of Travancore-Cochin for the last one or two years, one found that in one year the monthly average of the three lowest crop months was 2,119,576 lbs., or 4.2 per cent of the year's crop while the highest month's crop was 7,191,012 lbs., or 14.3 per cent of the year's crop. Expressed in terms of workers who could be given permanent employment, provided the additional workers necessary to deal with heavier ~~the~~ crops could be recruited on a casual basis, this meant an average of 295 permanent workers out of every 1,000 workers at present on estates. This showed how difficult it was to give permanent employment in a seasonal industry like plantations. It would also be seen how difficult it was to prescribe fixed hours of working for an agricultural occupation which by its very nature was liable to heavy fluctuations. He therefore would plead with Government to review its labour legislation with this background in mind.

He emphasised that planters were ready to co-operate with the Government in all ~~the~~ its endeavours to better the living standards of labour. Unless, however, labour contributed to increased production there could not be increased wages, which alone would go to raise the standard of living. The plantation industry has already passed from a sellers' to a buyers' market and unless India was able to produce her products at a competitive rate in competition with countries like Ceylon, Ind^a-China, Indonesia, China and East Africa, which had certain natural advantages for such products, she was likely to lose her hold on the international markets.

Indiscipline among labour.— Mr. Kothari said that in common with other plantation industries in India, by far the most serious problem confronting their industry was not only the ever rising cost of labour, but also the emergence in certain areas of growing indiscipline and falling output among estate workers. It was absolutely essential therefore that Government must afford all possible assistance to check indiscipline and falling output, in the workers' own interests, if the industry was to be capable of playing its part in bringing about still better conditions for its workers.

Mr. A.C. Thimmiah, chairman of the Coffee Section, Mr. F. Hawkings, chairman of the Rubber Section, and Mr. C.E. Dennys, chairman of the Tea Section, addressed the meeting on the problems facing their respective sections.

(Copies of the proceedings of the conference have been called for and will be reviewed in details in a subsequent report, if considered necessary).

(The Hindu, 28, 29 and 31 August, 1951;
and 1 September 1951).

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29. International Co-operation.

India - September 1951.

U.N. Technical Assistance Programme for India:
Director-General of Technical Assistance Board
Meets Indian Officials.

A meeting ~~is~~ was arranged in New Delhi on 21 September 1951 between Dr Keenleyside, Director-General of the U.N. Technical Assistance Administration when he visited Delhi during his tour of this region, and representatives of the various Ministries of the Government of India. Mr. H.G. Ambegaokar, Secretary, Ministry of Finance, presided. Besides officials of the Government of India the meeting was attended by representatives of the FAO, ECAFE and the ILO (Indian Branch).

The meeting discussed the requests for technical assistance from different Ministries. Dr. Keenleyside said that the Government of India should prepare a note of its requirements before the end of November 1951 so that these requirements could be considered by the UNTAA and other Specialised Agencies for inclusion in their programme.

Dr Keenleyside explained to the meeting the procedure followed by the UNTAA in dealing with requests for technical assistance. He said that the Administration was considering a proposal to send two experts to India to help in the marketing of cottage industries products. The UNTAA was also considering another proposal for the opening of a short-term school in India for intensive training in sample survey.

In ~~his~~ his opinion what India needed most was probably not so much experts as financial backing for the projects themselves. In this sphere, however, the UNTAA could not offer very much and India would have to look forward to the Colombo Plan or to the Point-Four Programme.

Under its 1952 programme, Dr Keenleyside said, the Administration was prepared to assist even individual industries in their particular problems provided the Government which sponsored such applications was prepared to certify that such assistance would be of national benefit.

He also urged the Government of India to make available to the Administration the services of

Indian experts for foreign countries. The Administration, had to find in between 1,000 to 2,000 experts and he thought there were certain fields in which India could very well help.

During the discussion it was pointed out that while India would take advantage of the Administration for getting experts, it would quicken the execution of her projects, if the Administration could help in the supply of equipment.

As for India lending experts for foreign countries it was stated that already a few Indian experts had been made available and any further requests would be earnestly considered.

Dr Keenleyside said that one of the marketing experts proposed to be sent to India was from the U.S.A. and the other from Europe. Cottage industries in India and some of the neighbouring countries were highly developed and highly prized in foreign countries. Therefore, it would be useful if the Administration could send out experts to study requirements of foreign markets and advise the Governments on the marketing of these products.

Mr K.G. Ambegaokar referred to the proposal for opening a sample survey training school and explained that the Government had already launched a national sample survey under which 1,800 villages spread all over India were being surveyed by experts.

(Summarised from notes prepared by Mr. Sharma of this Office who attended the Meeting.

The Hindustan Times, 22-9-1951)

Economic Aid under Colombo Plan: Canada and India reach Agreement on Principles.

Agreed principles under which economic aid from Canada will be provided to India under the Colombo Plan are contained in a statement of principles embodied in notes exchanged between the Governments of India and Canada, at New Delhi, on 11 September 1951. Canadian aid to India this year is expected to be of the order of \$15,000,000 or about 71.2 million rupees. The next step is to agree on specific ways and means of fostering economic development in India this year and proposals have been made by India which form an integral part of India's own Five-Year Plan.

The following are the principles agreed upon:

1. All economic aid supplied by the Government of Canada to the Government of India under the Colombo Plan shall consist of goods and services in accordance with specific programmes agreed upon from time to time between the two governments. Similarly, agreement will be reached on the methods of procurement and transfer.

2. In order that Canadian aid may cover different types of projects, different forms of financing may be used; in particular, Canadian aid will be available on either a grant or a loan basis, depending on the nature of each specific programme and the uses to which the goods and services supplied under it are put.

3. The particular terms of each specific programme will be a matter for agreement between the two Governments, subject to the following general provisions:

goods (a) Grants. In any specific programme under which financed by grants from the Canadian Government are sold or otherwise distributed to the Indian public 'counterpart funds' will normally be set aside. The Indian Government will set up a special account for these funds and will keep separate records of the amounts placed in the account in connection with each specific programme. It will pay into this account the rupee equivalent to the Canadian expenditures on goods and services supplied under any such programme.

The Government of India will from time to time report to the Government of Canada the position of this account and will supply a certificate from the Comptroller and Auditor-General of India. The two Governments will from time to time agree on the ~~amount~~ economic development projects in India to be financed from this account.

(b) Loans. For the specific programmes which are agreed to be appropriate for financing by means of loans, the terms of the loans will be determined by

the two Governments. These terms will relate primarily to the commercial character of the particular project in question, to its anticipated earnings, and to its anticipated effects on the foreign exchange position of India.

(Indian News Chronicle, 11-9-1951).

Assistance to India under Point-4 Programme:
Services of 88 U.S. Experts requested.

On 4 September 1951, Mr. C.D. Deshmukh, Finance Minister, Government of India, in reply to a question in Parliament said that the total number of technicians that the Government of India had asked for from the U.S.A. under Point-4 Programme was 88. Twelve such technicians had already arrived in India. Of these, six were experts in agricultural subjects, two in applied geology, one in the manufacture of biological products, one in hydro-electric construction, one in the manufacture of sulphuric acid from gypsum and one in social education.

(Indian News Chronicle, 5-9-1951).

U.S. Aid for India's River Valley Projects:
Agreement signed.

On 15 September 1951 an agreement was signed in New Delhi between the Government of India and the USA ~~whi~~ under which scientific and engineering services connected with river valley projects will be ~~axis~~ made available to India through the U.S. Bureau of Reclamation.

This agreement follows the General ~~Agreement~~ Agreement of December, 1950, providing for technical co-operation between the two Governments.

The services to be so provided will be the study and analysis of scientific and technical engineering data, testing of materials, analysis of stresses and stability involving technical studies, construction and testing of hydraulic models and such other scientific and technical engineering services and advice as are commonly required to determine the adequacy of the designs or construction of structures for river valley projects.

(The Statesman, 16-9-1951).

CHAPTER 3. ECONOMIC QUESTIONS.INDIA - SEPTEMBER 1951.31. General Economic Situation.

Census of Manufacturing Industries for the Year 1948: 21.5 Per Cent Increase in total Expenditure on Labour.

The Government of India has recently published the results of the Third Census of Manufactures for the year 1948*. The report covers 28 major manufactures and relates to all the Part A States and Part B States of PEPSU (Patiala only), Rajasthan (Jodhpur only), Saurashtra (Perbandar only), Travancore-Cochin (Cochin only) and Vindhya Pradesh and the following Part B States: Ajmer, Delhi and Himachal Pradesh.

Lacunae in the Census.- The report points out that although the present census covers 29 industries it does not include all the factories under these 29 industries. Factories coming under section 2(j) of the Factories Act, 1934, have only been included and those under Section 5(1) have been left out in the present census. Thus out of a total of about 7,000 establishments in these 29 industries, the census is confined to 6,144. Even for this number the returns are not complete. Despite best efforts it has been possible to secure returns only from 5,690 factories, i.e., 93 per cent of the total number of factories listed under Section 2(j). This gap does not, however, materially affect the number of establishments in any particular industry covered by the present census, as the establishments left out are very ~~xx~~ small ones and do not, therefore, contribute in a large measure to the aggregate values. Again the census still excludes some of the more highly industrialised states, such as Mysore, Hyderabad, Travancore, Bhopal, Gwalior and Indore.

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Government of India. Ministry of ~~Economic~~ Commerce and Industry. Directorate of Industrial Statistics. Third Census of Manufactures, 1948. Vols. I and II, pp. 768, price Rs. 10-12 and Rs. 9-4.

Number of factories.- The number of factories existing in the area covered by the census was 6,144 in 1948 against 5,632 in 1947. The number of factories from which returns were received was 5,690 in 1948 against 4,872 in 1947. The percentage of defaulting factories was 7 in 1948 against 13 in 1947. A larger number of factories remained closed during 1948 than in 1947. The average number of days worked by factories was about the same as in 1947. The number of factories that remained closed throughout the year was 275 in 1948 against 215 in 1947. The average number of days worked by factories was 241 in 1948 against 240 in 1947.

Madras continued to have the largest number of factories among the states, although in respect of value added by manufacture it ranks below Bombay, West Bengal and Uttar Pradesh. Of the total factory strength in the country 23 per cent was in Madras, 22 per cent in West Bengal and 20 per cent in Bombay. Among the industries Rice Milling continued to have the largest number of factories followed by General Engineering and Vegetable Oils. Rice Milling and General Engineering factories each formed 24 per cent each of the total factories in existence and Vegetable Oils 16 per cent. But Rice Milling ranks lowest among these industries in respect of Capital and labour employed.

Employment.- The number of persons employed in the 29 industries in 1948 was 1.704 million against 1.633 million in 1947, the increase being mainly due to the larger number of factories covered. The number of workers employed was 1.546 million against 1.487 million and of persons other than workers 0.159 million against 0.146 million in 1947. Three per cent of the workers were employed through contractors. Ten per cent of the workers, ^{women} and 0.3 per cent children Both the capital and the number of persons employed were highest in Bombay. The value of productive capital employed per person was 2,748 rupees in Bombay, 2,394 rupees in West Bengal, 2,741 rupees in Madras, 3,706 rupees in Uttar Pradesh, 4,114 rupees in Bihar and 2,778 rupees in India as a whole. Of the total employment offered by the 29 industries 34 per cent was in Bombay, 31 per cent in West Bengal, 10 per cent in Madras, 10 per cent in Uttar Pradesh, 8 per cent in Bihar and 8 Per cent in the remaining states. Among the industries the biggest employer of labour was Cotton Textiles (0.718 million), followed in succession by Jute (0.336 million), General Engineering (0.140 million), Sugar (0.103 million) and Iron and Steel (0.074 million). These five industries accounted for 80 per cent of the total employment in the 29 industries. The productive capital per person employed was 2,224 rupees for Cotton Textiles, 1,968 rupees for Jute, 2,603 rupees for General Engineering, 4,736 rupees for Sugar and 4,887 rupees for Iron and Steel.

Man-hours worked.- The number of man-hours worked in the 29 industries was 3,480 million in 1948 against 3,350 million in 1947. The number of workers was only 4 per cent more than in 1947.

The average number of days worked was the highest for the Cement industry (343), followed by Tanning and Producer Gas Plants (308 each), Sewing Machines (303) and Electric Lamps (299). It was least for Sugar and Rice Milling industries (191 each). The former is a seasonal industry and the latter more or less operating under similar conditions.

Expenditure on labour.- Among the industries Cotton Textiles was the biggest paymaster for labour. The expenditure on account of salaries, wages and other benefits to labour was over 850 million rupees in Cotton Textiles, 260 million rupees in Jute, 140 million rupees in General Engineering, 110 million rupees in Iron and Steel and 70 million rupees in Sugar. These five industries accounted for 85 per cent of the total expenditure on labour by the 29 industries. The cost per worker per day was 3 rupees 15 annas for Cotton Textiles, 2 rupees 9 annas for Jute, 3 rupees 1 anna each for General Engineering and Sugar and 4 rupees 15 annas for Iron and Steel.

Fuel consumed.- The total value of ~~fuel~~ fuel used by the 29 industries was 318 million rupees in 1948 against 275 million rupees in 1947 and of raw materials, chemicals, packing materials, etc., 5,870 million rupees against 4,580 million rupees. The value of work given out by factories to other concerns was 33 million rupees against 28 million rupees in 1947. The value of products and by-products was 9470 million rupees against 7370 million rupees in 1947 and of work done for customers 67 million rupees against 57 million rupees in 1947. Work done for customers was an important source of income to the General Engineering industry. It accounted for 8.0 per cent of the gross income in the case of General Engineering against 0.7 per cent for all industries.

Value added by manufacture.- The value added by manufacture was 3,170 million rupees in 1948 against 2,420 million rupees in 1947. Of the total value added, Bombay contributed 44.7 per cent, West Bengal 23.7 per cent, U.P. 10.0 per cent, Madras 8.5 per cent, Bihar 7.2 per cent and other states 5.9 per cent. The Cotton Textiles industry contributed 51.2 per cent, Jute 13.1 per cent, Sugar 5.6 per cent, Iron and Steel 6.2 per cent, General Engineering 6.5 per cent and other industries 17.5 per cent. The value added per factory was 0.59 million rupees in 1948 against 0.52 million rupees in 1947, per person employed 1,862 rupees against 1,483 rupees and per man-hour 14 annas 7 pies against 11 annas 7 pies. Employees received

52 per cent of the value added as salaries.

Gross Income of Industries.- The gross income of the 29 industries was 9,540 million rupees which was distributed as follows:-

Source of Income		Distribution of gross income			
	Rs.	Per cent		Rs.	Per cent
A. Value of products and by-products.	9,469,393,447	99.5	A. Expenditure on fuel and lubricants.	318,395,843	3.3
B. Value of work done for customers.	67,116,494	0.7	B. Expenditure on raw materials; chemicals etc.	5871,795,175	61.6
			C. Amount paid for work given out to other concerns.	32,986,051	0.3
			D. Depreciation of fixed assets.	139,910,649	1.5
			E. Value added by manufacture:		
			i) Salaries, wages and other benefits, received by labour.	1658,165,368	17.4
			ii) Available for other purposes.	1515,256,855	15.9
Total Gross income.	9,536,509,941	100.0	Total.	9536,509,941	100.0

34. Economic Planning Control and Development.

India - September 1951.

Implementing the Five-Year Plan: States asked to proceed with Schemes for 1951-52.

The Government of India has issued directions to the State Governments to proceed immediately with the implementation of the first year's schemes (1951-52) of the Five-Year National Plan. A definite procedure has also been suggested for the purpose of carrying out the schemes for the next year.

The directive follows a communication by the Planning Commission to the Central Ministries and State Governments in which the Commission has suggested concrete steps ~~for~~ for implementation of the Five-Year Plan. Many of the current year's schemes are, in fact, already in operation but the State Governments have been asked to proceed with them, keeping in mind the proposals made in the draft Plan.

National Development Council.- As regards the administrative set-up for the execution of the Plan, the Government of India is reported to have accepted the recommendations of the Planning Commission for setting up a National Development Council. The Council will include the Prime Minister of India and the Chief Ministers of States. This Council will review from time to time the working of the Plan and its various aspects. A Minister of Planning has already been appointed in the Central Cabinet (vide page of ~~this~~ this report).

Fourfold scheme.- At the State level, the Commission has suggested a fourfold scheme, namely: (a) At the top, there should be an inter-departmental body which will direct and co-ordinate all planning work. The need for co-ordinating the State Plan with the State Budget and also with the plans of the Central Government has been emphasised; (b) there should be a Development Committee and also a Development Board for each District. While the former Committee will be composed of officials concerned with execution of the programme, the latter would, in addition, contain a few prominent non-officials of the district; (c) special steps to enable local bodies to participate in the Plan should be taken; and (d) a system of agricultural planning should be built up in view of the importance attached to agriculture.

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The Commission has suggested that there should be the widest possible devolution of functions so that the Plan would become an effective medium of local action.

The procedure suggested for carrying out the schemes for the next year (1952-53) aims at ensuring that the plans for a particular year are embodied as far as possible in the budgets for that year.

The Planning Commission has asked the State Governments and the Central Ministries to review their financial resources for the current year and for the next year. The State Governments are asked to raise their own resources as indicated in the Plan and to draw up phased programmes regarding resources for the next five years.

As regards Central assistance, the Planning Commission expresses inability to make any firm commitments for the next five years and says that the Central Government will try and work up to the figures agreed to during discussions between the Planning Commission and the State Governments.

(The Statesman, 19-9-1951).

Increase in Domestic Production: Reserve Bank's Annual Report.

Although the external developments arising as a result of the Korean War inevitably left their impress on the Indian economy, the rise in the price level has been proportionately less in India than in some other countries, states the Reserve Bank in its annual report published recently. The report, submitted to the Government, contains a survey of monetary and economic conditions prevailing in the country during the period 1950-51. The report observes there has been an increase in domestic production in the country and that India continued to maintain the improvement in her balance of payments position.

Economic situation.— Surveying the economic situation in the various countries with special reference to India, the report states that the economic situation during the year was one of increasing gravity especially on the price front not only in India, but even in the more prosperous economies of the U.S.A. and the U.K. The excessive demands for stockpiling coupled with the needs of rearmament in the U.S.A. and Western Europe soon after the outbreak of the Korean war towards the

close of June 1950 generated a fresh wave of inflation all over the world. The inflationary pressures in India that had been stimulated to a small extent by devaluation in the previous year, derived considerable momentum from these subsequent developments abroad.

The strong inflationary impulses generated in the U.S.A. through higher price offers for primary commodities were imparted to the economies of other countries through higher prices of these commodities until about March 1951, after which the stockpiling programme was somewhat moderated, and prices of several commodities fell considerably; but the price of rubber in June 1951 was still 100 per cent higher than a year ago, of jute 85 per cent, tin 58 per cent, wool 46 per cent and cotton 33 per cent. The higher prices earned by the primary producing countries led to a sharp rise in their foreign exchange reserves and added to the money supply and incomes with far-reaching effects on their internal economies. For these reasons price levels recorded continuous increases both in the U.S.A. and elsewhere. Wholesale prices in the U.S.A. which had increased by 4 per cent during the first half of 1950 rose by 17 per cent by March 1951. In the U.K. against a rise of 6 per cent in the first half of 1950, there was a steep increase of 25 per cent in the following eleven months. In Canada by April 1951, prices were 16 per cent higher than in June 1950. In India as compared with a rise of 4 per cent during the first half of 1950, there was an increase of 16 per cent between June 1950 and April 1951. The upward trend in prices in India seen against the international background was less marked than in some of the other countries. Following the increase in wholesale prices, the cost of living index went up by 9 per cent during 1950-51 in the U.S.A., the U.K. and Canada and by 7 per cent in India.

Inflation in India.- These external developments inevitably left their impress on the Indian economy during the year. The weight of inflationary pressure in India's case is indicated by the rise in the Economic Adviser's general index number of wholesale prices (base: year ended August 1939 - 100) from 395.6 in June 1950 to a peak of 457.5 in April 1951 and the Bombay Cost of Living Index (base: year ended June 1934 - 100) from 312 to 355. During this period, acute shortages developed in respect of capital goods, of foodgrains, cloth and other consumer goods, and in particular, of industrial raw materials, such as jute and cotton. Restrictions on the exports of essential raw materials by other countries and inadequacy of shipping intensified these difficulties. The Reserve Bank of India import index number of prices of 'Food, Drink, and Tobacco' (base: 1938-39 - 100) rose from 447 in June 1950 to

565 by March 1951, the corresponding increase in the index for 'Raw Materials' being from 324 to 463.

The rise in the general price level during the year was itself largely the result of the increase in the prices of industrial raw materials by over 40 per cent; for, the rest of the groups of articles recorded increases of only 2 1/2 ~~per cent~~ to 18 per cent. Following a steep fall in the U.S. cotton production, there was a sharp rise in cotton prices in all cotton-producing countries and this was accentuated by the imposition of export control in the U.S.A. and the allocation of export quotas. This enabled other cotton-producing countries to levy heavy export duties, which, of course, raised the prices further.

In regard to jute, the problem in India was ~~two-fold~~ two-fold, namely, to prevent the world prices from exerting an upward pressure on the internal prices and to arrange for adequate supplies of the raw material for the jute mills. To deal with the situation, export duties were imposed, and an agreement was negotiated with Pakistan on 25 February 1951, according to which India was to obtain from Pakistan 1 million bales of raw jute by the end of June 1951 and 2.5 million bales between 1 July 1951 and 30 June 1952. Although the arrival of raw jute has not been according to expectations, there has been a considerable easing of pressure and the prices of raw jute have fallen from the peaks reached soon after decontrol.

Food situation.- The food situation in the country deteriorated considerably following serious damage to crops by drought and floods in parts of the country and an earthquake in Assam, the damage sustained through all these natural calamities being large. Procurement of foodgrains during 1950, therefore, could not rise above 4.63 million tons as against a target of 5.16 million tons and stocks came down from 1.581 million tons at the beginning of the year to .746 million tons at the end of 1950. In view of a possible eventual shortage in 1950-51, the cereal ration was reduced from 12 ozs. to 9 ozs. in January 1951, but the basic ration of 12 ozs. for heavy manual labourers was restored a month later. Efforts were intensified to obtain food-grains from abroad. The most significant addition to the food supply, however, was made possible by the enactment by the U.S. Government on 15 June 1951 of the India Emergency Food Aid Act, which provided for the grant of a long-term loan of \$190 million to India for the purchase during the period ending June 1952, of 2 million tons of foodgrains in the U.S.A. With imports from other countries such as Australia, Canada, China, Burma and Russia, India will have in 1951 about 5.5 million tons of imported foodgrains available, and in anticipation

of improved supplies, the cut in the ration was restored as from June 1951 in a number of States.

Production trends.- The report states that a redeeming feature of this rather gloomy picture of the economic situation was the increase in domestic production in several industries. The official general index of industrial production (base: ~~EN~~ 1946 - 100) rose during the period of 10 months ended April 1951 from 104.1 to 109.0, the output of finished steel by 6.9 per cent, cement by 15.5 per cent, and jute manufactures by 4.1 per cent. Other industries which recorded increases are paper and paperboards, chemicals, power alcohol, power transformers and refractories. Among minerals, coal registered a rise of 2.1 per cent. Among raw materials, raw cotton and jute registered increases of 10 per cent and 6.6 per cent over the previous season. The recovery in production is due partly to certain steps ~~xxx~~ taken by Government to ensure equitable distribution of raw materials, the upward price revision permitted in the case of certain finished products and raw materials, and partial relaxation of controls as in the case of sugar, the production of which in excess of a specified quota to be delivered to Government was allowed to be sold in the free market. The improvement in industrial output might have been more pronounced but for the inadequate supplies of raw materials, which hampered production in the case of cotton and jute textiles, and the strike in the cotton textile industry in Bombay.

Money and credit trends.- During the year there was a sharp rise of 1,020 million rupees (860 million rupees in currency and 160 million rupees in deposits) in money supply as compared with an expansion of 110 million rupees in 1949-50 and a steep fall of 1,340 million rupees in 1948-49. This surplus was primarily due to a payments surplus, which is reflected in an increase in the sterling assets of the Reserve Bank, and the open market purchases of Government securities made by the Reserve Bank to relieve the heavy pressure on banks for seasonal funds. Financial stringency was very ~~xxx~~ acute during the busy season, which extended to about the middle of May 1951. The net credit expansion (loans and advances, and bills discounted) of scheduled banks during the year amounted to 980 million rupees, which is an all-time record. The almost unprecedented character of the seasonal stringency for funds was reflected in an unusual hardening of money rates.

The expansion in the volume of bank credit during the busy season reached the record figure of 1,300 million rupees, the corresponding figure for the previous busy season being 910 million rupees. This abnormally heavy pressure on bank credit was due to

several factors, external as well as internal, the principal cause being the sharp increase in the prices of raw materials and commodities after the Korean War. Considerably larger finance was required from banks for carrying the same quantity of raw materials, goods in process and finished goods. Stockpiling was also a material factor contributing to the need for increased finance. Towards the end of the year, some diversion of transport capacity to the carriage of foodgrains was reported, resulting in accumulation of merchandise with traders and necessitating larger assistance from banks.

Government finances.- A salient feature of the finances of the Central Government since 1947-48 has been an appreciable surplus every year on revenue account, in spite of increased expenditure on civil as well as defence services. These surpluses have, however, been more than wiped out by deficits on capital account, arising from the excess of capital expenditure and loans to States over Central borrowings. As a result of these overall deficits the cash balances of the Central Government have declined from 2,700 million rupees after the Partition to 1,510 million rupees at the end of March 1951. In the Budget for 1951-52 as finally adopted by Parliament the revenue surplus has been estimated at 261.0 million rupees and the deficit on capital account at 778.3 million rupees. The overall deficit is estimated at 518.8 million rupees including 1.5 million rupees of net miscellaneous disbursements.

Balance of Payments position.- The improvement disclosed in the balance of payments after devaluation derived fresh strength after the start of the Korean War. In the quarter, July-September 1950, there was a surplus of 134 million rupees and, during the quarter October-December 1950 it increased phenomenally to 412 million rupees. The surplus in the third quarter, however, was relatively small owing to a sharp increase in the payments for imports largely on private account. During the 9 months July 1950-March 1951 the surplus in the balance of payments aggregated 700 million rupees, as compared to 270 million rupees in the period July 1949-March 1950.

Even more striking was the improvement in the payments position with the hard currency countries. The surplus with these countries during the first three quarters of the year totalled 400 million rupees, compared to 115 million rupees in the corresponding period of the previous year. This enabled India to contribute in the calendar year 1950, a sum of \$85 million to the Central Reserves of the sterling area, on which she had drawn heavily during the earlier period. A meeting of the Commonwealth Finance Ministers was held in London in September 1950 to

review the decision ~~of~~ taken in the previous year to reduce dollar imports to 75 per cent of the 1948 level. Though considerable satisfaction was expressed on the rise in the reserves, it was agreed that the level of the reserves was still inadequate to meet any deterioration in the area's dollar balance of payments that might result from unexpected developments. It was, therefore, decided to continue the policy of economising dollar expenditure without prescribing, however, any pre-determined ceilings in the expenditure as in the previous year.

The report states that the improvement in the balance of payments, like that of the sterling area, has been due to circumstances of a fortuitous and temporary character, and it would be premature to assume that exports can be maintained at or that imports can be restricted to their present levels. The recent favourable balance of payments is partly a result of the immediate benefits derived from the rise in export prices. Payments, on the other hand, did not show any corresponding increase, since imports were, in most cases, subject to licenses which had monetary ceilings in rupees. Moreover, the impact of the increase in the costs of imported raw materials has not yet been fully transmitted to the prices of goods from the manufacturing countries. The operation of this factor is likely to exert an adverse influence on India's balance of payments as manufacturing costs are increased. There was on the whole a depletion of the stocks of export commodities as well as of import materials. The deferred effects of this are likely to be reflected in the balance of payments position in the coming year. Provision has also to be made for payment for trade deficits which are expected as a result of the new trade agreement with Pakistan. These factors point to the need for caution in drawing any inferences from the present balance of payments position.

Sterling releases.— The sterling balances agreement entered into with the U.K. in July 1948 terminated on 30 June 1951. Discussions were held between the two Governments during September 1950 with a view to a fresh long-term agreement. The salient features of the new agreement were explained by the Finance Minister in Parliament on 7 December 1950. Provision would be made for a release upto £35 million from India's sterling balances in each of the six years beginning 1 July 1951. The arrangement would be flexible, since any part of the amount not drawn in a particular year would be carried forward ~~again~~ for release in a later period. The two Governments would consult together, if in any year the Government of India ~~was~~ should find it necessary to draw more than £35 million. At the time the informal discussions took place, it was considered that at the

end of the six-year period the balances would fall to a figure, which India would require for a normal foreign exchange and currency reserve.

In the subsequent months India has had a very favourable balance of payments position. There has been a substantial addition to foreign exchange reserves, which rose from 8,070 million rupees to 8,560 million rupees during the period. This has obviated the need for any draft on the agreed releases for meeting current deficits so far. In view of India's requirements, however, in connection with the development programme envisaged in the Colombo Plan and the recently published Planning Commission Report, it is very likely to draw on the unspent balances as well as the stipulated releases during the ensuing years.

External aid.- Two significant developments in the field of external finance for reconstruction and development during the year were the formulation of the Colombo Plan and the agreement between India and the U.S.A. under the Point-Four Programme.

The Colombo Plan is for six years (1951-57) and covers five countries in South East Asia (India, Pakistan, Ceylon, Malaya and British Borneo).

The Plan comprises a wide variety of development schemes, which are estimated to cost a sum of £1,868 million. Out of this, India's requirements amount to £1,379 million (18,400 million rupees), of which 10,300 million rupees will have to be met from internal resources and the balance from sterling balances (2,810 million rupees), loans and grants from other governments and international institutions or by an inflow of private foreign capital. Two Commonwealth Governments - Canada and Australia - have offered to contribute an aggregate \$25 million (for the first-year of Colombo Plan) and £25 million (for the six-year period), respectively, towards the total cost of the Colombo Plan.

~~Working of~~ India signed a bilateral agreement on 28 December 1950 with the U.S.A. in connection with technical assistance to be made available to India under the Point-Four Programme in terms of which both countries agree to co-operate with each other in the interchange of technical knowledge and other activities for the promotion of the economic development of India. Out of the appropriation of \$34.5 million for the Point-Four Programme for the fiscal year ending 30 June 1951, \$1.2 million has been allocated to India.

Working of the Bank.- The report places the Reserve Bank's income for the year at 114 million rupees and expenditure at 30.6 million rupees.

The net profit payable to the Central Government, in terms of Section 47 of the Reserve Bank of India Act, amounts to 83.4 million rupees as compared with 99.1 million rupees last year.

The activities of the new department of Banking Development which was created in October 1950, mainly with the object of giving concentrated attention to the extension of banking facilities to semi-urban areas and to the problems of rural finance, are briefly indicated in the report.

Rural finance.- Following the publication of the Purshotamdas Committee's report on rural banking, special attention has been given, to some of the Committee's recommendations, namely (1) extension of remittance facilities at reduced rates, (2) provision of better facilities for exchange notes and coin, (3) removal of impediments in the way of expansion of commercial banks in rural areas and (4) extension of the Postal Savings Bank system.

With a view to the formulation of a long-term as well as short-term ~~financial policy~~ policy in regard to the problems of rural finance, an informal Conference of representatives of the Co-operative movement and other experts on rural finance was convened in February 1951. The Conference reviewed the role of the Reserve Bank in the sphere of rural finance, and, among other things, recommended changes in the Reserve Bank of India Act with a view to extending the period of accommodation in respect of agricultural finance. The Conference considered that a survey on an all-India basis should be made of economic conditions in rural areas with special reference to the problems of rural finance and credit. Necessary action has been initiated. The consensus of opinion at the Conference was that: (a) 'mixed farming' and the processing of crops by agricultural producers should be included among purposes for which Reserve Bank finance may be extended to co-operative banks, (b) provision should be made for financing by the Reserve Bank of the production and marketing activities of industrial co-operatives, and (c) the Reserve Bank should dispense intermediate credit, for periods between 18 months and 5 years, to co-operative banks, to a limited extent. The question of the provision of these facilities and of appropriate amendments to the Reserve Bank of India Act is under consideration. The Conference also recommended that a Standing Advisory Committee, which should be expert rather than a representative body, should be associated with the working of the Agricultural Credit Department of the Reserve Bank.

A further and important recommendation of the Rural Banking Enquiry Committee related to the improvement ~~of~~ and extension of the Postal Savings Bank

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system. A detailed investigation into the working of the Postal Savings Banks was conducted by a senior officer of the Bank and one of the Directors of Postal Services. The Bank's views on their Report were forwarded to the Government of India.

Banking operations.- The report gives an account of the work done by the Department of Banking operations in supervising the Indian banking system. The report emphasizes the importance of systematic and frequent inspection of banking institutions in the country. Some of the evils of the present-day banking practices in the country, the report observes, had their origin in the last war when money was plentiful and a large number of banks were started by persons who had no banking experience whatsoever and whose main object in promoting the banks was to finance industries in which they or their friends were specially interested. Such unsound banking methods and practices can be rectified only by a systematic and frequent inspection the usefulness of which, the report point out, has been proved by the developments that occurred during the year in the case of the Bharat Bank which merged partially with the Punjab National Bank and the amalgamation of four scheduled banks in West Bengal.

While amalgamation is certainly a desirable objective in many cases, it is not a universal remedy, the report warns, as there are certain limitations, legal as well as practical, which apply to any proposal for a merger. Amalgamation of intrinsically sound banks into larger units, would certainly contribute to the stability of the banking structure, and the policy of the Reserve Bank is definitely to encourage the development as far as possible. This process is however, practicable only in the case of a sound bank or in the case of a bank the realizable assets of which cover its outside liabilities but which is likely to be in difficulties owing to fortuitous circumstances or to the fact that its assets cannot be realized within a reasonable period.

(Report of the Central Board of Directors of the Reserve Bank of India For the Year I July, 1950-30 June 1951. The Gazette of India, Extraordinary, Part II-Section 3, dated 25 August, 1951, pp. 1021-1035).

The Indian Companies (Amendment) Act, 1951
(LII of 1951) Gazetted: Provisions made for
checking Evils relating to Trafficking in
Managing Agency Rights and Cornering Shares.

The Indian Parliament passed on 7 September 1951 the Indian Companies (Amendment) Bill, 1951, which aims at checking some of the evils relating to trafficking in managing agency rights and cornering of shares. The Bill seeks to replace the Indian Companies (Amendment) Ordinance, 1951 (vide pages 27-28 of the report of this Office for July 1951) and to validate all action taken thereunder.

The Bill, as passed by Parliament, received the assent of the President on 14 September 1951 and has been gazetted as Act No. LII of 1951.

(The Gazette of India, Extraordinary,
 Part II, Section 1; 15 September 1951,
 pp. 347-355).

The Railway Companies (Emergency Provisions) Act,
1951 (LI of 1951): Provision made for proper
Management and Administration of Railway
Companies in certain special Cases.

The Indian Parliament passed on 5 September 1951 the Railway Companies (Emergency Provisions) Bill, 1951, which seeks to replace the Railway Companies (Emergency Provisions) Ordinance, 1951 (vide page 26 of the report of this Office for July 1951). The Bill makes provision for the proper management and administration of railway companies in certain special cases. The Bill received the assent of the President on 14 September 1951 and has been gazetted as Act No. LI of 1951.

(The Gazette of India, Part II, Section 2,
 1 September 1951, pp. 610-617; The Gazette
 of India, Extraordinary, Part II, Section I,
 15 September 1951, pp. 341-347;
 The Statesman, dated 6 September 1951).

600 Million Rupees invested in Tea Plantations.

Mr. D.P. Karmarkar, Deputy Minister for Commerce and Industry, stated in the Indian Parliament on 26 September 1951, that the total investment in tea plantations in India was about 600 million rupees, out of which the capital owned by non-Indians was about 450 million rupees.

(The Hindu, 27 September, 1951).

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36. Wages.

India - September 1951.

Minimum Wages (Central Advisory Board) Rules,
1949, amended.

By a notification dated 28 August 1951 and in exercise of the powers conferred by the Minimum Wages Act, 1948, the Central Government has made certain amendments to the Minimum Wages (Central Advisory Board) Rules, 1949. The amendments provide that the Central Advisory Board shall consist of the following members, to be nominated by the Central Government, namely: (i) a Chairman; (ii) two officers of the Central Government, one of whom shall be vice-Chairman; (iii) one member each from the States of Bombay, West Bengal, Madras, Uttar Pradesh, Bihar, Madhya Pradesh, Hyderabad and Mysore; (iv) two members by rotation from the States of Assam, Orissa, Punjab and Saurashtra; (v) two members by rotation from the States of Patiala and East Punjab States Union, Travancore-Cochin, Madhya Bharat and Rajasthan; (vi) two members representing Part 'C' States; (vii) seventeen members representing employers in the scheduled employments; and (viii) seventeen members representing employees in the scheduled employments. (Under the original rules the Committee consisted of a chairman, 2 officials of the Central Government, one ~~from~~ each representing each of the Governors' Provinces, 12 persons representing employers in scheduled employments and 12 persons representing employees in scheduled employment).

(The Gazette of India, Part II, Section 3,
1 September 1951, page 1358).

Madras: Claims Authority under the Minimum
Wages Act appointed.

In exercise of the powers conferred by the Minimum Wages Act and by a notification dated 8 August 1951, the Government of Madras has appointed the members of the Industrial Tribunals constituted under the Industrial Disputes Act, 1947, ex-Officio to be the authorities to hear and decide for certain areas all claims arising out of payment of less than the minimum rates of wages to employees employed or paid in those areas in respect of certain specified undertakings. These include the ports of Madras and Visakhapatnam, the Central Public Works Department Workshops and

and contract labour, road construction or building operations, stone breaking or stone crushing operations, tanneries and leather manufacture carried on by or under the authority of the Ministry of Defence, stone breaking or stone crushing carried on in mines and quarries, mica mines, military farms and cantonment boards under the control of the Ministry of Defence, and agricultural demonstration farms under the Control of the Ministry of Agriculture.

(G.O.No.3574 Development, August 1951,
the Fort St. George Gazette, Part I,
28 August 1951, page 1253).

38. Housing.

India - September 1951.

Urban Housing for Displaced Persons: 100,000
constructed so far.

The number of new houses and tenements constructed or under construction for urban displaced persons from West Pakistan has now crossed the 100,000 mark. Expenditure has been sanctioned by the Central Ministry of Rehabilitation for another 25,000 units and ~~plotted~~ work has already begun.

In addition, 28,000 plots have been developed for allotment to displaced families for construction of houses from their own resources or with loans from the Government.

Housing provision, including accommodation in evacuee houses, will have been made by the end of March 1952, for a total of approximately 2,225,000 urban displaced persons from West Pakistan.

By the end of March 1951, the Central Government had spent approximately 270 million rupees on housing for West Pakistan displaced persons. During the present financial year provision has been made for a further 120 million rupees.

New colonies.- The housing programme for West Pakistan displaced persons has involved the development of 200 new colonies in 15 States. These colonies include 12 townships which would cater to a population of over 400,000. The smallest of these - Tripuri (PEPSU) - would have a population of 7,000, while the biggest - Kalyan(Bombay) - would house over 100,000 displaced persons.

The following table shows the number of residential units completed in each State ~~at~~ till June 1951, and the number which is either under construction or for which financial sanction has been given out of the 1951-52 budget:-

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State	Completed	Under Construction or Sanctioned.
Punjab (I)	28,507	6,133
Delhi	17,488	10,516
Bombay	9,864	11,576
Uttar Pradesh	8,922	5,883
PEPSU	4,197	18
Kutch	4,000	1,000
Madhya Pradesh	2,513	5,000
Madhya Bharat	816	696
Saurashtra	707	1,100
Rajasthan	610	3,038
Ajmer	480	296
Madras	39	Nil
Bhopal	8	366
Bihar	Nil	530
Mysore	Nil	200
Total	77,751	46,352

Shopping centres in or near residential localities have been built in most States. So far, 27,000 new shops have been built and allotted. An equal number of evacuee shops have also been allotted to displaced persons.

(The Statesman, 24 September 1951).

Industrial Housing Scheme extended to Part B States.

Answering a question in the Indian Parliament on 5 September 1951, Mr. Jagjivan Ram, Minister for Labour, Government of India, stated that the Industrial Housing Scheme of the Government of India was extended to Part B State on 1 April 1951. All Part B States were asked to intimate their requirements and only the Governments of Hyderabad, Mysore and Travancore-Cochin applied for loans. The Travancore-Cochin Government had asked for a loan of 1 million rupees in the current financial year, which it was proposed to allot. Under the scheme, the Minister added, 1,712 houses were constructed in 1950-51 in the whole of India.

(The Statesman, 6 September 1951).

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39. International Economic Relations.

India - September 1951.

Tariff Commission Act, 1951, gazetted: Provision made for the Establishment of a Tariff Commission.

The Tariff Commission Bill, 1951 (vide page 31 of the report of this Office for August 1951) received the assent of the President on 12 September 1951 and has been gazetted as Act No. L of 1951. The Act provides for the establishment of a Tariff Commission and regulates its duties and functions.

(The Gazette of India, Extraordinary,
Part II, Section 1, 14 September 1951,
pages 333-340).

India's trade with Norway: Pact ~~extended~~ ^{extended} till
end of 1951.

On 3 September 1951 India and Norway exchanged trade letters for purposes of promoting trade between the two countries. The arrangement is in continuation of the previous one and will be operative till the end of December 1951.

During 1949-50 India imported from Norway goods worth 24.3 million rupees and exported goods worth 10.5 million rupees. During 1950-51 imports totalled 22.2 million rupees, while exports totalled 12.9 million rupees.

Under the agreement the Government of Norway has ~~extended~~ extended to India import licensing concessions granted to member nations of the organization for European Economic Co-operation. The Norwegian Government will encourage Norwegian companies and individuals to place their experience at the disposal of interested Indian parties and the two Governments will assist in arranging for contacts in various fields, subject to foreign exchange and other regulations in force.

The following are some of the items available from Norway for export to India: Calcium carbide, sulphited cellulose extract, chemical fertilizers; auxiliaries for tanneries, textile and washing agents; mechanical and chemical pulp; newsprint and paper of all sorts; welding equipment; machinery and ~~machine~~ machine tools; transmission belting, grinding wheels, abrasives; fishing vessels made from timber; herring

and fish, cheese, ice-cream powder; cod liver oil and vitamin products, laminaria pins and other drugs.

Some of the goods available for export from India to Norway are: Jute goods; raw wool and woollen manufactures including carpets and rugs but excluding woollen yarns; coir manufactures; cotton waste; leather and leather goods; rubber goods except tyres and tubes; raw and tanned goatskins; myrobolams, sports goods; drugs and medicines; oils and oilseeds; spices; cashewnuts; tea; coffee; tobacco; shellac; mica; manganese ore and magnesite; crushed bones and rose and certain other timbers.

(The Statesman, 4 September 1951)

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

INDIA - SEPTEMBER 1951.

41. Agriculture.

Standard of Living of Agricultural Workers:
Sample Survey of Conditions in West Bengal
Villages.

The Ministry of Labour has recently published the fourth of a series of monographs relating to the preliminary agricultural labour enquiry conducted in Brindabanpur village in the district of 24-Parganas, West Bengal State*.

The preface to the report states that the village was surveyed during the course of the preliminary agricultural labour enquiry during the period June to November, 1949. The data collected during the preliminary enquiry related to the previous agricultural year. Considering the illiteracy and short memory of the villagers, the data collected could only be regarded as a first approximation. Even so, it was felt that ~~it~~ if professed and published as a type study, it would be of some value although it may not form the basis for any generalisation for the State as a whole.

Population.- There were 149 families residing in the village, 72 or 48.7 per cent of which were agricultural families and 77 or 51.7 per cent were non-agriculturists. Of the 72 agricultural families, 22 or 14.8 per cent of the total number of families were families of casual workers without land and 30 or 20.1 per cent of the total number of families were families of casual workers with land taken on rent. One family was that of a cultivating ~~owner~~ owner, 14 or 9.4 per cent of the total families were families of non-cultivating tenants and 5 or 3.3 per cent of the total, were families of cultivating tenants.

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Government of India, Ministry of Labour: Report on an Enquiry into the Conditions of Agricultural Workers in Village Brindabanpur, West Bengal State: Published by the Manager of Publications, Delhi, 1951. Price Re.1 annas 6 or 2sh., pp.87.

Size of the family.- The average size of the family was 4.9 persons for the whole village. Of the 4.9 persons per family, 1.3 persons were earners, 0.1 helpers and 3.5 dependents. The earners were practically all men. The average size of the agricultural worker's family with and without land was 4.7 and 4.5 persons respectively. The number of earners per family in the case of agricultural workers' families was found to be 1.5 composed of men earners only.

Distribution of holdings.- The distribution of holdings according to size was as follows:-

Below 2 acres.....	75.9 per cent
Between 2 and 5 acres.....	20.6 per cent
Between 5 and 10 acres.....	3.5 per cent
10 acres and above.....	Nil.

Rate of wages.- The rates of wages for casual workers were generally 1 rupee 8 annas paid in cash together with 1/8th of a seer of Muri (faded rice) per day evaluated at 2 annas.

Employment.- On an average an agricultural worker was employed for 220.4 days in a year; of these agricultural operations provided employment for 165.9 days while non-agricultural work accounted for 54.5 days per year.

Income and expenditure.- The average annual income per family in the case of worker with and without land was 464 rupees 6 annas and 4 pies and 641 rupees 7 annas and 11 pies respectively. Of these, work in fields for wages fetched 226 rupees 1 anna and 7 pies and 258 rupees 12 annas and 9 pies respectively. Income from work in the fields amounted on an average, to 48.7 per cent and 40.3 per cent of the total income in the case of workers with and without land respectively. The other occupations in which they were engaged were fishing, net weaving, house making and repairing and selling of vegetables and fruits etc. The average annual income per earner for agricultural workers' families was estimated to be ~~524 rupees~~ 364.5 rupees with a standard error of 102.8 rupees and coefficient of variation as 28.2 per cent. It is noteworthy in the case of agricultural workers' families that annual average income per family was greater in the case of workers without land as compared with families of workers with land. This may be due to the fact that the families with land tend to stick to their land even if their holdings be extremely small on which no economic return could be expected, while in the case of workers without land there is no such hindrance to their mobility from one occupation to another occupation to earn their living.

The expenditure per family in the case of workers without land and workers with land was calculated to be 749 rupees and 566 rupees as against an income of 641.5 rupees and 464.3 rupees per annum respectively. Of the expenditure of 749 rupees in the case of workers without land the percentage expenditure on food, clothing and footwear, fuel and lighting, house rent and repairs and services and miscellaneous were 78.3 per cent, 6.2 per cent, 2.5 per cent and 10.9 per cent respectively. The corresponding figures in the case of families of workers with land were 77.5 per cent, 7 per cent, 2.7 per cent and 9.4 per cent respectively. The annual average consumption expenditure per consumption unit for agricultural workers' families was calculated to be 166.8 rupees with a standard error of 49.3 rupees and coefficient of variation as 29.4 per cent. The following table shows the average annual expenditure of agricultural workers with and without land:-

Item	Casual workers with land		Casual workers without land	
	Average annual expenditure Rs.	Percentage to the total expenditure.	Average annual expenditure Rs.	Percentage to the total expenditure.
Food.....	438.9	77.6	596.5	78.3
Clothing and footwear.....	39.6	7.0	46.2	6.2
Fuel and lighting.	15.5	2.7	16.0	2.1
House rent and repairs.....	19.1	3.4	18.4	2.5
Services.....	1.8	.3	2.4	.3
Miscellaneous.....	51.1	9.0	79.5	10.6
Total.....	566.0	100.0	749.0	100.0

The annual average consumption of cereals per family amounted to 15.8 maunds of rice, 3.9 maunds of paddy and 0.9 maunds of muri in the case of agricultural workers with land and 22.7 maunds of rice plus 0.6 maunds of muri in the case of workers without land. The agricultural workers' diet was poor, in quantity as well as in quality. Further, it also varied during different seasons.

Indebtedness.- Out of the total of 45 agricultural workers' families intensively surveyed not a single family showed a surplus budget. The deficit was generally covered by incurring debts and in some cases by the sale of capital goods such as agricultural implements, livestock, ornaments of womenfolk etc. Of the 45 agricultural workers' families surveyed, 33 or

75.6 per cent of the total were in debt. The average debt per family was 129.0 rupees in the case of workers with some land and 100 rupees in the case of landless casual workers.

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44. Merchant Marine and Fisheries.

India - September 1951.

West Bengal: Inland Steam Vessels Registration Rules, 1951.

The draft (West Bengal) Inland Steam Vessels Registration Rules, 1951 (vide page 42 of the report of this Office for August 1951), have been approved and gazetted on 22 August 1951.

(The Calcutta Gazette, Extraordinary,
22 August 1951, pages 1019-1031) .

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CHAPTER 5. WORKING CONDITIONS AND LIVING CONDITIONS
STANDARDS.

INDIA - SEPTEMBER 1951.

50. General.

Bihar: Bihar Mining Settlements (Amendment) Bill,
1951.

The Government of Bihar published on 29 August 1951 a Bill to amend the Bihar and Orissa Mining Settlements Act, 1920.

The Statement of Objects and Reasons, appended to the Bill, declared that at the meeting of the Coal Mines Labour Welfare Fund Advisory Committee held on the 5 May 1950, it was reported that several prosecutions resulting in convictions for contravention of the provisions of the Bihar and Orissa Mining Settlements Act, 1920, did not have the desired effect as the existing provisions of the Act do not provide for deterrent punishments.

The penal provisions of the Act are contained in sub-section (1), (2) and (3) of section 26. Under sub-section (1), the penalty for obstructing the public health staff of the Board in the discharge of its duties or wilfully non-co-operating with it by not furnishing it with requisite information, etc., is imprisonment for a term which may extend to three months or fine which may extend to five hundred rupees or with both. Under sub-section (2), the maximum penalty is a fine of five hundred rupees for furnishing incorrect information. Under sub-section (3), the maximum penalty for non-compliance with orders and requisitions and contravention of any provisions of the Act, rules, etc., and for other offences for which no penalty is provided, is a fine of two hundred rupees. There is a further provision under sub-section (3) for a fine of fifty rupees per day for continued failure to comply with requisitions or orders under any provision of the Act, rules, etc.

The Government of India has advised the State Government to raise the maximum limit of fine under sub-sections (1), (2) and (3) of section 26 of the Act to 1,000 rupees and that for continued breach as provided under sub-section (3) to 100 rupees per day. The local officers and the Jharia Mines Board of Health were consulted in the matter and they have agreed to the proposal of the Government of India. The Bill seeks to amend the Act accordingly.

(The Bihar Gazette, Part V, 29 August, 1951, pp. 813-814)

Ajmer: Industrial Statistics (Labour) Rules, 1951.

In exercise of the powers conferred by section 12(1) of the Industrial Statistics Act, 1942, the Chief Commissioner, Ajmer, has made rules for carrying out the purposes of the Act for collecting statistics on conditions of labour. The rules provide for the service of notice on the employer by the Statistics Authority calling for returns, for the submission of returns, in prescribed forms by the employer and the method of service of notice and furnishing of returns.

(The Gazette of India, Part II, Section 3, 22 September 1951, pp. 924-927).

Himachal Pradesh: Himachal Pradesh Trade Employees' Rules, 1951: Draft published.

The Chief Commissioner, Himachal Pradesh, published on 8 September 1951 the draft rules proposed to be made in exercise of the powers conferred by the Punjab Trade Employees Act, 1940, as applied to Himachal Pradesh. The rules prescribe, inter alia, the manner and form in which the registers and notices shall be kept, the conditions subject to which any exemption under the Act may be granted and the authority empowered to inspect registers and call for information. The draft rules will be taken into consideration after 1 January 1952.

(The Gazette of India, Part III, Section 3, 8 September 1951, pages 879-880).

55. Protection of Minors.

India - September 1951.

Mysore: Mysore Industrial Employment^{ment} (Standing Orders) Rules, 1951: Draft published.

In exercise of the powers conferred by section 15 of the Industrial Employment (Standing Orders) Act, 1946, the Government of Mysore has published on 23 August 1951 the draft Mysore Industrial Employment (Standing Orders) Rules, 1951. The draft rules prescribe the model standing orders for the purposes of the Act and prescribed the procedure of certifying officers and appellate authorities. The model standing orders are similar to those framed by the Central Government. The draft rules will be taken into consideration by the Government after 23 September 1951.

(The Mysore Gazette, Part IV, Section 1-c, 23 August 1951, pages 389-397)

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51. Hours of Work.

India - September 1951.

West Bengal: Hours of Work, Interval for Rest,
Overtime Rate and Weekly Rest fixed for Employees
in Public Motor Transport.

By a notification dated 29 August 1951 and in exercise of the powers conferred by sections 13 and 14 of the Minimum Wages Act the Government of West Bengal has fixed, for the employees in public motor transport in the State, the hours of work constituting a normal working day, the rate of overtime, the day for weekly rest and the rate of payment for work on the day for weekly rest.

The normal working hours constituting a normal working day and the interval for rest shall be in accordance with the provisions of section 65 of the Motor Vehicles Act, 1939 (IV of 1939), viz., nine hours a day or 54 hours a week, with a rest interval of half an hour after five hours work. Overtime rate for work on any day in excess shall be as follows:- (i) where the minimum rate of wages has been fixed by the day, the overtime rate for every hour shall be double the amount which is obtained by dividing the sum total of basic daily wages and dearness allowance by the number of hours constituting the normal working day; (ii) where the minimum rate of wages has been fixed by the week or any other period or month, the overtime rate for every hour shall be double the amount which is obtained by dividing the sum total of basic wages and dearness allowance by the number of days constituting the week or other period or month (multiplied by the number of hours constituting the normal working day). Every employee in Public Transport shall be allowed rest for one day in course of every seven days. Rate of payment for work on day of weekly rest shall be double that of normal basic wages and dearness allowance.

Calcutta
(The Gazette, Part I, 13 September 1951,
page 2368).

52. Workers' Welfare and Recreation.

India - September 1951.

Uttar Pradesh: Uttar Pradesh Sugar and Power
Alcohol Industries Labour Welfare and Development
Fund Rules, 1951: Draft published.

The Government of Uttar Pradesh published on 8 September 1951 the draft of rules proposed to be made in exercise of the powers conferred by the Uttar Pradesh Sugar and Power Alcohol Industries Labour Welfare and Development Fund Act, 1951 (vide page 38 of the report of this Office for June 1951).

The draft rules provide for the constitution of the Advisory Committee, Sub-Committees and the Housing Board to be set up under the Act and prescribe, inter alia, the procedure relating to meetings of the Advisory Committee or Housing Board, their powers, the method of allocation of expenditure from the fund between the housing, general welfare and development accounts, maintenance of accounts, etc. The draft rules will be taken into consideration by the Government after 24 September 1951.

(Government Gazette of the Uttar Pradesh,
Part I-A, 8 September 1951, pp. 562-565).

Bihar: Eighty-one Factories ordered to provide
Adequate Canteens.

In exercise of the power conferred by Rule 66(2) of the Bihar Factories Rules, 1950, the Government of Bihar has notified that the ~~occupations of~~ occupiers of 81 factories specified in the Table annexed to the Order, being factories wherein more than 250 workers are ordinarily employed, shall provide in or near their respective factories adequate canteens according to the standards prescribed in the rules. The factories specified in the Order include cotton mills, sugar mills, jute mills, bicycle manufacturing company, sugar factories, cement companies, coke plants, engineering workshops, potteries, etc.

(The Bihar Gazette, Part II, 22 August 1951,
pages 1652-1653).

55. Protection of Minors.

India - September 1951.

Employment of Children (Amendment) Act, 1951
(XLVIII of 1951): Measure to enforce
Provisions of Night Work of Young Persons
(Revised) Convention.

Attention is invited to the Employment of Children (Amendment) Act, 1951 (XLVIII of 1951) reported at page 12 of this Report). The Act, inter alia, gives effect to the provisions of the Night Work of Young Persons (Revised) Convention.

56. Labour Administration.

India - September 1951.

Working of the Factories Act in Madhya Pradesh
ENFORCEMENT during 1949.

The following information about the working of the Factories Act, 1948, in Madhya Pradesh during 1949 is taken from the annual report of the Chief Inspector of Factories*. The Factories Act, 1934, was superseded by the Factories Act, 1948, with effect from 1 April 1949. The rules under the Factories Act, 1948, were not finalised till almost the ~~end~~ end of the year, with the result that the rules framed under the Act of 1934 continued to be in force practically throughout the year.

Number of factories and workers.- During 1949 the total number of factories subject to the Factories Act rose from 1,313 to 1,357. The increase was mainly due to the 25 new factories which have been included as a result of the integration of the Chattisgarh State and a few workshops, saw mills, rice mills and printing presses which have been started by small investors including displaced persons. The number of factories actually at work was 1,062(1,003)¹ out of which 772 (697) were perennial and 290(306) seasonal.

The average daily number of workers employed during the year decreased from 101,464 to 96,273. Of the total number employed 73,891(78,997) were men, ~~19,730~~ 19,730(21,368) women, 2,407(955) adolescents and 245(326) children.

The main variations in the number of workers in the more important industries are given below:-

* Government of Madhya Pradesh: Annual Report on the administration of the Factories Act, 1948 in Madhya Pradesh for the year ending the 31 December 1949: Nagpur: Government Printing; Madhya Pradesh, 1951, pp.ii x 40: Price One Rupee.

1. The figures in brackets are those for the year 1948.

(1) Engineering(General).....	x 259
(2) Ordnance Factories.....	- 3,795
(3) Textile.....	- 2,413
(4) Electric Generation.....	x 232
(5) Printing and Book Binding.....	x 561
(6) Cement and Potteries.....	605
(7) Saw Mills.....	x 278

Inspections and prosecutions.- Of the 1,062 (1,003) working factories, 1,182(989) were inspected; of these 797(653) were inspected once, 287(169) inspected twice, 70(62) thrice and 28(5) more than three times. Nine(14) working factories remained uninspected at the close of the year. Several factories were registered late in the latter part of the year and could not therefore be inspected.

Managers and occupiers of 52(45) factories were prosecuted for committing 191(128) offences under the Act. Of these, 160(69) resulted in convictions with fines ranging from 5 rupees to 250 rupees. Six(10) cases resulted in acquittal. The remaining 25(49) cases were pending at the close of the year. Out of the 52 factories against whom prosecution was instituted during the year, 34 contested their cases and only 18 pleaded guilty. The report points out that of late the tendency to contest cases in the courts of law is continually on the increase and the inspectors have to attend Courts in all such cases to lead the prosecution evidence to prove their cases. In almost all the contested cases the prosecution was not represented by any legal counsel and after the inspector had deposed his evidence, the entire proceedings were conducted ex parte with the result that the Magistrates could not weigh the gravity of offences and the sentences passed were much too lenient to have a deterrent effect on the offenders.

Health, sanitation and welfare.- The report states that the health of the workers was generally good. Though there were outbreaks of cholera and plague in some districts, the normal working of the factories was not seriously impaired due to usual precautions. The report says that great hopes were entertained by all concerned that the scheme contemplated under the Employees' State Insurance Act would come into operation soon. ~~after the legislation was enacted.~~ Unfortunately, the scheme did not materialise according to expectations and the workers along with their relatives continued to get medical aid in hospitals and dispensaries hitherto provided by the larger industrial undertakings. Employers were reluctant, however, to augment the existing facilities in view of the aforesaid legislation. In all, 30 dispensaries were provided by bigger factories for the use of the workers and their families. Altogether

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629,200 cases were reported to have been dealt with, free of cost, in these dispensaries.

Reasonable standards of sanitation were maintained though facilities usually expected from municipalities, such as drainage, water-supply for drinking purpose, fire mains, provision of conservancy lanes and sweepers' services in highly congested localities, etc., were not augmented. Conditions in this respect were found to be somewhat better in smaller towns than in bigger places like Nagpur and Jabalpur.

Ventilation and humidification has been a special problem in the textile mills and the previous methods continued to operate. Large-scale improvements, such as installation of modern air-conditioning plants, etc., were not provided by any textile mill. Humidification through underground tunnels below the pathways with perforated covers continued to function with all its disadvantages.

Lighting conditions in most of the factories were satisfactory. While smaller factories, particularly the printing presses, have improved their lighting conditions by the installation of fluorescent tubes, the larger factories, such as textile mills, showed no initiative in this respect. The report says that the new Act and the rules framed thereunder make the provisions in respect of lighting more definite and it is hoped that these will be complied with in due course.

Provision of bath-rooms, facilities for drying clothes, appointment of welfare officers and committees, are some of the new welfare measures required under the Factories Act, 1948. All the big factories, such as textile mills, cement and pottery works, ordnance factories have already appointed their own welfare officers. Canteens, which had hitherto existed under the Factories Act, 1934, continued to function. In most cases they were run by workers' co-operative societies.

Vigilant attention was paid to the provisions of creches and definite signs of improvement were noticed. The new Act and the rules thereunder made several improvements in regard to provision of creches, such as supply of free milk, refreshment, toys for the toddlers and playground for the older children. Most of the creches were provided with these facilities.

Housing.- The difficulties in obtaining building material continued to exist throughout the year. While no large scale improvement could be possible due to these difficulties, some of the

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progressive factory owners increased the existing housing facilities attached to their factory with the result that at the end of the year, against 9,741 workers housed last year, 12,050 workers enjoyed housing facilities during the year under review.

Accidents and safety.- The total number of accidents reported during the year was 2,475(2,432); of these 44 injuries were of serious nature and 13 injuries proved fatal. Details of accidents classified according to industries are given below:-

Industry (1)	Number of accidents (2)	Average number of workers (3)	Incidence per mill (4)
Textile (Cotton and Jute) ..	908(789)	31,655(34,068)	28.7(23.1)
Cement	122(152)	6,467(5,862)	18.8(25.9)
Railways	233(348)	1,336(1,788)	174.4(194.6)
Gun Carriage and Ordnance Factories	771(796)	8,377(12,172)	92.1(65.4)
Oil Mills	73(37)	2,900(2,467)	25.1(14.9)
Printing Presses	7(2)	2,343(1,782)	20.9(1.1)
Power Houses	95(96)	19,693(22,612) 1,358(1,126)	69.9(85.3)
Ginsand Presses	44(64)	19,693(22,612)	2.2(2.8)
Glass Factories	2(3)	1,083(1,078)	1.8(2.8)
Saw Mills	25(24)	2,111(1,833)	11.8(14.1)

Twenty-six convictions were obtained for failure to provide and maintain the requisite fences and safety devices. Out of 9 fatal and 44 serious accidents, 2 and 5 respectively were due to lack of proper fences and guards. In a majority of the cases fences and guards continued to be of an improvised nature and were, therefore, shabby and defective.

The following table gives details of accidents for the years 1944-1949:-

PLEASE SEE TABLE ON THE NEXT PAGE

Year (1)	Fatal (2)	Serious (3)	Minor (4)	Total (5)	Total number of workers (6)	Incidence per mill (7)
1944.....	11	144	2,442	2,597	100,850	25.7
1945.....	15	140	2,795	2,950	110,263	26.7
1946.....	9	63	1,763	1,835	101,355	18.1
1947.....	19	73	2,060	2,152	97,219	22.8
1948.....	16	45	2,371	2,432	101,646	23.9
1949.....	9	44	2,422	2,475	97,273	25.7

(The Annual report for the year 1948 was reviewed at pages 38-41 of the report of this Office for May 1950).

Madras: Working of the Factories Act, 1948,
during the Year 1950.

The following information about the working of the Factories Act, 1948, in Madras during 1950 is taken from the annual report of the Commissioner of Labour and Chief Inspector of Factories*.

The report says that the most significant feature of the administration of Factories Act during 1950 was the commencement of licensing of factories. Licenses were issued to 8,836 factories and approximately 646,000 rupees were collected by way of licence fees. Licensing has secured a centralised control over the location, construction and functioning of factories.

* Report on the Working of the Factories Act in the State of Madras for the year 1950: Printed by the Superintendent, Government Press, Madras, 1951: pp.55, price 3 Rupees.

Number of factories and workers employed.- There were 5,598 factories in the State at the beginning of 1950 as against 4,167 factories at the beginning of 1949. During the year, 5,189 factories were brought on the registers and 457 factories were removed from the purview of the Act. The number of factories at the end of the year was 10,330, of which 10,061 factories were in commission. The average daily number of workers employed in the 7,477 factories which submitted annual returns was 391,457 as against 323,950 in the previous year. The increase in the number of workers was due to the increase in the number of factories. The total number of children employed during the year was 4,637. The total number of man-days worked during the year was 100,903,085.

Inspection.- Of the 10,061 factories that were in commission during the year, 3,623 were inspected once, 3,718 twice, 1,456 thrice and 667 more than thrice. Instructions, wherever necessary, were given for fencing and guarding dangerous parts of machinery.

Thus the total number of inspections and visits made by the full-time Inspectors was 21,538 as against 11,511 in the previous year.

Health, Safety and Welfare.- The health of the workers was generally normal. No epidemics were reported from any of the factories during the year. Cleanliness of factory premises and their surroundings was fairly well maintained. Adequate steps were taken wherever necessary, to mitigate dust nuisance in textile mills, rice mills, decorticating factories, tea and coffee curing factories and also to prevent as far as possible, inhalation of dust by employees working in processes emanating dust.

The managements of factories continued to take interest in the welfare of workers. Nineteen more factories provided housing accommodation to workers and seven factories provided schools for the benefit of the workers' children. The existing co-operative stores in factories continued to function satisfactorily.

Strikes.- There were 81 strikes in 1950 as against 56 in 1949. Conciliation by the Labour Department proved successful in 19 cases.

Wages.- There was a slight increase in the earnings of the workers. The cost of living index rose by 4.4 points in Madras City during the year.

The provisions relating to grant of leave with wages to workers were generally complied with in all well organized factories except small non-power

factories like handloom factories, bidi factories, cigar factories, hotels and restaurants, to which the provisions of the Act have been extended only recently.

Accidents.- The total number of accidents reported for the year was 6,423 as against 6,133 in the ~~year~~ previous year. Of the 6,423 accidents reported, 42 were fatal as against 44 fatal accidents in the previous year. There were 6381 non-fatal accidents against 6,088 in the previous year. In 100 cases, the injured persons were paid compensation amounting to 72,420 rupees.

The percentage of 6,423 accidents to the total number of workers employed throughout the year in man-days (100,903,085) was 0.00637.

Prosecutions.- Occupiers and managers of 262 factories involving 267 persons were prosecuted during the year. Convictions were obtained against 180 factories involving 182 persons. A sum of 10,372 rupees was imposed as fines ranging from a minimum of 5 rupees to a maximum of 400 rupees. Prosecutions against 82 factories were pending disposal at the end of the year. Of the 25 factories prosecutions against which were pending at the end of 1949 convictions were obtained against 17 factories and a sum of 660 rupees was imposed as fines. The occupiers of three factories were acquitted. Prosecutions against five factories were pending disposal at the end of the year.

(The Report on the Working of the Factories Act during 1949 was summarised at pages 32-33 of the Report of this Office for November 1950).

Ceylon: Administration of Factories Ordinance:
Safety Provisions to be rigidly enforced.

A conference of officials of the Labour Ministry, Ceylon, was held at Colombo on 19 September 1951, Mr. M.D. Banda, Minister for Labour and Social Services, presiding. The conference discussed the questions of implementation of the provisions of the Factories Ordinance, 1942.

Addressing the officials, Mr. M.D. Banda stated that there were about 2,500 registered factories in Ceylon, but many of them were little better than "shanties" and did not conform to the requirements of the Factories' Ordinance. He said that he was not satisfied with the implementation of the provisions so far, and that he had decided to rigidly enforce the provisions of the ~~act~~ ordinance which governed

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provisions for the safety and welfare of workers in factories.

Discussions.- During the discussions, shortage of staff like inspectors of factories was attributed as the main cause ~~of~~ for shortcomings in the administration of the Ordinance. In the past there had been difficulties in recruiting personnel owing to better terms offered by other departments, and it was agreed to take early steps to recruit all the staff necessary.

Some of the officials present at the conference felt that the "shanties" should be treated in a class by themselves as they could not conform to all the provisions of the Ordinance.

On the question of sanitation ~~of the Ordinance~~ measures in factories, it was pointed out that several so called "factories" did not conform to the minimum requirements regarding cleanliness, prevention of overcrowding, cubic space per person, temperature, ventilation, lighting, drainage of floors, etc.

The conference also discussed safety precautions stipulated in the Ordinance. It was decided that minimum precautions regarding the fencing of machinery, precautions against dangerous fumes, supervision of young persons against explosions of inflammable dust and allied matters should be rigidly enforced.

(Times of Ceylon, 20 September 1951).

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Chapter 6. General Rights of Workers.

64. Wages Protection and Labour
Clauses in Employment Contracts
With the Public Authorities.

India - September 1951.

Uttar Pradesh: Working of Payment of Wages
Act during 1949*.

Extent and application.- During 1949 the Payment of Wages Act applied to all factories covered by the Factories Act, 1948, and to presses which became amenable to the Act by virtue of a special notification issued in 1939. The total number of factories subject to the Act during the year was 1,538. Of these, 1,384 factories worked during the year and 1,174 factories submitted returns.

Number of workers and total amount of wages paid.- The average daily number of workers covered by the Act during the year in the 1,174 factories which submitted returns was 214,813 as against 218,371 in 1,021 factories during the previous year. The report says that the decrease in the number of operatives employed may be attributed firstly, to the increase in the number of factories not submitting the returns which increased ^{from} 52 to 210 as compared to 1948 and, secondly, to the increase in the total emoluments of workers ~~or~~ as a result of higher wages and dear food allowance which on exceeding the limit of 200 rupees, denies the protection of the Act to the workers. The total amount of wages paid to the workers including deductions was about 199 million rupees or an average of 77 rupees approximately per worker per month as against an average of 67 rupees for the year 1948. The increase in the wage bills was due to standardisation of wages in a number of factories and also on account of higher wages and dear food allowance paid to workers as a result of increase in the cost of living index and implementation of awards of adjudicators.

*

Annual Report on the working of the Payment of Wages Act, 1936 in Uttar Pradesh for the year 1949: Superintendent, Printing and Stationery, Allahabad: 1951: pp.18, price 7 annas.

The following statement gives the average daily number of workers employed, the total wages paid and the details regarding deductions on account of fines, etc., made during the year.

Industry	Average number of workers employed	Total wages paid	Deduction on account of			Total
			Fines	Damage or Loss	Breach of Contract	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
		Rs.	Rs.	Rs.	Rs.	Rs.
Government and Local Fund Facto- ries.....	38,556	39,793,302	1,263	1,004	-	2,267
All other Factories-						
Textiles..	68,183	73,576,575	5,638	1,405	-	7,043
Engineering	8,224	7,288,938	86	280	-	366
Minerals and Metals....	5,285	4,347,984	8	1	-	9
Food, Drink and tobacco	58,264	44,330,103	204	419	435	1,058
Chemicals, Dyes, etc.	10,344	7,967,929	4	129	-	133
Paper and printing.	6,766	6,035,641	9	1	11	21
Wood, Stone and Glass.	9,164	5,990,439	313	2	-	315
Skins and Hides...	6,019	6,100,686	28	3	-	31
Gins and Presses.	1,338	859,698	-	-	-	-
Miscellaneous	2,199	2,393,688	17	2	-	19
Total...	214,342	198,684,983	7,570	3,246	446	11,262
Printing Presses amenable to the Act...	471	296,284	-	-	-	-
Grand Total..	214,813	198,981,267	7,570	3,246	446	11,262

Note: Figures are given to the nearest Rupee.

Inspections and prosecutions.- Inspections under the Act were invariably made along with inspections under the Factories Act. Apart from such regular inspections, 486 special visits were made during the year to enquire into complaints mostly relating to non-payment of wages, dearness allowance, delayed payments, illegal deductions, etc.

In majority of the cases enquired, the irregularities detected were rectified and settled without reference to the "authorities".

Fifteen prosecutions, however, were launched during the year for non-display of notices, irregularities in maintaining ~~registers~~ registers, etc. Convictions were obtained in three cases and fines amounting to 65 rupees were realised.

(The annual report for the year 1948 was reviewed at pages 66-68 of the report of this Office for November 1949).

67. Conciliation and Arbitration.

India - September 1951.

Madras: Working of the Industrial Disputes Act,
1947 during 1950.

Number of stoppages.- In Madras State there were 120 cases of stoppages on account of strike and lockouts during the year 1950; 63,426 workers were involved and 339,296 man-days were lost. The corresponding figures for the previous year were 126 stoppages, 46,863 workers and 471,530 man-days. The main causes of the strikes were demands for increased wages and dearness allowance and reinstatement of discharged workers. In 39 cases, the workers returned to work unconditionally or pending enquiry or investigation, in 55 cases the strikes were settled by mediation and conciliation by labour officers, 18 cases were settled by the parties themselves by direct negotiations and 11 cases were referred to the Industrial Tribunals for adjudication. Details about the various industries in which there were strikes, number of workers involved man/days lost, etc., are given in the following table:-

Industry	Number of stoppages on account of strikes and lockouts	Number of workers involved	Man/days lost	Demand					Results			
				Wages	Dearness	Provision	Others	Others	Settled	Unsettled	Indefinite	
Textiles....	19	25,381	122,513	4	4	3	2	6	6	5	6	2
Jute.....	7	6,712	3,276	1	-	3	1	2	-	-	5	2
Engineering.	6	6,478	31,620	2	-	1	1	2	2	-	1	3
Railways....	3	46	33	-	-	-	2	1	-	1	2	-
Mines.....	10	5,238	30,154	1	-	-	2	-	5	3	2	-
Miscellaneous	78	19,571	151,900	17	13	23	2	23	14	8	35	21
Total...	123	63,426	339,296	32	17	30	10	34	27	17	51	28

Adjudication of disputes.- At the beginning of the year there were 40 cases pending adjudication before the Industrial Tribunals. During the year, 71 cases including the 11 disputes which ended in strikes were referred to the Industrial Tribunals for adjudication. Of the total 111 disputes pending before the

Industrial Tribunals awards were passed in 59 cases. At the close of the year there were 42 cases pending adjudication before the Industrial Tribunals.

Prosecutions.- Twenty-four prosecutions were taken up against the employers and workers for offences under the various provisions of the Act during the year.

Amendments.- The Industrial Disputes, (Appellate Tribunal) Act, 1950, came into force during the year. It provides for the establishment of an Appellate Tribunal in relation to industrial disputes and for certain matters incidental thereto.

Public utility service.- The Government of Madras have declared the electric Tramways services, motor transport services, cotton textiles, coal, sugar and salt industries, transport by water in minor ports and industries engaged in the manufacture of fertilizers and heavy chemicals in the State as Public Utility Services under the Industrial Disputes Act, 1947.

Notification regarding unlawful association cancelled.- The notification issued in 1949 declaring the Tamilnad Communist Party, the Andhra Communist Party, the Kerala Communist Party, the Karnataka Communist Party, all committees, sub-committees and branches affiliated to them and trade unions under communist control to be unlawful associations were cancelled during the year.

Unit production committees.- During the year 110 unit production committees were constituted in various industries in the State. The report says that these committees are working satisfactorily. It adds that workers and employers seem to have realized that without internal co-operation production can not be increased nor conditions of workers improved.

Works committees.- Works Committees were formed in 153 establishments during the year, bringing the total number of establishments having works committees to 358. Committees are yet to be formed in about 300 more establishments. These committees were reported to be functioning satisfactorily. The report points out that difficulties in the way of constitution of more works committees were due to the non-cooperation of some trade unions. In this connection, the question of amending the Madras Industrial Disputes Rules is under the consideration of the Government.

(Annual Report on the Working of the Industrial Disputes Act, 1947 for the Year 1950; Madras Government G.O.No.2284, dated 22-6-1951).

Uttar Pradesh: The Industrial Disputes
(Uttar Pradesh Amendment) Bill, 1951 .

The Government of Uttar Pradesh published on 20 August 1951 the Industrial Disputes (Uttar Pradesh Amendment) Bill, 1951, to be introduced in the Legislative Assembly of the State.

The Statement of Objects and Reasons appended to the Bill declares that owing to the amendment of section 7 of the Industrial Disputes Act, 1947 by the Industrial Disputes (Amendment and Temporary Provisions Act 1951) (vide page 46 of the Report of this Office for July 1951) necessity is felt to amend the provisions of the said Act in its application to Uttar Pradesh as in certain respects the Tribunals appointed or to be appointed in Uttar Pradesh do not and will not fulfil all the requirements of the Central Act.

(Government Gazette of the Uttar Pradesh,
Extraordinary, 20 August 1951, pages 1-2).

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CHAPTER 8. MANPOWER PROBLEMS.

INDIA - SEPTEMBER 1951.

81. Employment Situation.

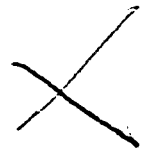
Abolition of Forced Labour: All Legal Action taken.

According to a statement laid on the table of the Parliament on 10 September 1951 by Mr. Jagjivan Ram, Minister for Labour, Government of India, all action needed has been taken for legal protection against forced labour in any form.

The statement gives a resume of the measures taken for the abolition of begar or forced labour. At its fourteenth session held in Geneva in 1930, the International Labour Conference adopted a draft Convention requiring all member countries ~~to~~ to abolish forced or compulsory labour in all its forms within the shortest possible period. The aforesaid Convention defines forced or compulsory labour as "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily". Action taken in India falls into three broad phases, the first beginning ~~at~~ in 1931, the second in 1947 and the third belonging to the current period.

In 1931, the Convention adopted by the International Labour Conference was placed before the Indian Legislature and both the Houses adopted a resolution generally recommending to the Government that it proceed to take action on its various provisions. The Government of India examined the Central Acts and the Bengal Regulations of 1806 and certain Land Revenue Acts were amended to stop the use of forced labour by private individuals or landlords. On the suggestion of the Government of India, administrative instructions were issued to certain Provincial Governments to stop the use of forced labour and ~~may~~ Indian States also enacted legislation on the subject of forced labour.

The Provincial Labour Ministers' Conference held in November 1947, recommended a general enquiry to ascertain the prevalence of forced labour. An Officer on Special Duty was appointed in August 1948, to study the various legal enactments - Central and Provincial - on forced labour and to submit proposals for the repeal or amendment of offending provisions. He adopted two broad divisions of forced labour, one authorised by law



and the other under agrestic serfdom or debt bondage or that performed in accordance with social customs. On the recommendations made by the Government of India in the light of his proposals, several States have taken legislative steps. The Government of Orissa has already taken action to delete the offending provisions in the Angul Laws Regulation 1936 and the Khondmals Laws Regulation 1936 and is considering proposals for amendments to the Orissa Compulsory Labour Act, 1948. The Government of Madras ~~of~~ has agreed to amend suitably the offending provisions in the Madras Compulsory Labour Act, 1858. The Governments of the Punjab and U.P. have agreed to delete Section 65 of the Northern India Canal and Drainage Act, 1873, which empowered these Governments to obtain forced labour for carrying out usual annual repairs. The Criminal Tribes Act Enquiry Committee has endorsed the view that the Criminal Tribes Act, 1924, be replaced by ~~the~~ a habitual offenders.

Central Legislation for the
restriction of only the

The Labour Ministry's Agricultural Labour Enquiry, the results of the first stage of which are already available, disclosed the existence of forced labour, in some form or other, in 74 villages in the Punjab, U.P., Bihar, Orissa, Madras, PEPSU, Madhya Bharat and Jammu and Kashmir. These States were requested to take necessary steps to eradicate forced labour. A similar request has been made to other States also, in case similar conditions might be prevailing in other regions. The Intensive Family Enquiry, which is the third stage of the Agricultural Labour Enquiry, may furnish more data in this connection which will similarly be passed on to State Governments concerned for necessary action.

The Constitution of India guarantees legal protection against forced labour. Article 23(1) forbids forced labour - except in the cases covered by Article 23(2), which refers to the right of the State to impose compulsory service for public purposes - and makes contravention thereof an offence. All laws to the contrary are void under Article 13(1) and, notwithstanding anything in any such law, the exaction of forced labour in contravention of Article 23 would be a punishable offence under Section 374 of the Indian Penal Code. The Government of India intends to request all States to give the widest possible publicity in rural areas to these provisions of the Constitution.

Thus the position today is that on the legal plane, all action needed has been taken for protection against forced labour and on the administrative plane data have been collected - and more are being collected - which may form the basis of investigation and executive action by the State Government.

(Press Note ~~issued~~ dated 17 September 1951, issued by the Press Information Bureau, Government of India).

Employment Exchanges: Working during July, 1951.

Employment situation.- According to the Report of the Director General of Employment Exchanges for July 1951, there was an all-round increase in the activities of the employment exchanges. Registrations, placings, vacancies notified and submissions - all increased, as compared with the corresponding figures of the previous month. In spite of the setting in of the monsoon, short supply of raw materials, transport difficulties, etc., which were responsible for temporary stoppages of work in a number of Government projects and private industries, more vacancies were notified to the employment exchanges during the month under review.

Shortage of stenographers, overseers, draughtmen, typists, electricians, roadroller drivers, toolmakers, sanitary inspectors, trained teachers and nurses were widely reported. Carpenters, fitters, semi-skilled technicians, clerks, lawyers, and untrained teachers, on the other hand, were surplus in most places.

Registrations and placings.- The total number of registrations for employment and the total number placed during the month are shown below:-

	July 1951	June 1951
Total number of registrations.	131,846	119,464
Total number of placings.....	35,233	34,540

Of those registered, 10,354 were displaced persons, 10,588 were ex-Service Personnel and 3,256 discharged Government employees. The number of registrations during July was the highest on record and showed an increase of 12,382 as compared with June. All the regions except Madras and Assam showed an increase. Increased registrations, the Report says cannot be considered as a deterioration in the employment situation, but was due rather to the rush of applicants for consideration against some of the more popular vacancies that were notified to the Employment Exchanges. The increase was marked in Uttar Pradesh (3,257), West Bengal (2,557), Bihar (1,913), Bombay (1,832), the Punjab (1,575), Madhya Pradesh (986) and Delhi, Ajmer and Rajasthan (905). Madras Region, on the other hand, showed a fall of 1,260 over the previous month.

Of these placed, 1,836 were displaced persons, 2,160 were ex-Service personnel and 981 discharged Government employees. 20,353 were placed with private employers and 14,880 in Central and State Governments

Departments. There was an increase of 693 in placings as compared with the previous month. The rise in placings was comparatively high in West Bengal (1,280), Bombay (1,150), Punjab (446) and Hyderabad (331). Madras and Uttar Pradesh on the other hand showed a fall of 1,330 and 1,157 respectively.

Placings by wage groups.- Of the total number of placings effected 429 were in posts carrying a basic pay of 101 rupees per month and above; 4,211 in posts carrying a pay of 61 rupees and above but less than 101 rupees per month; 26,663 in posts carrying a pay of 30 rupees and above but less than 61 rupees per month; and 3,930 in posts carrying a pay less than 30 rupees per mensem.

Vacancies notified and submissions.-The number of vacancies notified by employers during July 1951 was 42,014 as compared with 39,872 during June 1951, that is, a rise of 2,142. Of the vacancies notified 18,744 were by Central and State Government establishments and 23,270 by private employers. There was an increase of Government vacancies by 1,710. The increase in vacancies notified was prominent in Bihar (273), Bombay (973), Delhi, Ajmer and Rajasthan (568), Hyderabad (311), Punjab (781) and West Bengal (1,744). On the other hand there was decrease in notifications in the regions of Madhya Pradesh (258), Madras (1,944), Orissa (41) and Uttar Pradesh (274). The number of persons submitted to employers during July 1951 was 88,438 as compared with 83,179 during the previous month.

The number of employers who used the exchanges during July was 6,458 as compared with 6,719 during June 1951. Of these, 53.1 per cent were private employers.

Employment of highly qualified persons.- 131 persons of Appointments Branch Standard (candidates with the high technical, scientific or professional qualifications having experience of administrative and supervisory work) were placed during the month. The number of registrations was 937. Many of the applicants of this type lack technical qualifications and are therefore not in general demand. Several placements of outstanding interest were, however, secured.

Employment assistance to women.- 4,426 women were registered for employment assistance and 1,772 placed in jobs during the month as against 4,807 and 1,999 respectively during the previous month. Reluctance to move out of home districts or urban areas was reported by exchanges from all regions to be the main handicap in securing increased placements of women.

Assistance to scheduled caste candidates.- The number of Scheduled Caste applicants registered by the employment exchanges during the month of July was 14,955 as against 13,088 in June 1951. 5,441 Scheduled Caste applicants were placed in employment as compared with 4,962 in the previous month. Among those placed during July, 987 were in Union Government vacancies, 470 in State Government vacancies and 3,984 in other vacancies. The number of Scheduled Caste applicants submitted to employers during the month was 10,661 as compared with 8,767 during June 1951. 467 vacancies meant specifically for Scheduled Caste applicants were notified to employment exchanges during the month. At the end of July, 28,427 Scheduled Caste applicants remained on the Live Registers of exchanges of whom 973 were women.

Vacancy and labour clearing.- During the month under report the Vacancy Clearing Machinery was utilised to fill 666 vacancies by applicants from other exchange areas as against 447 vacancies filled in this manner during June 1951.

Mobile exchanges.- Considerations of economy, reduction of staff and the advent of the monsoon in certain regions restricted mobile exchange activity to short trips, largely within the neighbourhood of employment exchanges. The total number of registrations effected by the mobile sections of exchanges was 8,898 against 10,061 during the previous month, and the total number of placements 7,683 against 8,641 during the previous month. Generally, the mobile exchanges were active in contacting candidates suitable for the Police Force.

The Live Register.- The number of persons seeking employment assistance on the last day of July was 343,730 which was 13,361 more than the figure for June 1951. Of these 41,827 were displaced persons, 36,358 ex-service personnel and 12,324 discharged Government employees. Among discharged Government employees 8,734 were Union Government and 3,590 State Government employees.

Special Investigations: Re-employment of retrenched Central Government employees.- In order to assess the extent of unemployment among discharged Central Government employees a special enquiry was recently made regarding the age, period of service, educational qualifications etc. of such applicants. At the end of May 1951 the particulars of 8,765 such persons were analysed. 4,090 (46.6 per cent) were unskilled workers belonging to the category of Class IV servants. 88 (1.0 per cent) were supervisory staff (non-technical) and 123 (1.4 per cent) were technical supervisory staff.

2,489 (28.4 per cent) belonged to the clerical group and 1,095 (12.5 per cent) were skilled and semi-skilled operatives. Among clerical applicants 165 were graduates, and 1,832 matriculates. Apart from unskilled registrants 311 were graduates, 2,003 were matriculates and 2,361 had not completed their matriculation.

Among applicants other than unskilled, 1,888 (40.3 per cent) alone were willing to move out of their home districts for employment. Those who were well qualified and possessed a comparatively high degree of proficiency were reported to be less reluctant to move out of their home towns for employment than less ~~qualified~~ qualified persons.

Of categories other than unskilled on the Live Registers 1,645 had been retrenched during 1951, 994 had been discharged during 1950, 761 during 1949, 495 during 1948 and 730 during 1945 to 1947. 50 had been discharged prior to 1945.

Classified by age, 2,894 (61.9 per cent) were below 30 years and had put in an average of 2 years 11 months of service. 1,253 were between 30 and 40 years of age and had an average period of service of 4 years and 4 months. 415 applicants were between 40 and 50 years of age with an average period of service of 5 years and 7 months. 113 were aged 50 years or more. Unskilled applicants are not included in this analysis.

Most of the exchanges have reported that even though a large number of discharged Government employees are over-aged for permanent re-absorption in Government service, they are reluctant to accept jobs under private employers. Some of the applicants are also not willing to take up short term appointments or to be considered for State Government vacancies as these carry lower rates of pay and allowances.

(Report on the Work of the Directorate
of Employment Exchanges during the
Month of July 1951, issued by the
Ministry of Labour, Government of India)

83. Vocational Training.

India - September 1951.

Labour Ministry's Training Schemes: Progress
during July 1951.

Training of Adult civilians.- According to the Report of the Directorate General of Resettlement and Employment for July 1951, the number of trainees on the rolls of the various training institutes was 8292 on 31 July 1951. Of those on rolls, 4804 were receiving training in technical trades and the remainder in vocational trades.

Displaced persons' training.- 2042 displaced persons were undergoing training at the end of the month at the training institutes in the various states under the new training scheme for displaced persons against the sanctioned capacity of 2503 seats.

Training of apprentices.- 1,000 seats have been sanctioned for the apprenticeship training of displaced persons in West Bengal and Uttar Pradesh. 789 persons were undergoing training at the end of July 1951.

Women's training schemes.- A total of 375 women were undergoing training at the end of the month at the three Women's Industrial Training Institutes at New Delhi, Dehra Dun and Madras. In addition 11 women were undergoing training at the Industrial Training Institute, Virajpet (Coorg) and 4 women at the Industrial Training Centre, Christian School of Commerce, Lucknow.

Supervisory training.- One hundred and ten supervisors and instructors from State Governments, other Government departments and private enterprises, were undergoing training in the Central Training Institute for Instructors, Koni, Bilaspur, at the end of the month. In addition to the categories of trainees mentioned above, 193 primary schools teachers were receiving training in wood work at the Industrial Training Institute, Aundh, under special arrangements with the Government of Bombay.

Training of ex-Servicemen.- At the request of the Ministry of Defence, the Labour Ministry has agreed to admit 150 ex-Servicemen for training in the vocational trades during the current session. The selection will be made out of those released after September 1950.

One hundred and seventy eight trainees including 7 women passed the trade test in vocational trades during the month of July 1951.

(Review of Work done by the Directorate General of Resettlement and Employment during the Month of July 1951, issued by the Ministry of Labour, Government of India)

85. Migration and Colonisation.

India - September 1951.

ILO Scheme for Migration of European Workers:
Government of India's Reaction.

Mr. Jagjivan Ram, Minister for Labour, Government of India, answering a question in the Indian Parliament on 26 September 1951, stated that the ILO was taking steps to assist the emigration of workers from certain European countries ~~for~~ having an excess of manpower to other countries in Europe and outside which were in need of supplementary manpower for implementing their plans of economic and social development. Explaining the reaction of the Government of India to this scheme so far as its applicability to India ~~and~~ concerned, he said that while the Government was ~~not~~ in full sympathy with the steps ~~taken~~ that were being taken by the ILO in this regard, it had made it clear that it would not be possible for India to take in any appreciable number of European migrants for two reasons: Firstly, the Government of India was faced with the problems of rehabilitating millions of persons who had migrated to India from areas which now formed Pakistan; and secondly, India was ~~not~~ not a congenial country for the resettlement of Europeans. The climate was unsuitable and there was dearth of suitable centres for European settlement.

(The Statesman, 27 September 1951).

CHAPTER 9. INCOME SECURITY.

INDIA - SEPTEMBER 1951.

92. Legislation.

Employees' State Insurance (Amendment) Bill, 1951,
passed by Parliament.

The Employees' State Insurance (Amendment) Bill, 1951 (vide pages 92-93 of the report of this Office for March 1951) ~~was~~ was passed by Parliament on 27 September 1951.

Mr. Jagjivan Ram, Minister for Labour, Government of India, explained that soon after the Act was passed it was decided to introduce the scheme in Delhi and Kanpur. The employers of Kanpur, however, made a representation that if the scheme was introduced and contributions were levied only from the employers in the two areas, it would increase the cost of production and become a handicap to the competitive capacity of the industries. The Government of India saw the force of these objections and after some consideration had introduced the amending Bill.

It was proposed to equitably distribute the employers' contribution. Employers in the whole country would now be called upon to contribute for the scheme but employers in areas where the scheme would be in operation would have to contribute more. This was because such employers would be exempt from certain liabilities under the Workmen's Compensation Act, etc. The contribution to be paid by the employers would be three-fourth per cent of the wage bill throughout the country and half a per cent ~~with an increase~~ more in the areas where the scheme will be in operation. It would be necessary to change the rates when the provisions of the Act were extended. Power had been accordingly sought under the bill.

The House took up detailed consideration on the Bill and passed all the 29 clauses without any discussion.

(The Hindustan Times, 28-9-1951).

94. Application.

India - September 1951.

Employees' State Insurance Corporation:
Annual Report for the Years 1948-49 and
1949-50 published.

In pursuance of section 36 of the Employees' State Insurance Act, 1948, the Central Government has published on 25 August 1951 the annual reports and the audited accounts of the Employees' State Insurance Corporation for the financial years 1948-49 and 1949-50.

The Employees' State Insurance Corporation which was established with effect from 1 October 1948, remained engaged during the years 1948-50 mainly on the preliminary work necessary for the implementation of the scheme all over the country. The Corporation incurred an expenditure of 82,142 rupees during the year 1948-49 on administration matters; during 1949-50 the expenditure was 355,959 rupees.

Arrangement for implementation of the scheme.-

While it was intended that the Employees' State Insurance Scheme should be introduced in the first instance as a pilot scheme in Delhi, the various State Governments were contacted during the year under review to determine a programme for implementation of the Scheme all over the country as soon as possible. As a result of these contacts it seemed that the Scheme could be implemented in Kanpur also simultaneously with its introduction in Delhi. But for other States, a little more time seemed required.

During the year 1949-50 plans were made accordingly and nuclear Regional Offices were established at Delhi and Kanpur in October 1949. These offices started the exploratory work for finding the necessary office accommodation for the Regional and Local Offices and assisted the State Government authorities in working out arrangements for provision of medical treatment under the Scheme by those Governments. The offices also contacted employers and the organisations of the employers and the employees in Delhi and Kanpur and as a result of surveys made by them prepared plans for the staff and equipment required at the Regional and Local Offices. As the Scheme had not been implemented anywhere in the year under review the expenditure of the Corporation continued to be met from loans from the Central Government.

Visit of Mr. Stack.- Mr. M. Stack, Chief of the Social Security Section at the International Labour Office came to India in response to an invitation from the Central Government and the Director General. Various aspects of the Scheme and the Regulations framed under the Act were discussed with him and his valuable suggestions obtained.

Medical Benefit arrangements.- The provision of medical benefit under the Act is the responsibility of the Provincial Governments and medical care will be provided at dispensaries, hospitals, clinics and other institutions to be set up and maintained by the Provincial Governments. They had accordingly been asked by the Central Government to make a survey of the concentrations of the industrial workers in areas within two miles radius and the medical facilities available therein. The progress of the work in the various provinces had not been uniform. Efforts to expedite the survey and the plans in all the provinces were made constantly.

(The Gazette of India, Part II, Section 3, dated 25 September 1951, pp.1326-1331).

Ceylon: Administration Report of the Director of Social Services for 1950.

The Administration Report of the Director of Social Services, Ceylon, reviewing the activities of the Department of Social Services, for the year 1950, has been published recently*. Among other matters, the Report deals with legislation regarding social services during the year, public assistance, relief of distress and workmen's compensation.

General.- The Report states that during the period under review, the Department has been engaged in improving and extending the existing services and in implementing the policy of Government of providing certain new services. Public assistance work has been placed on a better footing and relief of widespread distress due to exceptional causes such as floods, drought, etc., has been rendered as expeditiously as

* Ceylon: Part I-Civil(Q). Administration Report of the Director of Social Services for 1950. August 1951. To be purchased at the Government Publications Bureau, Colombo. Price 50 cents, pp. 23.

was consistent with efficiency and as free from abuse as possible. The desire of Government to provide adequate institutional care for aged persons engaged the attention of the Department, and the first State Home for the Aged has already been opened at Koggala. It is proposed to establish shortly State Homes for aged and infirm persons in various parts of the Island to supplement the efforts of voluntary agencies and local authorities in this direction.

The Government has accepted responsibility for the care and welfare of deaf and blind persons and from April 1950, it assumed the financial obligations of the Sheltered Workshops conducted by the Ceylon School for the Deaf and Blind. The administration of these Sheltered Workshops is to be taken over as soon as Government is able to erect the necessary buildings.

During the course of the year the Department was called upon to prepare for consideration by Government full details of several alternative schemes, covering health insurance, unemployment insurance, and a national provident fund. Various memoranda were submitted setting out the full implications of these schemes, which were prepared on the basis of the Report of the Inter-departmental Committee. The proposals for the implementation of the schemes are now under active consideration by the Government.

Legislation: a) Poor Law Ordinance.- It was stated in the report of the Director of Social Services during 1949, that the obligations imposed on the municipalities of Colombo, Kandy and Galle by the Poor Law Ordinance had become so onerous that requests were made for financial assistance from the Central Government. The municipalities of Kandy and Galle requested that they be relieved of these obligations, if financial assistance were not given. At a ~~conference~~ conference between the officials of the Ministry of Health and Local Government and the Ministry of Labour and Social Services, consideration was given to the following: (a) that the Central Government should undertake the work of public assistance; (b) that as a consequence of this the Poor Law Ordinance (No.30 of 1939) should be repealed; and (c) that the Department of Social Services should consider further whether or not any portions of the Poor Law Ordinance need be retained. Accordingly, a memorandum setting out the financial implications of Government taking over the duty of granting public assistance within the municipalities of Colombo, Kandy and Galle was prepared. This memorandum is at present receiving the active consideration of the Ministry.

b) Workmen's Compensation Ordinance.- The Department submitted a memorandum dealing with amendments to the Ordinance to the Minister of Labour and Social Services for his final scrutiny, for the purpose of preparing a draft Bill. These amendments are based on (i) the recommendations of the Social Services Commission, and (ii) the difficulties which have arisen in the country in the ~~administration~~ administration of the Ordinance. A new schedule of occupational diseases has also been incorporated in the memorandum as the present one does not provide an exhaustive list of industrial diseases that are likely to occur.

c) Charities Regulation Bill.- A draft Charities Regulation Bill as revised by the legal draftsman was discussed by the Minister of Labour and Social Services with the Minister of Home Affairs and Rural Development and certain amendments were agreed upon. These have been incorporated by the legal draftsman in the proposed Bill and it is expected that it will become law in the ensuing year. The Bill if passed, will exercise a proper check on the improper collection of funds allegedly for charitable purposes.

Social Welfare.- A sum of about 204,457 rupees was collected during the year in response to the United Nations Appeal for Children. Twenty-five per cent, ~~of this sum~~ viz., 51,109.46 rupees was sent to the credit of the United Nations International Children's Emergency Fund, in terms of the agreement entered into with the Secretary-General of the United Nations. The committee has since decided to hand over the balance amounting to 153,328.37 rupees to an incorporated board of trustees for the purpose of establishing a convalescent home for children; 100,000 rupees is to be utilised for buildings, equipment and other initial expenses. The balance is to be invested and the income thereof is to be used for the maintenance of the home. The committee also decided that in the event of the trustees handing over the convalescent home for children to Government at any future date the sum of money already invested should be handed over to the Ceylon Central Council for Social Services if existent at that time or the Governor-General of the Island to be utilised for a purpose coming within the ~~spirit~~ spirit of the United Nations Appeal.

The sum of 4,250 rupees provided for social surveys in the votes of this Department was allocated to the Department of Census and Statistics which will gather information required by this Department relating to the social conditions of the rural population of Ceylon. The Director of Statistics has already completed a survey of 72 out of 106 villages selected for the purpose.

Public assistance.- At the beginning of the financial year 1949-50 the net amount available for payment of public assistance monthly allowances after deducting the 15 per cent cut imposed was 5,811,770 rupees. Subsequently a supplementary estimate for 1,200,000 rupees was passed. This represented the amount of the 15 per cent cut on the gross vote of 8,000,000 rupees for public assistance. The following table shows the number of persons in receipt of monthly allowances in January and December 1950, highest number of persons assisted during any month and the total amount paid as allowances during the financial year 1949-50, in the various revenue districts in Ceylon (excluding the municipalities of Colombo, Kandy and Galle where the Poor Law Ordinance operates):-

Number of Persons in receipt of monthly allowances.		Highest Number of persons assisted during any month.	Total amount paid as allowances during the financial year 1949-50 Rs. C.
In January 1950	In December 1950		
44,599	60,141	61,557	5,542,208 45

Casual relief assistance for the repair or reconstruction of houses and for the replacement of implements of trade damaged by fire, cyclone, rain, storm, sea erosion or other similar cause in cases where destitution was likely to occur if Government assistance was not forthcoming, was granted to a lesser number than during 1949. The maximum grant in any case is 300 rupees. To relieve acute distress to individuals or small groups through loss of earnings or food supply as the result of fire, accident or other similar cause, grants were made at public assistance rates. Compared with last year there was a decrease of approximately 4 per cent in the number of applications for all kinds of casual relief. The expenditure decreased by approximately 18 per cent. During the year 1949-50, an amount of 116,935.91 rupees was spent on casual relief.

Grants to voluntary agencies which provide institutional relief have been made at a maximum rate of 10 rupees per mensem for each inmate. It has been brought to the notice of Government that owing to increased costs and inadequate public support these agencies are experiencing great difficulty in balancing their budgets. Consequently the standards maintained in institutions run by voluntary effort have tended to fall in many cases. The need for and the value of

voluntary agencies is recognised and consideration is being given to the question of increased grants. A total sum of 136,000 rupees as against 107,000 rupees last year was provided in the estimates for the payment of grants to Homes for the Aged and other voluntary agencies. Grants were paid to 47 voluntary agencies and the total amount distributed was 135,805 rupees.

State home for the aged.- Government policy in regard to homes for the aged was to assist by means of grants existing homes which were financed by public subscriptions and run by voluntary agencies but as they were unable to cope with the ~~increasing~~ demand, Government felt the need to provide State homes for the aged. Accordingly a sum of 1,000,000 rupees was provided in the estimates for 1950-51 for this purpose. Steps were taken to establish a home on a donated 5-acre block of land at Kirillapone. However due to difficulties during the acquisition proceedings, precedence was given to a home for the aged and infirm at Koggala, where a former sea plane base had become available. By altering and renovating some of the existing buildings on the site, the P.W.D. is providing accommodation for 225 inmates and provision will be made for future expansion if necessary. The home has already been opened.

Sheltered workshops for adult deaf and blind.- Government had accepted the principle that the care and welfare of the deaf and blind was the responsibility of the State. Accordingly, it was proposed to establish sheltered workshops with residential accommodation for deaf and blind adults, to provide a hostel for deaf and blind persons in ordinary employment, and to assist "home workers" by supplementing their earnings when necessary and supplying them with raw materials and equipment. It was intended to acquire 10 acres of land at Seeduwa, erect and equip suitable buildings and arrange for the Board of Governors of the Ceylon School for the Deaf and Blind to operate the Government scheme. A draft agreement to be entered into by Government with the Board of Governors has been prepared and submitted to the Attorney-General for his approval.

Rehabilitation and Resettlement of war-disabled persons and ex-service personnel.- The medical rehabilitation scheme for disabled ex-servicemen and civilians disabled by enemy action in operation at the Regent Street section and the Orthopaedic Clinic of the General Hospital continue to work satisfactorily. One hundred and eightytwo fresh cases were brought to the notice of the department by members of the public and the military authorities. Where investigation by social service Officers disclosed that either medical rehabilitation or post-hospital treatment or the supply and fitting of artificial limbs was necessary the persons were referred to the relevant sections

of the General Hospital for attention. Where resettlement in occupation was recommended, they were referred to the Commissioner of Labour for action regarding suitable employment.

Resettlement grants to substantially disabled ex-servicemen to set up in business continued to be paid as in the previous year. Thirty-nine applications were received during the year and 22 were brought forward from last year. Eleven applicants were paid grants totalling 4,300 rupees, 30 were ineligible under the rules or withdrew their applications, 9 had not supplied all the information required and 11 were under investigation at the end of the year.

Unemployment assistance.- The Department of Labour organized work for the relief of unemployment.

Relief of distress due to floods, drought, etc.- An amount of 923,541.60 rupees was spent for relief of widespread distress due to failure of crops, floods, drought and other exceptional causes during the financial year 1949-50.

Workmen's Compensation.- A total of 9,805 accidents were reported during year as against 9,708 in 1949. Of these, 196 were fatal as against 202 in 1949. According to the returns furnished by the employers, the claims paid during the year totalled 536,386.90 rupees in respect of 7,239 cases. The figures for the last three years are as follows:-

Year	Number of Claims paid	Total Amount paid	
		Rs.	C.
1948	6,670	457,251	16
1949	7,466	554,244	1
1950	7,239	536,386	90

As regards total ~~in~~ accidents proceedings were taken in 196 cases during the year. Liability was admitted and compensation deposited in 134 cases.

Compensation deposited with the Commissioner ~~during~~ during the year was 349,630.89 rupees as against 422,201.48 rupees in 1949. Two hundred and twentyeight new Ceylon Savings Bank accounts were opened in 1950 with deposits totalling 173,725.14 rupees. One ~~thousand~~ thousand one hundred and fiftythree accounts remained current at the close of the year with total credit balance amounting to 403,688.90 rupees.

Fifteen appeals to the Supreme Court under Section 48(1) of the Ordinance were filed during the year. Four cases were pending at the commencement of the year.

Findings in 14 were affirmed and the appeals dismissed. In 4 cases, the order of the Commissioner awarding compensation was set aside. The remaining case was pending at the end of the year.

Of the 1,291 agreements registered in 1950, 302 were in respect of permanent disablement and the total amount of compensation paid in these cases was 341,738.33 rupees. The remaining 989 agreements related to cases of temporary disablement.

The following table shows the number of accidents as reported by employers for the year ending 31 December 1950, and compensation paid by them:-

Establishments	Accidents resulting in			Compensation paid in respect of						
	Deaths	Permanent Disablement	Temporary Disablement.	Deaths		Permanent Disablement		Temporary Disablement.		
				(5)	(6)	(6)	(7)	(7)	(8)	
(1)	(2)	(3)	(4)	Rs.	C.	Rs.	C.	Rs.	C.	
Estates including Estate factories										
(Adults.....)	35	127	3,369	47780	0	74234	93	51723	69	
(Minors.....)	1	3	106	200	0	1782	0	1523	50	
Government establishments including the Railways										
(Adults.....)	6	50	1,806	14438	0	49796	61	67073	93	
(Minors.....)	-	-	-	-	-	-	-	-	-	
Business establishments										
(Adults.....)	19	106	1,351	53580	0	117988	36	51439	48	
(Minors.....)	-	-	-	-	-	-	-	-	-	
Mines										
(Adults.....)	-	-	54	-	-	-	-	888	17	
(Minors.....)	-	-	-	-	-	-	-	-	-	
Local Bodies										
(Adults.....)	2	1	204	-	-	1225	0	2694	68	
(Minors.....)	-	-	-	-	-	-	-	-	-	
Miscellaneous										
(Adults.....)	-	-	1	-	-	-	-	18	55	
(Minors.....)	-	-	-	-	-	-	-	-	-	
Total.....	61	287	6,891	115998	0	245026	90	175362	0	

Total Number of claims 7,239
 Total compensation paid 556,386.90 rupees.

LIST OF THE PRINCIPAL LAWS PROMULGATED DURING
THE PERIOD COVERED BY THE REPORT FOR SEPTEMBER
1951.

INDIA - SEPTEMBER 1951.

Chapter 3. Economic Questions

- a) The Indian Companies (Amendment) Act, 1951 (LII of 1951); The Gazette of India, Extraordinary, Part II, Section 1, 15 September 1951, pp. 347-355.
- b) The Railway Companies (Emergency Provisions) Act, 1951 (LI of 1951); The Gazette of India, Extraordinary, Part II-Section 1, pp. 341-347. Dated 15 September 1951.
- c) ~~an~~ Tariff Commission Act, 1951 (L of 1951); The Gazette of India, Extraordinary, Part II-Section 1, dated 15 September 1951, pp. 333-340.

Chapter 5. Working Conditions and Living Standards

Employment of Children (Amendment) Act, 1951 (XLVIII of 1951); The Gazette of India, Extraordinary, Part II, Section 1, dated 3 September 1951, pp. 300-302.

LIST OF THE MORE IMPORTANT PUBLICATIONS RECEIVED
IN THE NEW DELHI OFFICE DURING SEPTEMBER 1951.

INDIA - SEPTEMBER 1951.

International Labour Organisation

Fair Deal to Labour. The Publication Bureau, Information Directorate, Vidhan Bhawan, Lucknow. pp.21. (Sent to Geneva under this Office Minute No.D.1/1836 /51 dated 5 October 1951).

International and National Organisations

Working of the Indian Trade Unions Act, 1926 during 1948-49. Ministry of Labour. Labour Bureau, Government of India. Published by the Manager of Publications, Delhi, 1951. pp.3. (Sent to Geneva under this Office Minute No.D.1/1739/51 dated 22 September 1951).

Economic Questions

- a) Government of India. Ministry of Commerce and Industry. Directorate of Industrial Statistics. Third Census of Manufactures. 1948. Vol.I, pp.1-366, price Rs.10 As.12 or 17 Sh. Vol.II, pp.367-768, price Rs.9 As.4 or 14 Sh. 6d.
- b) Madras Port Trust. Administration Report for 1950-51. pp.39. (Sent to Geneva under this Office Minute No.D.1/1739/51, dated 22 September 1951).

Problems Peculiar to Certain Branches of the
National Economy

Government of India. Ministry of Labour. Report on an Enquiry into the Conditions of Agricultural Workers in Village Buidabanpur, West Bengal State. Published by the Manager of Publications, Delhi, 1951, price Re.1 annas 6 or 2 sh., pp.87. (Sent to Geneva under this Office Minute No. D.1/1771/51 dated 26 September 1951).

Working Conditions and Living Standards

- a) Government of Madhya Pradesh. Annual Report on the Administration of the Factories Act, 1948-in Madhya Pradesh for the year ending the 31st December 1949. Nagpur. Government Printing, Madhya Pradesh, 1951. pp. ii x 40, price Re.1.
- b) Report on the Working of the Factories Act in the State of Madras for the year 1950. Printed by the Superintendent, Government Press, Madras, 1951. pp.55, price Rs.3. (Sent to Geneva under this Office Minute No.D.1/1739/51 dated 22 September 1951).

Working Conditions and Living Standards (Continued)

- c) Report on the Working of the Factories Act, 1948, in Assam for the year 1950. Shillong. Printed at the Government Press. 1951. Price Rs. 2-6 or 3s. 7d., pp. 21 (Sent to Geneva under this Office Minute No. D.1/1836/51 dated 5 October 1951).

Industrial Safety

Annual Report on the Administration of the Indian Boilers Act V of 1923 in Uttar Pradesh for the Year ending December 31, 1950. Allahabad Superintendent, Government Printing and Stationery Uttar Pradesh, India, 1951, pp. 6. price 9 annas.

