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INTERNATIONAL LABOUR OFFICE  
INDIA BRANCH

Industrial and Labour Developments in April 1958.

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

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CHAPTER 3. ECONOMIC QUESTIONS.

INDIA - APRIL 1958.

32. Public Finance and Fiscal Policy.

Concessions to Industrial Undertakings in respect  
of Development Rebate announced: Amendments to  
Finance Bill.

The Union Finance Minister, Government of India, announced in the Lok Sabha on 18 April 1958, two concessions to industrial undertakings to enable them to take greater advantage of the development rebate.

One of them provides that companies, not making adequate profits, can carry over the rebate, calculated at the rate of 25 per cent of the cost of new plant and machinery installed, for a period of eight years, limiting it to the amount of profit made each year. In the case of shipping the rebate is proposed to be increased to 40 per cent.

The other concession provides that the amount to be taken to the reserve of the companies need not exceed 75 per cent of the amount of the development rebate claimed. Originally an amount equal to the development rebate had to be reserved under the law.

The concessions will be particularly beneficial to new undertakings with small profits and to concerns undertaking large expansions compared with their existing profits.

Shri Morarji Desai, who was moving the consideration of the Finance Bill implementing the budget proposals for 1958-59 (vide pages 24-29 of the report of this Office for March 1958) emphasised that the reserve thus created would remain with the company and could be utilised towards all legitimate purposes except for the distribution of dividends. This would ensure that the tax savings, as a result of the rebate, were not utilised by concerns as profits for declaring higher dividends, but were conserved for their own business purposes.

These concessions, he said, had been granted in view of the criticism that the manner in which the principle of development rebate was originally proposed to be implemented, would have made ineffective the incentives sought to be provided either for starting new companies or for expansion of the existing ones by preventing them from declaring adequate dividends in order to qualify for the rebate.

The Minister further stated that neither the original provision of the main Bill for the amendment now proposed would in any way affect the tax payable by the companies. The proposed amendment, he felt, would also clarify certain other misunderstandings about the intentions of these provisions.

~~Another~~ The rest of the Finance Minister's speech was confined to further explaining the various provisions of the Finance Bill. He declined to raise the income-tax exemption limit of 3,000 rupees, on the ground that it was already more than 10 times the average per capita income in India. In the more advanced countries, he pointed out, the exemption limit was a much smaller multiple of the average per capita income.

He also outlined the other exemptions and concessions proposed in the Bill in the field of direct taxation, and said that they would have little financial effect and were intended merely to remove anomalies and unjustified hardships.

(The Statesman, 19 April 1958).

34. Economic Planning, Control and Development.

India - April 1958.

Radical changes in Community Development Scheme:  
Revised Programme approved.

Radical changes are proposed in the revised programme of community development, which was approved on 23 April 1958, by the Central Committee on Community Development. The programme is based on the Balwantrai Mehta Committee's recommendations (vide section 34, pp. 50-54 of the report of this Office for March 1958) and envisages early decentralisation of planning and development activities.

The meeting of the Central Committee was held under the Chairmanship of the Prime Minister and was attended, besides the Ministers for Planning, Food and Agriculture and Community Development, by Shri V.T. Krishnamachari, Deputy Chairman and Shri C.M. Trivedi member, of the Planning Commission.

Most of the State Governments, it is understood, have already approved the draft of the revised programme, under which it is proposed to replace the existing three phases - National Extension Service, intensive community development and the post-intensive stage - by two stages of five years each. This is expected to considerably accelerate the tempo of development.

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Two Phases.— The first one will be an intensive phase, for which a budget provision of 1.2 million rupees has been made. For the second phase the allocation amounts to 0.5 million rupees. The total allocation under the old programme was 1.2 million rupees.

While approving the programme, the Central Committee emphasised the importance of decentralisation in the block development programme and accepted the Balwantrai Mehta Committee's recommendations to set up statutory bodies at the block or district level with full responsibility for planning and development. The States will be asked to ensure the establishment of these statutory bodies within the next three years so that they can start functioning well before the end of the first phase.

Revision of the programme has also necessitated the shifting of the target date of April 1961, for the complete coverage of the country by the community development programme to October 1963. The two stages of the revised programme will however be carried out within the present allotment of 2,000 million rupees provided in the second Plan.

The change in schedule, it is pointed out, will not only help to overcome the present shortage of trained personnel but will also tone up the programme by avoiding recruitment of workers of marginal calibre and qualifications. Recently there has been a lot of criticism in Parliament about the community development blocks being manned by people not qualified for the job.

The scheme will now be discussed at a joint meeting of the Committee on Plan Projects and the Central Committee before it is finally approved by the National Development Council.

(The Statesman, 24 April 1958).



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Industrial Estate Opened at Okhla: Facilities for  
running 100 Factories.

The Prime Minister inaugurated on 12 April 1958, an Industrial Estate, as India's biggest at Okhla near Delhi.

The Okhla Industrial Estate is one of nearly 100 major industrial estates the Government has decided to set up during the second plan period for the development of small industries in India. Over and above this, about 50 rural industrial estates are proposed to be located in Community Project and National Extension Service areas. A sum of 150 million rupees has been earmarked for the purpose in the second plan.

The Okhla Industrial Estate is located seven miles south of Delhi and forms part of the 1500-acre industrial area earmarked by the Delhi Development Authority in the master plan for Delhi. The first phase comprising 35 factories of varying sizes and buildings for meeting other requirements has been completed. The construction of the second phase consisting of ~~the~~ over 100 factories will be taken up shortly.

All the factories have been provided with water and electricity and arrangements have been made for drainage and conservancy. The Estate has been planned spaciously and proper roads and parks have been laid. The main Delhi-Mathura road is close by and transport is no difficulty. The railway station is also very near and the railway line runs alongside the Estate. Accommodation had been provided for housing a bank, a post office, a fire station, a clinic, two canteens for workers, office for administering the Estate and a number of shops to supply the requirements of the inmates of the Estate. The Regional Small Industries Service Institute, New Delhi, has set up a technical guidance and training centre in the Estate. A number of machines have been installed for training skilled hands to man the small industries.

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Almost all the factories have been allotted and most of the occupants have gone into production turning out a number of articles, including foundry products, radio parts, electric wires, snap fasteners, automobile accessories, steel doors and windows, sanitary fittings, cycle parts, fire-fighting equipment, builders' hardware, drawing instruments, razor blades, tin cans, etc. Some of these products are being manufactured for the first time in Delhi.

The National Small Industries Corporation has spent nearly 4.5 million rupees on the construction of the Estate while the total outlay on all the factories by the small units themselves is estimated to be in the region of 5.0 million rupees, including the working capital. Their annual production is also roughly estimated to be approximately of the value of 5.0 million rupees. Though there are just 500 workers in the factories operating now in the Estate on a single-shift basis, the employment is expected to rise up to 1,500 workers as soon as all the 35 factories start functioning and are able to expand their production programs.

Besides constructing the Estate and providing well-planned factory accommodation to small units, the Corporation is helping them by supplying machinery on hire-purchase basis. Sixteen small units applied for machinery worth over 0.6 million rupees, out of which the Corporation has already supplied machinery valuing over 0.3 million rupees.

The State Government has disbursed 0.3 million rupees as loans to 19 units during last year. A plan to construct residential quarters for workers on a plot of 200 acres adjacent to the Estate is being pursued by the Delhi Administration who have also taken over charge of administering the Estate from the Corporation.

It may be of interest to know that the Corporation has been made responsible for the execution of the scheme of setting up and running the Indo-German proto-type production-cum-training centre at Delhi.

An official of the Corporation stated that the response for space in the estate was so encouraging that it was proposed to acquire another 70 acres to accommodate pending applications, which would mean that there would be facilities for 200 manufacturing units instead of the 120 originally planned.

(The Hindustan Times, 12 and 13 April  
1953).

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35. Productivity.

India - April 1958.

Installation of Automatic Looms: Opposition by  
Trade Unions.

Replying a question in the Lok Sabha on 29 April 1958, Shri Lal Bahadur Shastri, Union Minister for Commerce and Industry, stated that the real difficulty in the installation of automatic looms in cotton textiles mills in Bombay State was that the labour unions did not agree to their installation. He added that the Government had earlier decided that the installation of automatic looms should be undertaken in consultation with the labour unions. He recently had had a talk with labour leaders and they were not very agreeable to the installation of such looms. He had received a note recently from labour explaining its point of view in regard to the installation of these looms and he proposed to discuss this matter further with representatives of labour when it might be possible to install such looms.

(The Statesman, 30 April 1958).

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Survey of Technical Personnel in Industry:  
Committee set up by National Productivity  
Council.

A survey of the available technical productivity personnel in different industrial fields is to be made by a committee set up by the National Productivity Council.

The committee, which has been asked to report within three months, will assess the availability and future requirements of technical personnel. The survey will cover scientific management, work, time and methods study, human relations, industrial engineering and documentation.

The committee is headed by Shri H.S. Mankiker, Chief Advisor, Factories, Union Ministry of Labour and Employment, who is also director of the productivity centre at Bombay.

(The Hindustan Times,  
9 April 1958).

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35. Wages.

India - April 1958.

Earnings of Factory Workers during the year 1956.

The Indian Labour Gazette, Vol. XV, No.9, March 1958, published a note on the earnings of factory workers in India during the year 1956, based on the returns received under the Payment of Wages Act, 1935. Information for the year relates to all the reorganised States and the Union Territory of Delhi.

Number of workers and wages paid.— The table during the year 1956, the average daily number of workers employed in the establishments furnishing returns was 2,525 thousands as compared to 2,397 thousands in 1955. The total earnings of such workers amounted to 2,665.0 million rupees in 1956 as against 2,450.0 million rupees during the preceding year. The table given below shows the total earnings by States during 1955 and 1956 of factory employees, except those employed in railway workshops:—

States	1955	1956	Percentage Increase (+) decrease (-) in 1956 from 1955.
Andhra -----	51,060	84,411	+ 65.3
Assam -----	41,931	47,050	+ 12.2
Bihar -----	183,786	165,145	- 10.1
Bombay -----	901,097	1,099,521	+ 22.0
Madhya Pradesh -----	78,109	33,256	- 57.4
Madras -----	271,215	222,576	- 17.9
Orissa -----	14,025	14,924	+ 6.4
Punjab -----	42,440	48,786	+ 15.0
Uttar Pradesh -----	191,547	232,343	+ 21.3
West Bengal -----	608,799	649,226	+ 6.6
PART A STATES.....	2,584,009	2,597,237	+ 0.9
Ajmer -----	5,409	-	-
Coorg -----	177	-	-
Delhi -----	60,843	67,765	+ 11.4
PART C STATES.....	66,429	67,765	-
ALL STATES .....	2,450,438	2,665,002	+ 9.0

Average annual earnings in perennial industries.  
 The table given below shows annual earnings of workers employed in perennial industries in the States in 1955 and 1956:-

States.	1955.	1956.	Percentage increase (+) or decrease (-) in 1956 from 1955.
	Rs.	Rs.	
Andhra -----	610.4	788.4	+ 28.8
Assam -----	1,325.4	1,525.9	+ 15.1
Bihar -----	1,587.9	1,235.6	- 11.0
Bombay -----	1,325.6	1,414.8	+ 6.7
Madhya Pradesh-----	998.3	982.4	- 1.6
Madras -----	1,044.7	950.1	- 4.1
Orissa -----	899.2	948.5	+ 5.5
Punjab -----	975.7	991.0	+ 1.6
Uttar Pradesh ---	999.5	1,014.1	+ 1.5
West Bengal-----	1,110.6	1,141.6	+ 2.8
PART A STATES...	1,170.0	1,203.7	+ 3.1
Ajmer -----	982.6	-	-
Cberg -----	637.0	-	-
Delhi -----	1,345.3	1,456.9	+ 9.0
PART C STATES.....	1,803.9	-	-
ALL STATES .....	1,173.6	1,212.7	+ 3.3

Wages by industry.- Among the industry groups which showed an increase in earnings during the year 1953 as against the previous year on 'All-States' basis, were Recreation Services (18.4 per cent), Wood and Cork except Furniture (13.7 per cent), Products of Petroleum and Coal (12.9 per cent), Personal Services (12.8 per cent), Rubber and Rubber Products (9.7 per cent), Transport and Transport Equipment (9.1 per cent), Water and Sanitary Services (7.2 per cent), Metal Products (except Machinery and Transport Equipment)(6.8 per cent), Non-Metallic Mineral Products (6.6 per cent), Electricity, Gas and Steam(6.1 per cent), and Furniture and Fixture (5.1 per cent). Among the industry groups which showed a fall in earnings, the important ones were Basic Metals (11.1 per cent), and Leather and Leather Products (9.6 per cent).

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The Industry-groups with comparatively higher earnings during the year 1956 were Products of Petroleum and Coal (Rs. 1,682.2), Transport and Transport Equipment (Rs. 1,560.1), Rubber and Rubber Products (Rs. 1,501.7), Basic Metals (Rs. 1,487.9), Electricity, Gas and Steam (Rs. 1,455.1), Electrical Machinery, Apparatus, etc., (Rs. 1,314.4), Textiles (Rs. 1,244.5), and Recreation Services (Rs. 1,227.4). The States with high wage levels in these industry-groups were Assam, Bombay and West Bengal in Products of Petroleum and Coal; Andhra, Delhi, Bombay and Assam in Transport and Transport Equipment; West Bengal in Rubber and Rubber Products; Bihar, West Bengal and Bombay in Basic Metal Industries; Delhi, Assam, West Bengal, Bombay, Uttar Pradesh and Punjab in Electricity, Gas and Steam; Bombay, Bihar, Madhya Pradesh, West Bengal, Uttar Pradesh and Delhi in Electrical Machinery, Apparatus, etc.; Delhi, and Bombay in Textiles and Bombay in Recreation Services.

Bonus.— The form in which the individual units furnish data about earnings to the State Government was revised so as to show separately the amount of bonus paid, although it is also included in the total wage-bill. The relevant figures of bonus paid during 1956 in the various industry-groups in each State, barring West Bengal and Madhya Pradesh for which data regarding bonus are not available, shows that during the 1956, the total amount of bonus paid in the establishments furnishing returns amounting amounted to about 130 million rupees (as against 80 million rupees in 1955). This represented 6.6 percent of the total earnings. Comparing the amount of bonus paid in 1956 to the total wage-bill for the same year for all the industries in a State, Bihar takes the lead by showing the highest percentage (13.6 per cent), followed by Orissa (7.9 per cent), Madras (7.5 per cent), Assam (7.3 per cent), Bombay (6.8 per cent), and Delhi (5.9 per cent). The percentage was the lowest in Andhra (1.4 per cent). The industries which paid high amount of bonus during 1956 were Textiles, Basic Metals and Food except Beverages. The States paying high bonus in those industries were Delhi, Bombay, Madras and Orissa, in Textiles; Bihar, Bombay and Madras in Basic Metals; and Bihar, Punjab, Madras, Assam and Uttar Pradesh, in Food except Beverages. The other industries paying high bonus were Machinery (except Electrical Machinery), Non-Metallic Mineral Products (except Products of Petroleum and Coal) and Chemicals and Chemical Products.

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Indices of nominal earnings.— The regional and all-India indices of nominal earnings for the years 1955 and 1956, compiled by the Labour Bureau (Base 1951 = 100) is given below:—

Regions.	States Included.	1955.	1956.	Increase (+) or Decrease (-) in 1956 compared to 1955.
North India .....	Uttar Pradesh .....	98.5	101.1	+ 2.6
East India .....	Bihar, Orissa, West Bengal, Assam .....	117.8	117.4	- 0.4
South India .....	Madras, Andhra .....	155.3	142.8	- 12.5
West India .....	Bombay .....	103.4	111.4	+ 8.0
Central India ..	Madhya Pradesh .....	102.5	111.0	+ 8.5
North-West India.	Punjab, Ajmer, Delhi .....	113.2	119.3*	+ 6.1
ALL-INDIA .....	.....	113.1	115.9	+ 2.8

\* Excludes Ajmer.

N.D.— The figures for 1956 relate to re-organised States.

(Indian Labour Gazette, Vol. XV, No. 9,  
March 1958, pp. 829-849).



Bombay: Minimum Wages Act, 1948, extended to  
Employment in Shops and Commercial Establishments.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Bombay has added to Part I of the schedule to the said Act the following employment with effect from 19 April 1958.

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

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

(Notification No. MWA 4257-J dated 19 April 1958; The Bombay Government Gazette, Part IVA, 1 May 1958, page 279).

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Central Wage Board for Cement Industry set up.

A resolution dated 2 April 1956, of the Ministry of Labour and Employment, Government of India, published on 12 April 1956 states that in pursuance of the recommendation contained in para 25 of Chapter XXVII of the Second Five Year Plan regarding the establishment of tripartite Wage Boards for individual industries, the Government of India has set up a Central Wage Board for the Cement Industry.

The composition of the Board will be as follows:

Chairman: Shri M.R. Mohor, I.C.S. (Retired). Independent Members: (1) Shri J. Jogendra Singh, M.P., (2) Dr. D.T. Lakdawala. Members Representing Employers: (1) Shri P.K. Mistry, (2) Shri V.H. Dalain. Members Representing Workers: (1) Shri Sannath P. Dave, M.P., (2) Shri I.M. Moinedoon.

The following will be the terms of reference of the Board:-

- (a) to determine the categories of employees (manual, clerical, supervisory, etc.), who should be brought within the scope of the proposed wage fixation;
- (b) to work out a wage structure based on the principles of fair wages as set forth in the report of the Committee on Fair Wages.

Explanation-

In evolving a wage structure, the Board should in addition to the considerations relating to fair wages, also take into account:-

- (i) the needs of the industry in a developing economy;

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- (ii) the requirements of social justice; and
  - (iii) the need for adjusting wage differentials in such a manner as to provide incentives to workers for advancing their skill;
  - (c) bear in mind the desirability of extending the system of payment by results;

Explanation-

In applying the system of payment by results the Board shall keep in view the need for fixing a minimum (fall-back wage) and also to safeguard against over-work and undue speed;

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- (d) to work out the principles that should govern the grant of bonus to workers in the cement industry.

The headquarters of the Board will be located at Bombay.

(The Gazette of India, Part I,  
Section 3, 12 April 1958,  
page 142 ).

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37. Salaries.

India - April 1958.

Increase in Dearness Allowance of I.A.C. Staff:  
National Industrial Tribunal's Award.

The National Industrial Tribunal which went into the dispute between Indian Airlines Corporation and its employees has allowed, as a measure of interim relief, an additional amount of 5 rupees in the dearness allowance of employees drawing basic pay not exceeding 250 rupees a month.

In terms of the award of the tribunal published in the Gazette of India Extraordinary, this increase should take effect from 1 January 1958, but it is to remain in force till such time as the all-India average working class consumers price index number is brought down to the 1955 level.

The tribunal has also awarded payment of overtime allowance to the clerical staff of the Corporation. It has, however, directed that the pay-scales as fixed by the agreement between the Corporation and the employees reached on 1 May 1955, should not be departed from at present. It has rejected the demand for a review of the categorisation of pilots and radio officers and hold that the present is not the time to introduce a gratuity scheme for the employees.

The tribunal has held that disparity in the rate of compensation as between the flying crew and ground staff is justified because, it says, flying crew, by the very nature of their duties, are exposed to more risk than the ground staff. Workers in the engineering department it points out, are covered by the Workmen's Compensation Act.

(The Gazette of India, Extraordinary,  
Part 2, Section 3, Sub-section 2,  
dated 20 March 1958, pp. 235-28).

39. International Economic Relations.

India - April 1958.

India Signs Agreement with Japan on Iron Ore Supply.

According to a press release issued at New Delhi on 20 March 1958, by an exchange of letters between the Government of India and the Government of Japan, it has been agreed the Government of India will supply to Japan 250,000 to 450,000 tons of iron ore a year from the Sukinda area, through the port of Paradip, in Orissa, in addition to the quantities covered by the current contract between the State Trading Corporation and the Japanese Steel Makers.

An understanding has also been reached regarding the basis on which the prices of the iron ore will be determined from year to year.

(The Hindustan Times, 20 March 1958).

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

INDIA - APRIL 1958.

41. Agriculture.

Plantation Inquiry Commission's Report on Coffee and  
Rubber Industries: Central Government announces its  
Decision.

The Central Government's decision on the Plantation Inquiry Commission's recommendations regarding the coffee and rubber industries was announced on 27 March 1958. The decisions on the tea industry were announced some time ago (vide pages 50-51 of the report of this Office for July 1957).

Coffee Industry.- A Resolution dated 27 March 1958 published in a Gazette Extraordinary lists the decisions taken by the Government on the Commission's recommendations on the coffee industry. The Government has accepted the Plantation Inquiry Commission's recommendation that the extent of area under coffee plantation should be regulated by the Coffee Board in the interest of orderly development of the industry.

The Government has scaled down the premium collected by the Coffee Board on the export of roasted and ground coffee in order to boost the export of coffee powder. This had been proposed by the Commission.

The Commission had recommended that a countervailing export duty equal to the Central excise duty should be levied on coffee. At present there is no duty on exported coffee. In the Government's view, export duty is levied on considerations which do not apply to the levy of excise duty. They will consider the levy of an export duty when circumstances warrant such a course of action.

The Commission's suggestion that the excise duty on coffee should be levied at a different rate for arabica and robusta has not been found practicable.

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It has been decided that all new planting and replanting of coffee will be done only after taking out licences from the Coffee Board. This is intended to ensure that only suitable areas are taken up for plantation and approved planting materials are used.

Export sales.— The Government has also decided that the Coffee Board should modify the system of export sales to allow foreign importers also to participate in these sales along with registered dealers in the country. As an experimental measure the Board will arrange to dispose of a portion of the exportable surplus by direct sales to foreign purchasers.

This decision has been taken on the Commission's suggestion that the export trade in coffee should be undertaken directly by the Coffee Board as the number of registered dealers in export sales is too small to enable the Board to get the best possible price.

The Government does not propose to discontinue supplies of coffee to co-operative societies at a concessional price. The Commission's recommendation was that coffee should be sold to co-operatives at the pool-auction price, which is generally higher than the release price.

As the price at which coffee is available to the domestic consumer is far below the world price of coffee, the Government does not consider it necessary to create a separate Consumers' Subsidy Fund. The Commission's proposal to create a Price Assistance Fund has not found favour with the growers. The Commission had suggested that these two funds should be created from out of the excess price realised in the export auction and the sale proceeds of coffee represented by the gain in weight due to absorption of moisture while in storage.

The arrangements instituted by the Coffee Board for processing and sale of coffee powder at several centres will be continued and enlarged to the extent possible. It is, therefore, not necessary to start a separate organisation under the Coffee Board for the manufacture and sale of coffee powder, as suggested by the Commission.

As recommended by the Commission, the co-operative societies will be utilised to the fullest possible extent for internal distribution of additional production of coffee.

The Coffee Board has already taken suitable measures to reorient propaganda activities on the lines recommended by the Commission. The Commission had observed that there was no need for the continuance of coffee houses in the coffee-growing areas. Propaganda through mobile vans and cinema shows, visiting rural areas, advertising campaign in urban areas and industrial communities and participation in fairs and exhibitions, the Commission had suggested, would fulfil the needs better than running coffee houses.

The Government has decided that, as recommended by the Commission, a committee should be appointed to examine the existing rate of curing charges for coffee and of the commission paid to pool agents. The committee will recommend, where necessary, reasonable rates of remuneration. It would not be advisable to separate the curing and pool agency function.

Rubber Industry.— The Plantation Inquiry Commission's recommendation that the replanting and new planting of rubber should be allowed only with high-yielding seeds approved by the Rubber Board has been accepted by the Union Government. The decision is announced in a resolution published in a Gazette Extraordinary.

The resolution assured the rubber industry that its interests will not be allowed to be adversely affected in developing the production of synthetic rubber. The Commission was of the view that the production of synthetic rubber should be co-ordinated with that of natural rubber.

Some of the recommendations of the Commission including the one relating the creation of a replanting fund for coffee and rubber are still under the Government's consideration. Some of the recommendations have been brought to the notice of the State Governments concerned.

Small growers.— The Government has accepted the Commission's recommendation that special officers should be appointed by the Coffee and the Rubber Boards for encouraging the setting up of multi-purpose co-operative societies, to help particularly the small growers.

On the subject of extension of rubber cultivation, the Commission's recommendation was that small growers, having individual holdings of 50 acres and less, should be permitted to extend the area of cultivation by 25,000 acres and the Estate group by another 25,000 acres.

Already the Rubber Board has issued licences for new planting to small holders covering an area of over 45,000 acres. There has been little expansion of rubber cultivation by the Estate group. It does not seem necessary therefore to lay down any fixed proportion between small and big growers.



Similarly it is not considered feasible by the Government to allocate rigidly the proportion of the area to be replanted by the small growers and large growers. The Rubber Board is trying to carry out the replanting programme in a phased manner and there is no need at present to introduce an element of compulsion in the scheme. The small holders are taking advantage of the scheme of assistance for replanting in an adequate measure.

The Commission had recommended the setting up of a co-operative supply organisation, each for the rubber and coffee plantation industries, under the aegis of the respective boards, for distributing chemical fertilisers and mixtures to the growers, particularly the small growers. In the Government's view, co-operative organisations being set up by the State Governments under the Community Development and National Extension Programmes can be expected to look after the needs of coffee and rubber growers also.

Co-operative Bodies.- The State Governments concerned are being asked that in setting up co-operative organisations for agriculturists the needs of the coffee and rubber growers should also be borne in mind. There would be no particular advantage in giving a monopoly right of sale to one organisation, as the object is to increase existing facilities for the supply of the manure.

The Government does not consider that there is any necessity for setting up a separate body to advise them on matters concerning the tea, coffee and rubber industries as recommended by the Commission. The control over these industries is at present exercised by the Ministry of Commerce and Industry, in the interests of their development as well as of the workers, growers and consumers. This ensures co-ordination in the working of the three statutory Boards - Tea, Coffee and Rubber.

(The Gazette of India, Extraordinary,  
Part II, Sec.1, 27 March 1958, pp.89-93;  
The Hindustan Times, 28 March 1958 ).

Punjab Agricultural Produce Markets Bill, 1958.

The Government of Punjab published on 11 March 1958, the text of the Punjab Agricultural Produce Markets Bill, 1958, introduced in the Punjab Vidhan Sabha on the same day. The Bill seeks to consolidate and amend the law relating to the regulation of the purchase and sale of agricultural produce and the establishment of markets for agricultural produce in the State of Punjab.

According to the Statement of Objects and Reasons, the Bill seeks to achieve the unification of laws relating to the regulated purchase and sale of agricultural produce in force in the territories of the former Punjab and PEPSU States, by consolidating and amending the law on the subject and repealing the Punjab Agricultural Produce Markets Act, 1939, and the Patiala Agricultural Produce Markets Act, 2004 Bk.

The question of better marketing of agricultural produce has been examined on many occasions by high-powered commissions, committees and officers of the Government of India, e.g., the Royal Commission on Agriculture, the Rural Marketing and Finance Sub-Committee of the National Planning Committee of the Indian National Congress, the Marketing Sub-Committee of the Policy Committee (No.V) on Agriculture, Forestry and Fisheries of the Reconstruction Committee of Council, 1945, the Congress Agrarian Reforms Committee, 1947, the Cotton Marketing Committee, 1951, the Thappar Committee, 1953, the Committee of Direction of the All-India Rural Credit Survey by the Reserve Bank of India, 1954, and the Conference on Marketing and Co-operation held at Hyderabad in November, 1955.

In the light of the experience gained of the different aspects of the problem, and the recommendations of the aforesaid Commissions and Committees, certain amendments have also been incorporated in the Bill, the <sup>most</sup> important of which are -

- (1) the scope of agricultural produce has been widened to include the products of horticulture, animal husbandry and forest;
- (2) disqualification of a grower for appointment to a market committee to represent growers because of membership of a co-operative society, has been removed;

- (3) provision for giving representation on market committees to co-operative societies operating in the notified market area, has been made;
- (4) members and employees of the market committees have been made liable for loss, waste and misapplication of the market fund;
- (5) for the proper administration of the market committees it is proposed to establish and constitute a State Marketing Board on the lines of the PEPSU Act;
- (6) power has been vested in the State Marketing Board to transfer the employees of one marketing committee to another;
- (7) the State Marketing Board has been given the power of superintendence and control over the marketing committees.

(Punjab Government Gazette,  
Extraordinary, 11 March 1958,  
pp. 493-525 ).

Progress of Second All-India Agricultural Labour Enquiry.

The Deputy Minister for Labour stated in the Lok Sabha that 3,696 villages, selected on the principle of stratified random sampling, were covered by the Second All-India Agricultural Labour Enquiry which covered a period of 12 months from the end of August, 1956. He added that data relating to average size, composition and earning strength of agricultural labour families, employment, unemployment, under-employment, income, expenditure and indebtedness had been collected through a questionnaire designed by the Working Party set up for the purpose. The data were being tabulated by the Indian Statistical Institute. Of the 3,696 villages covered by the enquiry, 156 were located in Community Project Blocks, 288 in Community Development Blocks and 859 in the National Extension Service Blocks.

(Indian Labour Gazette, Vol. XV, No. 9, March 1958, pp. 893-894).

Land Reform Legislation in States: Planning Commission's Survey.

According to a survey made by the Planning Commission, comprehensive land reform legislation is being proposed in a number of States including Madhya Pradesh, Bihar, Mysore, Andhra, Madras, Kashmir and Orissa.

In Bombay legislation for the abolition of inams and jagiris in Kutch, extension of later amendments to the Bombay Tenancy Act to the Kutch area and extension of the Act (with suitable modifications) to Vidarbha area is under the consideration of the State Government.

The Kerala Government is considering legislation for the abolition of the jermi rights in Travancore and abolition of intermediary rights in Sreepandaravaka lands.

The Delhi Administration is proposing amendments to the Delhi Land Reforms Act to remove certain difficulties experienced in the working of the Act. The Act had been amended in October 1956 to exclude from its purview areas controlled, from its notified, held, occupied or owned by the Delhi Improvement Trust. The implementation of the Act, which had been held up on account of the stay order of the High Court (vacated in 1956), is expected to be completed by the end of this year.

The Rajasthan Government has to take a decision on ceilings on agricultural holdings which have been already fixed in some other States. A committee appointed by the Government has already reported on the subject. The report is being presently discussed by the State Assembly.

Provisions for ceilings will figure also in measures to be introduced in Andhra, Madras and Mysore.

The provision in the Punjab Security and Land Tenure Act regarding the State Government's right to takeover land in excess of the permissible limit (30 standard acres and in the case of displaced persons 50 standard acres) in order to settle tenants displaced in exercise of the landlords' right to resume land, is being extended to P.E.P.S.U. area.

Filing of declarations— All landowners and tenants in Punjab were required to furnish a declaration about the extent of land held by them. Such declarations were not received within the time specified. The period for filing the declarations has been extended till June.

Small landowners and tenants will not be required to submit these statements. Landowners, who hold land in the circles of more than one patwari, are also required to submit statements of land held by them. If a landholder fails to furnish a declaration within the specified period, the collector may, as a penalty, declare that the lands held by him in excess of ten standard acres will be deemed to be surplus and liable to be taken over.

The Bihar Government is awaiting the report of the four teams set up by the Bihar Land Commission to study the progress of reforms in various States before undertaking a comprehensive legislation.

The proposed legislation for Mysore will seek to bring about uniformity in the systems obtaining in the different constituent units (Mysore, Coorg, parts of former Bombay, Hyderabad and Madras) of the State. The Government is considering the report of a committee appointed to report on the subject.

The report of a committee appointed by the Orissa Government is being awaited before the detailed legislation is planned.

(The Hindustan Times, 25 April 1958).

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Andhra Pradesh: Report on the Working of Co-operative Societies in the State for the Year 1955-1956.

According to the annual report on the working of co-operative societies in the State of Andhra for the Co-operative Year ended 30 June 1956, the co-operative movement in the State had another year of satisfactory progress. Co-operatives steadily extended their services and in the context of increased agricultural production, played a substantial role. The total amount of loans advanced by societies of all types during the year exceeded 409.4 million rupees as against 235.2 million rupees in the year 1952-53. The short-term, medium-term and long-term loans made by agricultural credit societies, marketing societies and land mortgage banks recorded a remarkable increase from 47,033 million rupees in the year 1952-53 and 53,347 million rupees in the year 1954-55 to 77,027 million rupees during the year under review.

The year witnessed the introduction of the pilot project scheme of integrated credit in three of the districts in the State in pursuance of the recommendations of the Rural Credit Survey Committee appointed by the Reserve Bank of India.

Co-operative credit.- The Andhra State Co-operative Bank (the apex bank) had, on the 30 June 1957, 15 central banks as its members with a paid-up share capital of 2.035 million rupees. The total deposits held by it (including reserve fund deposits of central banks) amounted to 13.915 million rupees as against 8.493 million rupees held at the end of the previous year. The loans and cash credits issued by it to central banks, societies and individuals during the year amounted to 150.795 million rupees while the loans outstanding against them on the last day of the year stood at 56.338 million rupees. The net profit earned by the Bank for the year was 0.362 million rupees as against 0.541 million rupees for the previous year. The Bank fully kept up its obligations to the Reserve Bank.

The fifteen co-operative central banks had, on the last day of the year 10,652 members, of whom 8,899 were co-operative societies. They had paid-up share capital of 9.189 million rupees and working capital of 120.116 million rupees, of which 52.568 million rupees represented deposits held by members and non-members and 6.374 million rupees their own reserves. They issued loans to co-operative societies of several types amounting to 137.650 million rupees. Loans issued to individuals during the year amounted to 2.558 million rupees. The percentage of overdue to demand in respect of loans from their affiliated societies worked out to 12.47 as against 17.90 in the previous year. The loans and advances due to central banks from all societies and individuals were 93.081 million rupees and 1.185 million rupees respectively. All the central banks worked at profit which amounted, in the aggregate, to 0.852 million rupees for the year.

Agricultural Credit Societies.- On 30 June 1956, there were 6,679 agricultural credit societies with 644,744 members and paid-up share capital of 11.111 million rupees. Their working capital amounted to 74.289 million rupees. They issued loans to the extent of 58.030 million rupees during the year as against 33.835 million rupees issued in the previous year. The loans given for productive purposes constituted 96.84 per cent of the total loans issued. The percentage of surety loans outstanding against members to the total loans outstanding was 70 and that of mortgage loans was 22.7. The percentage of overdue under principal, arrear interest and current interest were 24.6, 47.08, 26.84 respectively. On the basis of available statistical data, agricultural credit societies covered 9,606 villages and 3.224 millions of rural population at the end of June 1956, as against 8,006 villages and 2.944 millions of rural population at the end of the previous year including the agency areas of the State. The percentage of villages covered and the population served by the agricultural credit co-operatives as on the 30 June 1956, worked out to 63.14 and 18.90 excluding the agency areas and 54.4 and 18.61 including the agency areas.

As against 644,744 members in rural credit co-operatives, as many as 412,983 members did not borrow from their respective societies during the year. Again, the average loan per member during the year worked out to only 90 rupees while average loan given to a borrower was 250 rupees. The average loan outstanding at the end of the year per member and per borrower were 97 rupees and 201 rupees respectively. As many as 2,435 credit societies, as against a total number of 6,679 worked at a loss of 1.014 million rupees during the year, while 5,932 societies worked at a profit of 0.996 million rupees. In other words, 'loss societies' constitute 37 per cent of the total number.



The scheme of rural banks has taken roots and has become popular. At the beginning of the year, there were nine rural banks in the State. These nine banks had on the 30 June 1955, 9,453 members on their rolls with paid-up share capital of 0.835 million rupees and deposits of 1.358 million rupees. During the year 11 more rural banks were started. At the end of the co-operative year 1955-56, all the 20 banks had 18,612 members on rolls; their paid-up share capital amounted to 1.444 million rupees; their deposits totalled 2.632 million rupees and they issued loans amounting to 5.035 million rupees. Five of the 20 rural banks have taken up construction of buildings for their offices and for godowns. The rural bank is expected to draw into the movement the more well-to-do section of the rural population and attract their savings (by way of deposits) and generally promote and mobilise rural savings through appropriate financial techniques. It is essentially to bring into the movement rural money, utilise the experience and knowledge of the richer classes for the larger benefit of all sections of the rural community that this effort of organising rural banks has been undertaken.

Non-agricultural credit societies.- There were on 30 June 1956, 453 societies of this category as against 439 societies in the previous year. The deposits held by them amounted to 16.4 million rupees and their working capital was 29.8 million rupees. Their borrowings from central banks and others was 2,975 million rupees. The bulk of the funds required by them was derived from sources other than borrowings from central banks. During the year, they issued loans to their members amounting to 18,894 million rupees. The percentage of overdue to demand (principal) was 25.6. The employees societies held thrift deposits amounting to 0.376 million rupees at the end of the year.

Land colonisation societies.- The members of land colonisation societies (civilians and ex-servicemen) reclaimed 13,949 acres of fallow lands and brought under cultivation 11,053 acres. Nine hundred and twenty tenants' and field labourers' co-operative societies consisting of Harijans and other backward classes, who are landless labourers, secured on lease 74,052 acres of lands and waste lands from Government and sub-leased them to 55,847 members for cultivation. Food crops were raised on 59,655 acres.

Provisions of irrigation facilities.- Nineteen irrigation co-operative societies provided facilities for irrigating 5,450 acres by pumping water; 1,765 members and 210 non-members were benefitted during the year. Nine of the irrigation societies in the Kakineda - Peddapuram Community Project area in the East Godavari District provided facilities to about 900 members and irrigated over 1,980 acres of lands by pumping water.

Rural credit societies contributed to the provision of irrigation facilities by granting loans for purchase of pumpsets. Primary land mortgage banks issued loans amounting to 4.940 million rupees for land improvement such as sinking of wells, installation of pumpsets, filter-point tube wells, etc.

Distribution of chemical fertilisers.- According to the phased programme, co-operatives had to lift and distribute 26,500 tons of ammonium sulphate to the ryots. They have up to 31 December 1956 lifted 20,660 tons valued at 25.6 million rupees and distributed about 51,550 tons valued at about 17.5 million rupees to the agriculturists. Co-operatives distributed to the farmers 14,545 tons of compost manure valued at 0.305 million rupees during the year.

Co-operative sugar factories.- The Etikoppala Co-operative Agricultural and Industrial Society is the only co-operative society at present running a sugar factory. Its crushing capacity is 600 tons a day. On the 30 June 1956, it had on its rolls 1,778 members with a paid up share capital of 0.999 million rupees as against 1,805 members with a paid up share capital of 0.888 million rupees at the end of the previous year. During the year the factory worked for 150 days, crushed 71,123 tons of sugarcane and produced 7,030 tons of sugar, while during the year 1954-55, it worked for 178 days and crushed 75,172 tons of cane and produced 7,459 tons of sugar. The value of sugar produced during the year 1955-56 was 4.571 million rupees as against 4.303 million rupees during the previous year. It sold sugar valued at 5.738 million rupees and molasses valued at 0.033 million rupees during this year as against sugar and molasses worth 3.303 million rupees and 0.041 million rupees respectively sold during the previous year. It earned a gross profit of 0.437 million rupees and a net profit of 0.141 million rupees for the year. It had stocks of sugar valued at 2.707 million rupees and molasses worth 0.014 million rupees at the end of the year. The society also distributed manures valued at 0.179 million rupees to its members as against 0.124 million rupees in the previous year. It had a reserve fund of 0.245 million rupees on 30 June 1956.

There are proposals for the establishment of five more sugar factories in the Second Plan period viz., Chodavaram (Visakhapatnam district), Anadalavalasa (Srikakulam district), Chittoor (Chittoor district), Palakole (West Godavari district), and Hindupur (Anantapur district).

Marketing Co-operatives.- Eighty-one active marketing co-operatives (as against 149 on rolls) issued loans and advances to their members on the pledge of produce to the tune of 13.098 million rupees, while 11 societies arranged the marketing of members' produce. The value of produce marketed by the societies during the year as agent and as owner was 3.134 million rupees and 0.133 million rupees respectively. They distributed seed, chemical fertilisers, agricultural implements, etc., to the value of 6.525 million rupees during the year.

During the year, the policy of allotment by Government of export quotas of agricultural produce like onions and chillies to co-operatives was continued.

Of the total allotment of 2,500 tons of onions and 1,098 tons of chillies for the periods indicated above, the societies could export only 384 tons of onions and 25 tons of chillies. The chief reason for the low export business has been unfavourable prices in foreign markets. A beginning has also been made in import business by co-operatives. The Government of India announced the issue of licences to co-operative societies for import of certain consumer goods and for the half year ended 30 June 1953, the Kapileswarapuram Co-operative Marketing Society in East Godavari district applied for a licence to import 14 varieties of consumer goods to the value of 10,000 rupees.

Handloom weavers co-operatives.- The Andhra Handloom Weavers' Co-operative Society, the apex weavers society for handloom weavers co-operatives, has been expanding its activities and playing a vital role in co-ordinating the activities of its affiliated primaries for increased production. With financial accommodation of 1.5 million rupees from the Reserve Bank of India, 1.5 million rupees from the State Bank of India (on Government guarantee), 2.7 million rupees from the Cess Fund and other resources, it had been supplying yarn to its member-societies and making arrangements for sale of cloth through its sales depots and emporia within and outside the State. In the current year, the society received a loan of 1.8 million rupees from the Cess Fund. The apex society distributed yarn worth 10.153 million rupees during the year and sold cloth for 7.085 million rupees.

Primary weavers' co-operative societies in the State (553) had about 0.125 million looms, as against 0.289 million looms in the State. They are all affiliated to the Andhra Handloom Weavers' Co-operative Society. During the year their production and sales of cloth amounted to 21.154 million rupees, and 24.021 million rupees respectively as against 17.475 million rupees and 18.530 million rupees respectively during the previous year.

The cottage industries societies of ~~baies~~ different types produced during the year consumer and other utility goods such as household utensils, leather goods, khaddi, cot-tape, toys, etc., of the value of 0.937 million rupees, while sales effected by them amounted to 1.095 million rupees. Thirty-two women cottage industries co-operatives produced 0.053 million rupees worth of goods such as ready-made garments, cot-tape, etc.

Societies for Harijans and Backward classes.- Co-operatives have been organised for the welfare of Harijans, backward communities and hill tribes. There were 2,101 societies of all types for Harijans and backward communities - 850 societies for Harijans and 1,251 societies for backward communities. They had on their roll 0.234 million members with paid-up share capital of 2.668 million rupees. Their total working capital was 6.514 million rupees, while the loans due to co-operative central banks and Government amounted to 1.609 million rupees and 0.159 million rupees respectively. A sum of 1.238 million rupees was outstanding against members. The value of joint purchases made by members during the year was 0.078 million rupees. The societies supplied raw materials to members to the extent of 8.532 million rupees and sold finished goods of members for 7.480 million rupees.

In addition to the societies formed exclusively for the benefit of Harijans and backward communities, primary rural credit societies (4,534) admitted as members 119,751 Harijans and others belonging to backward communities.

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In order to ameliorate the condition of the hill tribes and to promote their economic well-being, co-operative societies were started in agency areas. There were on 30 June 1956, 103 credit societies, 8 stores, 4 land colonisation societies, 2 forest coupe societies and 4 other types of societies. Government provided free services of special staff for management and supervision of these societies. The main activities of these societies are to supply, at reasonable prices, domestic requirements of members, to purchase from them, at reasonable prices, minor forest produce gathered by them and to market it to the best advantage.

Co-operative Housing societies.— On the last day of the previous year, there were 82 co-operative building societies, 28 co-operative house building societies and 4 co-operative house construction societies in the State.

Eight co-operative building and housing societies were registered and 7 co-operative building societies were liquidated during the year. At the end of the year there were 81 ordinary co-operative building societies, 30 co-operative house building societies and 4 co-operative house construction societies. These societies had a membership of 13,425 with a total paid up share capital of 6.484 million rupees. Government loans to the tune of 5.660 million rupees were sanctioned to the members of these societies in the year. On the last day of the year their working capital amounted to 20.535 million rupees while the outstanding under Government loans and members' loans amounted to 15.155 million rupees and 16.055 million rupees respectively.

During the year the societies disbursed to their members Government loans amounting to 3.056 million rupees under urban housing and low income group housing schemes as against 2.34 million rupees in the previous year. Under Rural Housing a sum of 0.103 million rupees was disbursed in the year as against a sum of 0.048 million rupees in the previous year.

Six hundred and nineteen new houses were built in the year as against 451 houses in the previous year. There were 999 houses in different stages of construction on the last day of the year.

The Low Income Group Housing Scheme of the Government of India was implemented during the year and 466 loans for 2.908 million rupees were sanctioned under this scheme.

Community Projects and National Extension Service Blocks.- There were 1,929 rural credit societies in all the Community Development and National Extension Service Blocks at the end of the year and a sum of 12.550 million rupees was given as short term loans during the year. The percentage of population served by co-operatives is over 50 in 7 blocks, between 30-50 in 19 blocks, between 20-30 in 18 blocks and less than 20 in the remaining blocks. Vigorous drive has been launched to bring a larger number of eligible rural families into the co-operative fold.

Integrated Rural Credit.- In pursuance of the recommendation of the conference of the State Ministers for Co-operation held in 1955, a 'pilot' scheme of integrated rural credit was launched during the year in select areas in the districts of Visakhapatnam, West Godavari and Kurnool. ~~The~~ In pursuance of the recommendations of the conference the scheme envisages the establishment of 89 larger sized societies' construction of 6 big godowns by marketing societies and 31 godowns by larger sized societies, installation of 4 processing plants by marketing co-operatives, provision of trained personnel for marketing and larger sized societies, etc. The scheme involves an expenditure of 1.684 million rupees in all and the Government of India have sanctioned a sum of 1.074 million rupees towards their share of expenditure. The Reserve Bank of India sanctioned a long term loan of 1.667 million rupees for contribution to share capital of large-sized societies and central co-operative banks in the pilot areas, of which 0.475 million rupees were drawn and disbursed up to 30 June 1956.

The implementation of the schemes under the Second Five-Year Plan was taken up from 1 April 1956. Against a plan provision of 28.524 million rupees for the schemes relating to development of co-operative credit, marketing, warehousing, training, etc., schemes to the extent of 7.833 million rupees were proposed for implementation during the year 1956-57. Though Government approved schemes to the extent of 0.584 million rupees in all for 1956-57, no scheme except for training of subordinate personnel (which is a continuing scheme), was actually sanctioned before the close of the co-operative year. Nevertheless, steps were taken to make preliminary arrangements to implement the schemes soon after sanction.

(Report on the Working of Co-operative Societies in the State of Andhra, for the Cooperative Year ended 30 June 1956, pp. XI + 225 + XI; received in this Office).

Third All-India Co-operative Congress, New Delhi,  
12-13 April, 1958: Minimum Government Control on  
Co-operative Societies urged.

The third All-India Co-operative Congress which was held at New Delhi on 12 - 13 April 1958, urged the Government to ensure that State participation in the co-operative movement did not extend to day to day administrative matters. The Congress which was inaugurated by Shri Jawaharlal Nehru, Prime Minister of India, adopted several resolutions on the co-operative movement and a policy Statement. Over 1300 delegates from all over the country and abroad and representatives from the U.S.A., Russia, Hungary, Poland, Thailand and Sweden addressed the Congress briefly and conveyed the greetings of co-operators from their countries. Shri V.K.R. Menon, Director of this Office attended the Conference, on behalf of the I.L.O.

Prime Minister's address.- In a candid inaugural speech at the Co-operative Congress, Shri Nehru admitted that excessive State association was harmful to the co-operative movement and said the Government was "quite wrong" in accepting the Rural Survey Committee's recommendation for greater State association. While the Prime Minister accepted that the approach outlined by the Committee might produce some results locally and temporarily, he expressed the view that it "tended to push the co-operative movement in the wrong direction."

The Prime Minister expressed impatience over the "stupid" argument that co-operative farming was akin to communism and said if joint farming was a good thing "let us have it, by whatever name you may call it".

Shri Nehru said the three basic pillars of India right at the base should be the village panchayat, the village co-operative and the village school. On that the whole structure of India - political, economic and social - could be built up.

The Prime Minister said the idea of the co-operative movement had appealed to him for many years even though he was not personally involved in the movement - the philosophy underlying it, the social purpose and the way in which it seemed to steer clear between various extreme courses of action.

Shri Nehru said State-sponsored co-operatives did "infinite harm" as they did not allow people to develop the spirit of self-reliance and self-dependence, but encouraged the tendency to look up to the Government for everything.

In the struggle for economic freedom, Shri Nehru said, in the ideological sphere there had been great controversies and great movements but one thing seemed to be progressively accepted and admitted by a large number of people and that was that a purely acquisitive society was not good enough in modern conditions.

The State began to interfere, therefore, to curb the tendencies of a purely acquisitive society.

Criticising the tendency of the Rural Credit Survey Committee to put an end to the small co-operatives and recommend bigger ones, Shri Nehru said that one of the arguments for the bigger co-operatives was that they could do much better work with larger resources.

"Of course, the Government's business is to help. I do not deny that. But it is one thing to help and it is quite another thing to boss. Inevitably, this tendency to boss comes not perhaps so much at top levels, but lower down you go; the petty officials become not petty bosses but big bosses. Therefore, I say quite definitely that this tendency which is encouraged by the Rural Credit Survey Committee report and which we, as Government, unfortunately adopted, is a bad tendency and we should try to get out of it as quickly as we can and aim at small co-operatives without official interference. Where help is necessary, of course, it should be given."

The Prime Minister said the scope of co-operation in agriculture had to be increased enormously and suggested establishment of State farms as examples and models to convince people how good they were.

Shri Nehru also underlined the need for a closer understanding between the co-operative movement and the community development programmes. These were two vital movements in India built from below and they had to work hand in hand.

The Prime Minister said it was quite easy and legitimately ~~development movement~~ possible to criticise the community development movement as not having come up to the mark at any places. Nevertheless, it was one of the most remarkable movements not only in India but anywhere. In the course of the last five years or a little more what it had done in India was surprising.



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President's address.— Shri K.D. Malviya, President, of the All-India Co-operative Union, in his address said that he felt "disconcerted about the growing official influence and domination" over the co-operative movement in the country.

Stressing the need for the movement to be free of official control, Shri Malviya said: "The co-operative movement will no longer remain a co-operative movement if it is to be run by officials, because the most essential characteristic of a co-operative is its democratic and self-reliant character."

Shri Malviya said that lack of a self-reliant character of Indian co-operatives was the result of a wrong policy dating back to the very inception of the movement in British days.

Calling for a complete change of approach on the part of the Government towards the co-operative movement, Shri Malviya said that efforts to organise co-operatives should be directed to persuading and convincing the people about the need for a co-operative and creating a proper atmosphere.

He said that Government assistance given to co-operatives in pursuance of a certain State policy should not be made a condition for interfering, directly or indirectly, in the affairs of the co-operative.

The methods of organisation of co-operatives and the methods of providing financial and other assistance, he added, would not come about so long as these functions continued to be performed by Government departments and officials. The responsibility for sponsoring and organising new co-operatives in a proper way should be borne by the movement itself.

Earlier Shri Brahm Prakash, Chairman of the Reception Committee of the Congress, also spoke against Government patronage to the co-operative movement and said that it must slowly come to an end. He suggested the setting up of an autonomous national commission to co-ordinate and lead the co-operative movement.

Resolutions. The Congress, adopted several resolutions concerning the co-operative movement in the country and a policy statement.

Statement of co-operative policy.- In its policy statement, the Congress urged that each region or group of people in the country should be allowed full freedom and afforded all facilities to organise and develop such forms of co-operative activity as were justified by local necessity, traditional occupation and economic and social urges, provided they conformed to co-operative principles of organisation and action.

Whenever major changes in State policy were contemplated involving enlargement of social action, particularly in the fields of production and distribution, the statement said, the claims of co-operatives to operate in those spheres should receive prior consideration.

The Congress also reiterated that all Ministries and departments of Government, both at national and State levels, should actively encourage the promotion of co-operative movement forms of enterprise which fell within their respective spheres of action.

The Congress said it was necessary that wherever people came forward voluntarily to form cooperatives of any kind either as a defence against exploitation or under economic necessity or as a means of securing their legitimate share of social advances in accordance with the general purpose of national policy, the State should welcome all such co-operative efforts and render all necessary assistance.

In the statement the Congress also recommended that the Government should make use of the co-operatives as their powerful allies in carrying out economic policies and that State aid to individuals such as farmers, artisans and small-scale industrial entrepreneurs intended for developmental purposes should be channelled through co-operatives.

State Partnership in the co-operative movement.- In a resolution on "State participat partnership in the co-operative movement", the Congress said it was of the view that Government contribution to the share capital of cooperative societies should be in the form of equity capital and that no special privileges should be attached to it in regard to dividend, votingpower, sharing of losses and redemption which should be at the option of the State-partnered societies. The quantum of such State assistance, including the contribution to the share capital, the resolution said, should be flexible and should be provided as far as possible, except at the apex level, through federal societies.

The Congress urged all State Governments to honour the decisions of the Patna Congress that State participation in the management of societies would not extend to day-to-day administrative matters relating to the working of the societies and that representation of the State or the higher co-operative institutions on the board of management of partnered institutions would be confined to not more than three members.

The Congress also recommended that where societies were asked to carry out a policy at the behest of the State, although in its opinion it was not sound, the losses and gains arising therefrom should be the responsibility of the State.

Preservation of the integrity of the movement as a peoples' movement.- In another resolution the Congress noted "the growing incroads being made by the Governments into the independent working of co-operative institutions" and recommended that the All-India Co-operative Union should appoint a small team to examine the legislative and administrative provisions governing the working of co-operative societies in the different States and advise on how far and in what stages and manner official control could be progressively replaced by suitable arrangements of co-operative bodies themselves instituted for the purpose.

It also recommended that the State Governments should proceed immediately to give up their present practice of placing officials at the head of apex and district co-operative banking banks and other organisations and allow them to elect their presidents.

Co-operative processing.- In a resolution on "co-operative processing", the Congress said that all future licensing of processing units, e.g., rice mills and oil mills, should be only in favour of co-operatives, as had already been done in respect of sugar factories, and where it was the policy of the State not to issue any further licences, the expansion of co-operative processing should be ensured either by transferring existing units into co-operatives, or by other means, such as, issue of special licences.

Co-operative training, education and research.- The Congress, in a resolution on co-operative training, education and research, recommended that the Co-operative Societies Acts of the different States should contain a specific provision for the creation of an education fund through compulsory contribution of a certain proportion of the net profits of all co-operative societies. A small proportion of the funds so contributed, it said, should be made available to the All-India Co-operative Union for carrying out its activities connected with co-operative education, research and propaganda.

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Central Warehousing Corporation.- The Congress also resolved to request the Central Warehousing Corporation to invest a portion of its deposits in the apex co-operative banks approved by the Central Government.

Co-operative Insurance Societies.- The Congress also urged upon the Central as well as the State Governments to immediately revise their policy in the matter of insuring their properties so as to allow the Co-operative Insurance Societies to actively play their role, especially taking into account the fact that the present policy to insure with the Indian Insurance Companies' Association Pool was evolved before the advent of Co-operative Insurance Industry in this country.

By another resolution the Congress suggested that representatives of the All-India Co-operative Union at national level and of the State Co-operative Unions at State level should be included on the Advisory Boards of All-India Radio so that they might assist in the preparation and presentation of programmes on co-operative subjects.

It also resolved that the All-India Co-operative Union should take steps to acquire a plot as quickly as possible in Delhi to build a national co-operative home and that all co-operative institutions should contribute to a fund for this purpose.

(The Hindustan Times, 13 and 14  
April 1958;  
The Statesman, 13 and 14 April 1958;  
Text of resolutions adopted at  
the Congress, received in this Office).

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Report on Certain Aspects of Co-operative Movement  
in India : Report published.

The Government of India recently published the report of Sir Malcolm Darling, Report under the Technical Co-operation Scheme of the Colombo Plan. He served for a period of 4 to 6 months as Consultant to the Planning Commission with a view "to review recent developments in the field of Co-operation with reference to programmes in the second Five-Year Plan and to make recommendations for strengthening the organisational Co-operative Departments in the States, the training programmes for co-operative personnel, and the organisation of the co-operative movement at and below the district level".

The report submitted on 17 June 1957 is divided into six parts. The first and longest deals with certain aspects of general policy which were the subject of much discussion; the second, with a few technical points concerning the agricultural thrift and credit society; the third, very briefly, with some new forms of co-operative society; the fourth and fifth, with the recruitment and training of the departmental staffs and the education of the members of societies; and the six with some aspects of the National Extension Service in regard to Co-operation. A brief summary of the Report is given below.

According to the Report, the Second Five-Year Plan does not take into account the marked differences in quality, the strength of the co-operative movement and the stage of the economic development between one State and another and seems to expect a more or less universal rate of advance for the whole of India. It has therefore, suggested that the pace for development set by the Second Five-Year Plan should be slowed down, and in the case of the weakest States ten instead of five years should be allowed for achieving the targets.

Size of co-operatives.— Smaller co-operative societies have many shortcomings and it would be prudent to experiment with larger type in three forms: (1) with Government participation in shares and membership; (2) with Government participation in shares but not in membership; and (3) without participation in either membership or shares. It has also been suggested for large societies in general that (a) the area of operations should normally not exceed a distance of 2 miles from the headquarters village; (b) a membership of over 300 to 500 should be discouraged; (c) the societies should be subjected to quarterly or concurrent audit; (d) if they do banking, they should not do trading, since banking and trading do not go well together; (e) small societies should not be amalgamated without the full consent of the large majority of their members; and (f) that no one should be appointed to represent Government on a Board who has not shown an active interest in Co-operation.

The experiments with large societies should, however, go hand in hand with a special effort to make the small societies more viable.

Supervision, Audit and Investment of Reserve Funds.- Another point that touches the independence of primary societies is the investment of their Reserve Funds. In 1955, however, the Standing Committee on Agricultural Credit came to the conclusion that they should be invested by societies outside their business 'until such time as their respective statutory reserve fund was equal to their paid-up share capital'. The Report has suggested that thrift and credit societies with unlimited liability should be allowed to invest their reserve funds in their own business where this has been the practice in the past. When they are lodged with a Central Bank, they should be kept in some liquid form, the total amount to be in addition to the fluid resources required to cover ordinary deposits; and there should be the same rule for the reserve funds of Central Banks deposited with the Apex Bank. Audit should remain the responsibility of the Registrar, and in the Punjab and Uttar Pradesh, where this is no longer the case, his responsibility should be restored; Societies should not be formed without proper preparation, and in each State, where this has not been done already, the Registrar should fix the number of visits by a member of his staff required to secure this.

Recruitment and training.- It is now generally accepted that all concerned with the working of the cooperative movement must be fully trained in the principles and practice of cooperation. This naturally applies with special force to the Registrar. He should have at least one year's training before his appointment.

Technicians employed in connection with any kind of industrial society should have three to four months' training, to include a short course in the theory, history and practice of Co-operation. Advisers to the Registrar on Banking and Finance, if appointed within the department, should receive a year's training in banking, six months of which should be spent in a commercial bank or in the State Bank of India. If appointed from outside the department, they should get six months' training in co-operative banking and other co-operative financial activities.

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The training courses should be revised to secure a better balance between the practical and the theoretical, and the syllabi of the courses should be revised, shortened and simplified.

The course for Senior Officers directly appointed should include 'Rural Economics and Elements of Agriculture' as a compulsory subject, and the shorter course at the same level might well include 'Business Management' as an optional subject. There should also be a short special course in Co-operation for entrants into the Indian Administrative and Agricultural Services, and also, if necessary, for key personnel in the Agricultural Credit Department of the Reserve Bank.

A good way of promoting discussion and a clear understanding of the more important aspects of the subjects under study is the use of the Seminar system. The report suggests that each member of the staff should hold at least one, or even two seminars a week to discuss some problem of his subject.

The Report concludes with a few observations about the National Extension Service.

(Report on Certain Aspects of  
Co-operative Movement in India:  
Issued by the Planning Commission,  
Government of India, pp.58;  
Price Rs.0.75 ).

45. Handicrafts.

India - April 1958.

Development Body for Handicrafts set up.

The Government of India has set up an organisation, known as the Indian Handicrafts Development Corporation (Private) Limited.

The Corporation, which has been registered under the Companies Act, will organise production of handicrafts on a commercial basis to ensure prompt supply against orders, particularly in regard to exports.

Supplementing the effort being made at present by private as well as official agencies, the Corporation will establish trade connections, sales depots and selling agencies for carrying out the functions assigned to it. Market surveys to explore prospects for Indian handicrafts in foreign markets will also be undertaken.

The authorised capital of the Corporation will be 10 million rupees.

(The Hindustan Times, 13 April 1958).

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44. Merchant Marine and Fisheries.

India - April 1958.

Central Board of Fisheries and a Standing Committee  
of the Board set up.

A Resolution dated 1 April 1958 of the Ministry of Food and Agriculture, Government of India, published on 12 April 1958, states that in pursuance of the recommendation of the "All India Fisheries Conference" held at Madras in September 1956, the Government of India has decided to set up a Central Board of Fisheries for the purpose of integration and coordination of fisheries Research and Development activities in the country. The Board has accordingly been constituted with the Minister for Food and Agriculture or his nominee as chairman and 29 other members.

The functions of the Board will be as follows. The Board will periodically meet: (i) to discuss at national level problems connected with various aspects of fisheries research and development; (ii) to recommend suitable measures for adoption to effect better coordination of fishery activities between the Centre, States and various other organisations; and (iii) to suggest ways and means of implementing the various programmes of development and research on fisheries, having overall effect among others on the programme of development plans of Centre and States in respect of National Plan, etc.

The tenure of appointment of the members of the Board other than those who are appointed by reason of their office of appointment, will be three years. The Board shall meet at least once in a year.

In pursuance of the above Resolution, setting up a Central Board of Fisheries, the Government of India has constituted a Standing Committee of the Board consisting of 6 members.

(The Gazette of India, Part I, Section 1,  
12 April 1958, pages 140-141 ).

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - APRIL 1958.

50. General.

Madras Beedi (Indigenous Cigarette) Industrial Premises  
(Regulation of Conditions of Work) Bill, 1958.

The Government of Madras published on 28 February 1958 the text of the Madras Beedi Industrial Premises (Regulation of Conditions of Work) Bill, 1958, proposed to be introduced in the Legislative Assembly of the State. According to the Statement of Objects and Reasons of the Bill, the conditions of work in the beedi industry in this State make it difficult to enforce labour laws in respect of persons employed in that industry. It has been difficult to establish that there is employer-employee relationship between the proprietors of beedi factories and their workers. The provisions of the Industrial Disputes Act, 1947, could not, therefore, be applied to these workers. It has also been found in practice that young children are engaged in such places. Besides this, there has been a tendency on the part of the employers in this trade to resort to various devices to circumvent the operation of the Factories Act, 1948 (Central Act LXIII of 1948), by splitting up the places of manufacture. In order to eradicate these evils, the Government have decided to prohibit the manufacture of beedi except in places licensed for the purpose.

The Bill aims at the prevention of decentralization of the beedi industry by insisting on licences being taken out for the places where manufacture of beedi is carried on.

The provisions of the Factories Act, 1948 (Central Act LXIII of 1948), relating to health, welfare, working hours, employment of young persons, leave with wages, etc., have been adopted in this Bill with suitable modifications.

The Bill prohibits the manufacture of beedi except in places licensed for the purpose. The competent authority shall, in deciding whether to grant or refuse a licence, have regard to the following matters, namely:- (a) the suitability of the place or premises which is proposed to be used for the manufacture of beedies; (b) the status and previous experience of the applicant; (c) the welfare of labour in the locality; (d) the interest of the public generally; and (e) such other matters as may be prescribed.

The Bill contains detailed provisions regarding cleanliness, ventilation, overcrowding, drinking water, latrines and urinals, working facilities, first aid and canteens. Hours of work of employees in a beedi industrial premises are fixed at nine hours a day and 48 hours in any week and the period of work including overtime work should not exceed ten hours in any day and in the aggregate 54 hours in any week. Wages for overtime work are fixed at twice the ordinary rate of wages. Provision is made for a paid weekly holiday and for seven national and festival holidays with pay. Employment of children under 14 years of age in any beedi industrial premises is prohibited and no woman or young person (between 14 and 18 years of age) shall be allowed or required to work in any beedi industrial premises except between 6 a.m. and 7 p.m.

Every employee who has worked for a period of not less than 240 days in a beedi industrial premises during a calendar year shall be allowed in the subsequent calendar year, leave with wages for a number of days calculated - (i) in the case of an adult, at the rate of one day for every twenty days of work performed by him during the previous calendar year; (ii) in the case of a young person, at the rate of one day for every fifteen days of work performed by him during the previous calendar year.

The State Government is empowered to apply the provisions of the Payment of Wages Act, 1936, to beedi industrial premises. The provisions of the Industrial Employment (Standing Orders) Act, 1946, shall apply to every beedi industrial premises wherein 50 or more persons are employed or were employed on any one day of the preceding 12 months.

(Fort St. George Gazette, Part IVA,  
Extraordinary, 28 February 1958,  
pp. 61-76 ).

Labour Conditions in Iron Ore Mines.

The Labour Bureau, Ministry of Labour and Employment, Government of India, conducted in December 1956 a survey of labour conditions in iron ore mines in India, through sending questionnaires as well as field surveys. The results of this survey, relating to 36 mines, 9 each in the States of Bihar, Orissa, Mysore and Andhra Pradesh, have been published in the Indian Labour Gazette, Vol. XX, No. 9, March 1958.

Employment.- At the time of the 1944-45 enquiry conducted by the Labour Investigation Committee, the total employment in iron ore mines in India was estimated at 16,000. Of this, the three mines of Naamandi and Gua in Bihar and Gormahisani in Orissa, covered by the Committee, employed 9,211 workers. The employment in the iron ore mines has since then risen considerably. According to the information furnished by the Chief Inspector of Mines, the total labour-force employed in such mines was 30,959 in 84 mines in 1953, 30,772 in 102 mines in 1954 and 35,659 in 126 mines in 1955. The mines covered by the present enquiry employed 12,110 workers as on 30 June, 1957. Of this number, 51 per cent were employed in mines located in Orissa, 30 per cent in Bihar, 11 per cent in Andhra Pradesh and 8 per cent in Mysore. The following table gives the breakdown of employment into company labour and contract-labour etc in the 36 mines covered by the Survey:-

State	No. of Mines.	Company Labour	Contract Labour.	All Labour.
Andhra Pradesh...	9	354 (27.1)	953 (72.9)	1,307 (100)
Bihar* -----	9	1,623 (44.6)	2,020 (55.4)	3,643 (100)
Mysore* -----	9	560 (36.0)	669 (65.0)	1,029 (100)
Orissa -----	9	2,445 (39.8)	3,688 (60.2)	6,131 (100)
<b>TOTAL.....</b>	<b>36</b>	<b>4,780 (39.5)</b>	<b>7,330 (60.5)</b>	<b>12,110 (100)</b>

\* Figures in one unit relate to 1 October 1956.  
Figures in brackets denote percentage to total labour.

Women workers were generally engaged on loading, stacking, picking, mucking, carrying mines-dobris and iron ore by head-load, sorting of ore and helping minors, removing mud from the pits, sweeping, etc. Mining, loading and mucking work was usually done by workers in pairs.

Data regarding time-rated and piece-rated workers show that 64.4 per cent of the total company labour was time-rated and the remaining 35.6 per cent was paid on a piece-rate basis. The piece-rate system was practically negligible in the mines in the Mysore State, constituting only 1.5 per cent of the company labour in that State. In Andhra Pradesh, piece-rated workers formed 13.6 per cent of the total company labour, while in Orissa and Bihar such workers constituted 31 per cent and 55.4 per cent respectively. The data further show that, whereas among piece-rated workers males and females were more or less evenly distributed both in individual States as well as on an All-India basis. Among time-rated workers male labour predominated, being as much as nearly four times the female labour. This predominance of male labour on time-rate basis was more pronounced in Bihar and least prominent in Andhra Pradesh. Male labour predominated among time-rated workers in certain occupations, such as, drillers, blasters, mates, etc., which are almost always on time-rate basis and exclusively entrusted to male labour. Among male labour, on all-India basis, those engaged on piece-rates formed about 27.0 per cent and the remaining 73.0 per cent were time-rated. The percentage among males engaged on piece-rates varied from 1.7 in Mysore to 40.5 in Bihar.

Taking all the four States together, 65.2 per cent of the total company labour was permanent. About one third of the workers were temporary and only 1.5 per cent were employed on a casual basis. In the States of Orissa and Bihar, the percentage of permanent employees was 90.1 and 55.0 respectively. It would, therefore, appear that workers in iron ore mines in Orissa were engaged more or less on a permanent footing. On the other hand, in Andhra Pradesh as many as 93 per cent of the total number of workers were temporary. In Mysore, a fairly large percentage (35.3) of workers were engaged on temporary basis. Incidentally, Mysore is the only State where casual labour was rather significant (19.5 per cent). Among permanent workers, males constituted a large majority, forming as much as 75.4 per cent of total permanent labour. The distribution of male and female labour among temporary workers was not as uneven.

Regarding contract labour, taking the four States as a whole, contract labour were paid mostly by contractors themselves. Only 12.5 per cent of the workers employed through contractors were paid directly by the companies. But it is striking to note that in the State of Andhra Pradesh almost all the workers (93.1 per cent) employed by contractors were paid directly by the Companies. The system of paying through contractors was, however, in vogue in the remaining three States, viz., Mysore, Bihar and Orissa where practically the whole of contract labour was paid by contractors themselves.

Among contract labour, women formed about 35.5 per cent. A large majority of them were paid by contractors themselves.

Length of service, turn-over and absenteeism.— Considering the four States together, workers having service below one year formed 51.5 per cent of the total. Those having service between 1-5 years, 5-10 years and above 10 years formed 18.0 per cent, 15.5 per cent and 11.5 per cent respectively of the total company labour employed. Taking individual States separately, it may be mentioned that practically the entire company labour in Andhra Pradesh had less than one year's service. Workers with less than one year's service constituted 57.4 per cent, 45.0 per cent and 38.0 per cent of the total company labour employed in the States of Orissa, Bihar and Mysore respectively. In the States of Bihar and Mysore, about one third of the workers had service between 1 to 5 years whereas in Orissa workers with such length of service formed only 7.3 per cent of the total. The percentage of workers with 5 to 10 Years' service was 21.7, 16.9 and 15.3 respectively in the States of Mysore, Orissa and Bihar. Workers having above ten years service constituted 17.6 per cent in Orissa, 7.6 per cent in Mysore and 5.3 per cent in Bihar.

The over-all turnover for all the four States was 27.4 per cent for the year ending 30 June 1957. Turning to the individual States, it may be added that the highest percentage of labour-turnover was recorded in Bihar (55 per cent). Next in order was Orissa with 24.7 per cent of turnover. In the States of Andhra Pradesh and Mysore, it was rather small and stood at 10.9 per cent and 11.7 per cent respectively. A perusal of the data would reveal the fact that a large majority of workers left of their own accord, perhaps, to attend to agricultural work in their villages with which they confine to maintain their link.

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Data regarding absenteeism are available in respect of 20 mines only, employing 8,479 workers. The average annual rate of absenteeism for the year 1956-57 was the highest in Mysore being 9.1 per cent and the lowest in Andhra Pradesh (1.7 percent). It stood at 8.3 per cent in Orissa and 7.3 per cent in Bihar. In Mysore the rate of absenteeism was comparatively high during the months of February, April, June, August and October; in Andhra Pradesh during the months of April, September, October and November; in Bihar during the months of January, February, April and June; and in Orissa, during the months of March, April, June, July and August.

Recruitment and apprenticeship.— The companies generally recruit their labour directly from the local market. During the mining season in case of vacancies the managements ask their workers to inform their relatives and friends. Labour was recruited by contractors who are known as 'Mistries' from the villages surrounding the mining areas. The contract system of recruiting labour is a general feature in most of the States.

The system of apprenticeship was found to be almost negligible in the various mines under survey. Only 4 mines reported the existence of the apprenticeship system but they too did not have it on a regular basis. In most of the mines the system of upgrading the experienced workers was reported to be in practice.

Wages and Earnings.— Information available from 33 mines show, that 22 mines located in different States paid emoluments ranging from 20 rupees to 40 rupees per month, 9 mines from 40 rupees to 60 rupees per month and one each below 20 rupees per month and above 60 rupees per month. With regard to the position in individual States, 3 of the 6 mines in Andhra Pradesh paid between 40 rupees and 60 rupees per month. All the 9 mines in Bihar paid emoluments ranging between 20 rupees and 40 rupees per month. In Mysore and Orissa, all the mines paid more than 20 rupees but less than 60 rupees per month — a greater proportion falling in group B, 20-40 per month.

There are two systems of wage payment, viz., piece-rate and time-rate. The details of the piece-rate system and prevailing rates for some categories of workers in various States are given below:—

Piece-rate System.— Different measures existed for calculating the wages of the piece-rated workers, most important of whom was the miner of cuttor. These measures were:—

- (a) Box - This measure was common in Bihar and Orissa. A box of 36 c.ft. was used in the former and that of 12.5 c.ft. in the latter.
- (b) Tub - This measure was also used in Bihar and Orissa for workers employed through contractors. In the former a tub of 25 cubs. to 33 cubs. was in vogue in the latter the tub was of 36 c.ft.
- (c) Cubic foot - This was common in all the four States and the basis generally taken was 100 c.ft.
- (d) Tonnage - This measure was applicable mostly to loaders, diggers, sorters, etc. in all the four States.

The position regarding basic wages and earnings for certain selected categories of workers are given below.

Miners.- The basic wage rate of miners (males) in Andhra Pradesh was 1.07 rupees per day. It varied from 1 rupee to 2 rupees 8 annas per day in Mysore. The female miners were paid 12 annas in the former State and 14 annas to 1 rupee per day in the latter. In Mysore, the piece-rate system of paying miners at the rate of 2 rupees per ton and 7 rupees 8 annas per 100 cft. was also prevalent. In Bihar, they were paid at varying rates, viz., 2 rupees to 2 rupees 8 annas per 25 c.ft., 2 rupees to 3 rupees per 36 c.ft. and 1.75 rupees to 2.06 rupees per 100 c.ft. In Orissa, the rates were 1 rupee 8 annas to 1 rupee 12 annas per ton, 1 rupee 2 annas to 2 rupees per 36 c.ft. and 2 rupees 1 anna and to 7 rupees per 100 c.ft. The monthly earnings of miners (males) were 27.82 rupees in Andhra Pradesh, varied between 26 rupees and 36.92 rupees in Bihar, between 37.44 rupees and 45.50 rupees in Mysore, and between 22.88 rupees and 40.56 rupees in Orissa. Miners (females) earned 19.50 rupees in Andhra Pradesh and 22.75 rupees in Mysore.

Drillers.- The basic wage rates of drillers were 1.07 rupees per day in Andhra Pradesh, 2 rupees to 2.50 rupees per day and 16 rupees per week in Bihar, 1 rupee 8 annas per day in Mysore and 1 rupee 2 annas per day or 9 rupees per week in Orissa. The piece-rates were 1 rupee per foot in Bihar and 1.87 rupees per 36 c.ft. in Orissa. The monthly earnings of drillers were 27.82 rupees in Andhra Pradesh, ranged between 44.98 and 68.59 rupees in Bihar, were 68.12 rupees in Bihar-Mysore and ranged between 41.08 rupees and 61.74 rupees in Orissa.



Blaster.- The basic wage of blasters was 60 rupees per month in Andhra Pradesh; 9 annas to 2.25 rupees per day and 8 rupees per week in Bihar; 50 rupees per month in Mysore and 1 rupee 2 annas to 1 rupee 8 annas per day and 13 rupees per week in Orissa. Piece-rate for blasters was common only in Orissa and the rate was 1.87 rupees per 35 c.f.t.

Loader.- The basic wage rate varied from State to State. In Bihar, the rate was 12 annas per day; in Mysore, the rate varied between 1.25 rupees and 1.62 rupees per day and in Orissa, it ranged between 1 rupee to 1 rupee 12 annas per day. The piece-rate was common in Andhra Pradesh, Mysore and Orissa. The rate was 1 rupee 2 annas to 2 rupees 4 annas per lorry trip in Andhra Pradesh; 2 rupees 8 annas to 5 rupees per lorry trip in Mysore and 2.75 rupees per truck and 12 rupees to 30 rupees per wagon in Orissa.

The monthly earnings of loaders varied between 32.50 rupees and 68.38 rupees in Andhra Pradesh; 21.84 rupees in Bihar; between 37.44 rupees and 104 rupees in Mysore; and between 25.74 rupees and 35.10 rupees in Orissa.

Different kinds of bonuses, viz., production bonus, attendance bonus, festival bonus, incentive bonus and profit bonus are given in the various iron ore mines.

Working conditions: Hours of work and shifts.- Hours of work, rest interval and shifts in iron ore mines are governed by the Mines Act, 1952. The daily hours of work in 30 out of 55 mines surveyed were eight. In the remaining units, the hours of work were seven per day. In 19 mines, rest intervals of two hours duration were given to the workers, whereas in 13 mines rest interval of one hour was being allowed. In the remaining 4 mines, it varied from 1-1/2 hours to 5 hours. All the workers were getting weekly day of rest also. Single shift working was common in most of the units. Only 4 mines were reported to be running the night shift also. Shifts were generally changed over once a week.

Leave and Holidays with pay.- Information regarding leave and holidays with pay is available in respect of 31 mines. Two mines each in Bihar and Mysore granted casual leave to their workers ranging from 5 to 30 days in a year. Five mines granted sick leave to workmen varying from 10 to 30 days in a year. Sixteen mines granted privilege leave varying from 7 to 30 days in a year for different categories of workers. Six mines granted leave according to the provisions of the Mines Act.

Welfare.- With the exception of three mines, all the others had provided housing accommodation to their employees. The percentage of workers housed in different mines varied from nine to hundred. In some of the mines, free quarters were provided only to particular categories of workers while in others, all the workers were provided with housing accommodation.

As required under the Mines Act, first aid boxes were maintained by all the mines. Arrangements for some type of free medical aid existed in 20 mines. Other facilities such as canteens, recreational centres were provided by some mines.

Accidents.- Data regarding accidents were furnished by 9 mines each in Andhra Pradesh and Mysore, one in Bihar, and two in Orissa. There were no accidents in the iron ore mines situated in Andhra Pradesh. Only one accident was reported in the Mysore State. In all, a total of 478 accidents out of which only 4 were fatal, were reported to have occurred in these mines. The fatal accidents involved contract labour only. Three hundred sixty-two contract workers were involved in the other accidents. An amount of 6,272 rupees was paid as compensation for non-fatal accidents. Of this, a sum of 1,481 rupees was paid to the injured in departmental labour, the balance to contract labour.

Maternity Benefit.- Data regarding maternity benefits are available in respect of 15 mines - 2 in Mysore, 6 in Bihar and 7 in Orissa. In all, 392 claims were made and the maternity benefit was actually paid in 373 cases, amounting to 15,532 rupees. Of this amount 4,595 rupees was paid in respect of 107 women directly employed, and 11,147 rupees in 266 cases of contractors' labour.

Provision for the future.- Only four mines (2 in Orissa, 1 each in Bihar and Mysore) have furnished data regarding provision for future of the workers. One mine in Orissa had both the provident fund and gratuity schemes for its workers, while the other mine had a voluntary Provident Fund Scheme for certain categories of workers only, whose basic wages were more than 25 rupees per month. Besides this, gratuity and pension schemes also existed in this mine. The Provident Fund Scheme had also been introduced in one mine in Bihar. Permanent workers having one year's continuous service were eligible for membership of this scheme. There also existed a gratuity scheme in this mine. Provident fund and gratuity schemes had also been instituted in one mine in Mysore for departmental labour only.

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Industrial Relations.- Standing Order for regulating the conditions of service of employees had been framed by 14 mines. In 9 cases these Standing Orders had been certified. In three other mines Standing Orders were under preparation.

Only 4 mines, two each in the States of Bihar and Orissa, had constituted Works Committees. In another mine in Orissa such a committee was reported to be under formation. Six mines were reported to have appointed labour officers, welfare officers, etc., for looking into the needs and grievances of the workers.

Only eight mines reported that their workers had formed trade unions and in five of these cases the unions were registered and also recognised by the management.

(Indian Labour Gazette,  
Vol. XV, No. 9, March 1958,  
pp. 850-867 ).

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All-India Legislation for Motor Transport Workers:  
Recommendations of Tripartite Committee.

The tripartite committee appointed by the Union Ministry of Labour and Employment to examine draft legislation to regulate the working conditions of motor transport workers has recommended that in view of the growing importance of the motor transport industry, the Government should consider the appointment of a commission to inquire into the working conditions, pay scales, health and workload of transport workers.

A summary of the report was placed on the table of the Lok Sabha on 31 March 1959, by Shri Abid Ali, Union Deputy Minister for Labour.

The committee has stated that legislation should be made applicable to motor transport undertakings engaged in the carriage of passengers and goods and also to private ~~carriage~~ carriers and to bring within its scope all motor transport workers. State Governments should administer the legislation and should have powers to make rules. The Central Government should have power to give directions, wherever necessary.

Shri Abid Ali stated that the recommendations were being examined.

(The Hindustan Times, 1 April 1959).

Madhya Pradesh Shops and Establishments Bill, 1958.

The Government of Madhya Pradesh published on 21 March 1958, the Madhya Pradesh Shops and Establishments Bill, 1958, to be introduced in the Legislative Assembly of the State. According to the Statement of Objects and Reasons of the Bill, the Bill is intended to unify laws relating to shops and establishments in Madhya Pradesh. It is based mainly on the Madhya Bharat Shops and Establishments Act, Samvat 2009, but suitable provisions from the Central Provinces and Berar Shops and Establishments Act, 1947, have been adopted. Drafting or other minor amendments have been introduced for the removal of doubt or for better enforcement of the Act. The salient provisions of the Bill are summarised below.

Extent.— The provisions will apply in the first instance to the local areas specified in a schedule. These include (1) limits of the Jabalpur corporation. (2) The municipal limits of Raipur, Rajmandgaon, Khandwa, Bushanpur, Sagar, Raigarh, Bilaspur, Chhindwara, Seoni, Damoh, Katni-Murwara, Itarsi and Durg. (3) Limits of the Sagar Cantonment. (4) Bilaspur Railway market area. (5) The municipal (Corporation) limits of Indore and three miles around such limit. (6) The municipal (Corporation) limits of Lashkar, Gwalior and Morar including the industrial area. (7) The municipal limits of Ujjain, Madhonagar, Ashok Nagar, Mandasaur, Vidisha, Dewas, Morena, Neemuch, Guna, Badnagar and Kharagone. (8) The municipal limits of Satna and two miles around such limits.

Provision is made for the registration of all establishments to which the Bill applies. No shop or commercial establishment shall on any day be opened earlier than such hour as may be fixed by the Government by a general or special order in this behalf and be kept open later than such hour as may be fixed by the Government by a general or special order in this behalf.

Hours of work.— No employee in shop or commercial establishment shall be required or allowed to work (i) in any shop for more than nine hours in any day and forty-eight hours in any week; (ii) in any commercial establishment for more than ten hours on any day and 208 hours in any month. Hours of work of employees in residential hotels, restaurants, eating houses, theatres or other places of public amusement or entertainment are fixed at nine hours in a day.

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No employees shall be required or allowed to work in any shop or commercial establishment for more than five hours in any day unless he has had an interval for rest of at least one hour. The spread-over of an employee in a shop or commercial establishment shall not exceed twelve hours in a day.

Weekly holiday.- Every shop and commercial establishment shall remain closed on one day of the week.

Employment of children and young persons.- No child between 12 years of age shall be required or allowed to work whether as an employee or otherwise in any establishment, notwithstanding that such a child is a member of the family of the employer. No young person between 12-17 years of age shall be required or allowed to work in any establishment for more than six hours in any day and before 7 a.m. and after 9 p.m.

Leave with pay.- A person employed in an establishment to which this Act applies shall be entitled (a) after every 12 months continuous employment to privilege leave for a total period of one month; and (b) in every year to casual leave for a total period not exceeding 14 days; provided that the leave under sub-clause (a) shall not at any time accumulate for a total period exceeding 3 months. Casual leave shall not be combined with privilege leave.

and

Health/safety.- The premises of every establishment shall be kept clean and free from effluvia arising from any drain or privy or other nuisance and shall be cleaned at such times and by such methods as may be prescribed. These methods may include lime-washing, colour-washing, painting, varnishing, disinfecting and deodorising.

The premises of every establishment shall be ventilated in accordance with such standards and by such methods, as may be prescribed.

In every establishment except such establishment or class of establishment, as may be prescribed, such precautions against fire shall be taken, as may be prescribed.

Wages and safety for overtime.- Where an employe in any establishment other than a residential hotel, restaurant or eating-house, is required to work in excess of the limit of hours of work, he shall be entitled, in respect of the over-time work, to wages at the rate of one and a half times his ordinary rate of wages.

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Where an employee in a residential hotel, restaurant, or eating house, is required to work in excess of the limit of hours of work, he shall be entitled, in respect of the over-time work, to wages at the rate of twice his ordinary rate of wages.

Social Security.- The provisions of the Worker's Compensation Act and of rules made thereunder, shall, mutatis mutandis, apply to every employe of a shop or commercial establishment.

Every employer shall, in accordance with the rules made by the Government, provide a Provident Fund for the benefit of every employe and shall contribute to this fund an amount equal to the amount contributed by the employe:

Provided, that this shall apply only to such places and such classes of establishments or employments as may be notified in this behalf by the Government in the Official Gazette.

No employer shall dispense with the services of an employe who has been in his continuous employment for not less than three months, without giving such person at least thirty days' notice in writing or wages in lieu of such notice: provided that such notice shall not be necessary where the services of such employe are dispensed with for misconduct, as may be defined in the rules made by the Government in this behalf.

Repeal.- The Bill seeks to repeal the Central Provinces and Berar Shops and Establishments Act, 1947, and the Madhya Bharat Shops and Establishments Act, 2009.

(Madhya Pradesh Gazette, Part IVA,  
21 March 1958, pp. 23-43 ).

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Punjab Shops and Commercial Establishments Act, 1958  
(Punjab Act No. 15 of 1958).

The Punjab Shops and Commercial Establishments Bill, 1958 (vide pages 97-98 of the report of this Office for October-November 1957) as passed by the Punjab Legislature received the assent of the President on 25 April 1958 and has been gazetted as Punjab Act No. 15 of 1958. The salient provisions of the Act are summarised below.

Extent and application.- The Act extends to the whole of the State of Punjab and applies ~~the~~ in the first instance to 125 local areas specified in the schedule to the Act.

Hours of work.- Hours of work of employees in shops or commercial establishments are fixed at nine hours a day and 48 hours in a week. The total number of overtime hours worked by an employee should not exceed fifty within a period of three months; and the person employed overtime should be paid remuneration at twice the rate of his normal wages calculated by the hour.

An employee shall not work in an establishment for more than five hours before he has had an interval for rest of at least half an hour.

The total number of hours worked by a young person between 14 and 18 years of age employed about the business of an establishment, exclusive of interval for meals and rest, shall not exceed thirty hours in any one week or five hours in any one day.

Opening and closing hours.- No establishment shall open earlier than ten o'clock in the morning or close later than eight o'clock in the evening.

Every establishment shall remain closed on every Sunday.

Holidays.- Every employee in an establishment shall be allowed - (a) a holiday with wages on the Independence Day and the Republic Day; and (b) such other four holidays with wages in the year in connection with festivals as the employer may, having regard to the wishes of his employees, declare from time to time.



Every employee who has been in employment for a period of 240 days or more in an establishment during a year shall be entitled to leave with wages for a number of days calculated at the rate of one day for every twenty days of work performed by him during the year. A young person shall be entitled to one day for every fifteen days of work performed by him during the year.

Wage period.- Every person responsible for the payment of wages to an employee shall fix a period in respect of which such wages shall be payable and no wage period shall exceed one month.

Notice of dismissal.- No employee shall be removed from service unless and until one month's previous notice or pay in lieu thereof has been given to him. No employee shall be entitled to the notice or pay in lieu thereof if he is removed on account of misconduct established on record. No employee shall be entitled to one month's notice or notice pay unless and until he has been in the service of the employer continuously for a period of three months.

Employment of woman.- No woman shall be required or allowed to work whether as an employee or otherwise in any establishment during night and no employer of any establishment shall knowingly employ a woman and no woman shall engage in employment in any establishment during six weeks following the day of her confinement or miscarriage.

Maternity Benefit.- Every woman employed in an establishment who has been continuously employed in that establishment or in establishments belonging to the employer of that establishment for a period of not less than six months preceding the date of her delivery shall be entitled to receive, and the employer shall be liable to make to her, a payment of a maternity benefit which shall be prescribed by the Government for every day during the six weeks immediately preceding and including the day of her delivery and for each day of the six weeks following her delivery.

Repeal.- The Act repeals the Punjab Trade Employees Act, 1940.

Other provisions of the Act deal with registration of establishments, records, enforcement and inspection.

(Punjab Government Gazette, Extraordinary,  
1 May 1958, pp. 909-936 )

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

India - April 1958.

Jammu and Kashmir: Scheme to provide Free Education to Workers in Factories.

Mir Habibullah Kamli, Director of Industries, Jammu and Kashmir stated at Srinagar on 6 April 1958, that the Jammu and Kashmir Government is shortly going to provide free education within factory premises to individual labour in the state under the Second Five-Year Plan.

He said that initially educational facilities would be provided to labour and particularly child labour engaged by Government silk spinning and weaving factories, the state woollen factory in Srinagar and silk factories in Jammu.

Shri Kamli said that managements of these industries which employed over 3,000 workers had agreed to release their workers interested in educating themselves for two hours daily to enable them to attend classes within the factory premises.

The entire cost of the scheme estimated to cost several thousand rupees initially. Shri Kamli said, would be borne by the State Government. He added Government would also pay 5 rupees to every child labourer attending the factory educational classes as pocket money.

(The Tribune, 7 April 1958).

66. Labour Administration.

India - April 1958.

Working of Legislation relating to Shops and  
Commercial Establishments in 1956.

The present review is based on the information received from the State Governments on the working of the State Shops and Commercial Establishments Acts, etc., and the Weekly Holidays Act, 1942 wherever applicable. It may be borne in mind that due to the reorganisation of States during the period covered by the present review, the data would not be strictly comparable with the data presented in similar reviews for the previous years. Furthermore, (i) the States of Bombay, Jammu and Kashmir, Rajasthan and Himachal Pradesh have not submitted the returns for 1956 and, as such, the data relating to these States is not covered at all in the present review; (ii) the information relating to some areas now merged in the States of Madhya Pradesh, Mysore and Punjab has not been furnished and, therefore, the data remains incomplete to that extent; and (iii) the information received from Andhra relates to the period from 1 April 1956 to 31 December 1956 in so far as the Telangana region of the State is concerned.

The following table shows the number of towns, cities, etc., in which the State Acts and the Central Act were in force at the end of 1956 in the case of States for which information is available.

Cities, Towns, etc., in which the Act has been enforced.

(a) Under the State Acts- States-

- 1. Andhra ..... 35 Municipalities, 186 Panchayats and 3 Specially Notified Areas under the Madras Shops and Establishments Act, 1956 and 15 Areas in Telangana Region under the Hyderabad Shops and Establishments Act.
  - 2. Assam ..... All the Districts and Sub-divisional headquarters towns notified.
  - 3. Bihar ..... 10 Municipalities\*.
  - 4. Kerala ..... 27 Municipal towns including the Trivandrum Corporation, major Panchayats and two notified Areas in Malabar.
  - 5. Madhya Pradesh..... C.P. and Berar Shops and Establishments Act in 14 towns of the Mahakoshal region, Nagpur\*\* and Jabalpur\*\* Corporations, Gonda\*\* Railway Station limits and the Madhya Bharat Shops and Establishments Act in 12 towns of the erstwhile Madhya Bharat Region.
  - 6. Madras ..... Madras City, all Municipalities, major (Class I) Panchayats, Notified areas and Notified establishments.
  - 7. Mysore..... 15 towns or urban areas.
  - 8. Punjab..... 144 towns including 34 of the erstwhile P.E.F.S.U. (under both the Punjab and erstwhile PEPSU (Acts).
  - 9. Uttar Pradesh..... 49 Towns\*\*\*.
  - 10. West Bengal..... 64 Municipal towns and other trade centres.
- Union Territories-
- 1. Delhi..... 3 Municipalities, 3 Notified Area Committees and Delhi Cantonment Limits.
  - 2. Tripura ..... Tripura.
- (b) Under the Weekly Holidays Act-
- 1. Andhra (Telangana Region)..... 57 places.
  - 2. Bihar..... 64 towns and markets.
  - 3. Madhya Pradesh (Bhopal Region). Bhopal town.
  - 4. Orissa..... 8 towns.
  - 5. West Bengal (Bihar Area)... 3 towns.
  - 6. Manipur..... Manipur.

\* The data for Bihar relates to 1955; data for 1956 are not available.  
 \*\* In Nagpur, Jabalpur and Gonda Railway station limits the Acts was operative only upto the date of reorganisation of States.  
 \*\*\* In 19 of these towns, only a few provisions of the Act were in force.

Extensions, Amendments, etc., of the Acts.- During the year under review, the Manipur Administration notified the application of the Weekly Holidays Act to Manipur. The Madhya Bharat Shops and Establishments (First Amendment) Act was passed during the year and the same was enforced in certain towns of the erstwhile State. The Government of Madhya Bharat also extended the operation of the Payment of Wages Act, 1936 to establishments covered by the Shops and Establishments Act. Certain State Governments extended the provisions of their Acts to new areas during the year under review having regard to the needs of employees in such areas, administrative convenience, etc.

Number of establishments and workers involved.- Data regarding the number of shops, commercial establishments, etc., covered by the Acts and the workers employed therein are available for some States are presented in the table below:-

State.	Shops		Commercial Establishments.		Theatres, Restaurants and other places of public Amusements, etc.		Total number of	
	No.	No. of persons employed.	No.	No. of persons employed.	No.	No. of persons employed.	Estab-lish-ments.	Persons employed.
Andhra (1) .....	96,654	46,836	2,874	8,880	7,925	19,188	107,451	74,904
Assam .....	5,374	6,637	429	1,997	257	1,183	6,070	9,817
Bihar .....	38,193	53,925	2,132	9,927	1,368	4,551	41,698	68,403
Madhya Pradesh..	59,807	24,447	1,810	5,515	2,882	12,618	44,499	42,580
Madras.....	156,910	144,080	6,144	34,039	17,201	45,386	180,264	223,495
Orissa .....	4,283	13,377	458	1,986	772	2,797	5,493	18,160
Punjab (2).....	81,489	15,394	24,858	23,033	7,048	7,543	114,275	49,970
West Bengal (3)..	600	400	250	200	126	160	976	760
Kerala .....	29,739	27,655	956	3,541	4,397	7,990	35,092	39,166
Mysore (4).....	25,571	19,590	993	6,319	2,454	12,619	28,998	38,528
UNION TERRITORIES-								
Delhi.....	-	-	N.A.	-	-	-	27,123	N.A.
Tripura.....	953	1,208	14	223	207	408	1,174	1,640

Information for 1956 not received in respect of -  
 (1) Telangana Region for the period 1 January 1956 to 31 March 1956.  
 (2) P.E.P.S.U.  
 (3) Erstwhile West Bengal.  
 (4) Coorg.

It may be noticed that in some States e.g., Andhra and Punjab, the number of workers covered was actually less than the number of establishments. This is obviously due to the fact that there are establishments which do not employ any worker as such, but are nevertheless, covered by the Acts. The average number of persons employed in an establishment was the highest in Orissa (3.3) and lowest in Punjab (0.4).

During the year under review, the States of Andhra, Bihar, Mysore, Punjab and Tripura registered an increase both in the number of establishments and persons employed. The increase in the case of Andhra, Mysore and Punjab was due to the extension of the Acts to new areas and towns or the possible merger of new areas in them. In Assam, both the number of establishments and persons employed showed a fall. This has been reported to be due to financial crisis, trade depression, and the growth of small shops.

As in the previous years, the administering authorities continued to follow the policy of persuasion for obtaining compliance with the provisions of the Acts and launched prosecutions, only as a last resort, against habitual offenders or in cases of breaches of a serious nature. Most of the irregularities detected during the year related to non-payment of wages, non-closure of establishments on weekly holidays, opening of shops beyond proscribed hours, non-observance of rest intervals, etc. Some of the difficulties experienced by the administering authorities in the proper implementation of the Acts were: long delays in the disposal of cases, imposition of low fines by courts, lack of adequate inspection staff, etc.

(Indian Labour Gazette, Vol. XV, No. 9, March 1953, pp. 873-877).

Lok Sabha debates Labour Policy: Minister Opposes  
25 Per Cent Increase in Wages.

The Lok Sabha debated on 7 and 8 April 1958, the labour policy of the Government and approved the demands for grants for the Ministry of Labour and Employment for the Budget year 1958-59.

The Debate.- Shri Prabhat Kar (Comm.-West Bengal) said it was an accepted canon that in interpreting a beneficial piece of legislation, the interpretation would have to be, if any thing, "pro-labour". But "I am sorry that is not the experience of the working class. It is easy for employers and the Federation of Indian Chambers of Commerce and Industry to approach the Labour Ministry. It is very difficult for representatives of workers to have a discussion with the Labour Secretariat over their grievances."

"The Labour Minister is a trade unionist. He knows the difficulties of trade unions, <sup>and (at least) in this country</sup> are not strong.

"The Secretariat is required to see that workers are not exploited and employees do not get the upper hand. But workers are denied even the benefit of the laws already passed by changes sponsored by the Labour Ministry at the instance of employers and their federation".

Among the changes he mentioned was the change in Section 53 of the Industrial Disputes Act (retrenchment of employees during the pendency of a dispute).

Shri Kar referred to "delays" in the implementation of the Bank Award and the settlement of the bonus disputes in the banking industry and said these made it difficult for employees to have faith in the machinery for solving disputes. Today, he said, there were certain provisions in the Constitution which went against the pursuance of a policy which was in the interest of workers. The Ministry should, therefore, consider whether it was not desirable to make changes in the Constitution to take industrial disputes from the Supreme Court's cases purview. There were many labour cases pending in the Supreme Court and the Government should at least request the Supreme Court to see that there were no delays as the time factor was most important in labour matters.

Shri S.M. Banerjee (Ind.-U.P.) said that instead of allowing disputes to culminate in strikes or prolonged strikes "in order to starve workers and break their morale", the Ministry should seek to solve disputes quickly in the initial stages. The Opposition felt "sore" about the attitude of the Deputy Minister for Labour who "deals with cases as if he is Deputy Minister of the I.N.T.U.C."

Shri Banerjee said the question of recognition of unions should be settled by "the democratic method" in the case of Defence industries and Railways. The Ministry's officers were "helpless" and unable to function efficiently because of the attitude of those departments. He urged the Ministry to look into this question as also to revise certain recent amendments to the Government Service Conduct Rules which, he said, were in conflict with the Government's labour policy and against the spirit of the Constitution.

Shri Banerjee said that though eight million jobs were promised under the second Plan, the registered unemployed alone on 1 January this year were 939,731. There were no figures for the unregistered unemployed. Twenty-six textile mills had closed down, throwing 25,000 workers out of jobs. If retrenchment could not be banned, he said, the Government should at least see that this was minimized and alternative jobs were found for the workers affected.

He criticised the working of the Employees' State Insurance Scheme and said that some of its dispensaries were merely institutions giving sick certificates to employees for obtaining leave. He was happy that about 4,000 houses had been built for workers in Kanpur, but said that if these were to be utilised, the rent should be reduced.

Dr. G.S. Molkote (Cong.-Mysore) congratulated the Ministry for taking several steps to improve the conditions of workers, particularly the scheme for labour participation in management. He hoped that employers would give a "fair deal" to workers in working out this experiment.

He urged the Ministry to remove lacunae in the implementation of awards and labour laws and also to take steps to provide houses for workers.



He referred to the Supreme Court's judgment on the Wage Board for working journalists and said that in view of the Court's ruling which "works adversely to the interests of the working class," it was necessary for the Government to see to what extent "we should nullify what has been said by the Court or to consider whether it would not be feasible to bring in another enactment which the Labour Ministry can apply in a manner which is justified by the present cost of living."

In the wake of the Wage Board's award, he said, "many newspapers have taken action against responsible journalists who have given devoted service and even discharged ones". It was the Government's duty to ensure that those who were retrenched were taken back and that something was done to protect their interests.

Dr. Malkote wanted that wage boards for iron and Steel, chemicals and engineering industries be set up as early as possible.

Shri N. Keshava (Cong.-Mysore) welcomed the plan for labour participation in management but asked the Labour Ministry to see that the scheme did not founder in any of the public sector concerns. He said that though such a scheme was successfully worked out in a Defence Department workshop in Ambala, it was brought to an end and 80 of the workers were transferred to the "various corners of India".

Shri S.G.C. Anthony Pillai (Soc.-Madras), President of the Hind Mazdoor Sabha, urged the Government to raise the rate of provident fund contributions at least in those industries where there was no doubt about their capacity to pay. As there had been a sharp increase in cases of accidents among dock workers, he wanted revision of the Workmen's Compensation Act.

Shri Pillai pleaded for grant of political rights for civil servants. Industrial workers employed in the public sector were also denied the elementary democratic right of participating in political activities. There was no justification for not allowing these rights to the field staff employed by the Life Insurance Corporation.

He also wanted the Government to frame rules under the Factories Act to detail medical staff in factories.

Referring to the Supreme Court's judgment in the working journalists' case, Shri Pillai said the decision would cause a good deal of frustration not only among the working journalists but also among the entire working class due to the emphasis laid by the court on the element of capacity to pay.

When he characterised the court as a "bulwark of conservatism", the Speaker intervened and pointed out that the members did not have a right to criticise the court. The House had a right to frame a law and the courts were there to interpret that law. It was quite another thing to take away the jurisdiction of the courts over certain matters and appoint tribunals to go into them. "But once you give the courts jurisdiction, you cannot impeach them," he said.

Shri Pillai.— "I very much disagree with you. During the New Deal days, U.S. courts were subjected to quite a lot of criticism."

Speaker.— "In the U.S.A. the Supreme Court, under the concept of police regulations, had power not only to interpret the statute but also to read its own meaning into any law. If a similar practice was adopted in the country, we will have to take leave of ourselves. It is in our interest to restrict the jurisdiction of the Supreme Court to mere interpretation of law."

Shri Pillai said the question of capacity to pay was not of much significance when wages had to be fixed for an industry as a whole. He thought it would be unwise to appoint another wage board for working journalists to go into the question of capacity to pay when the employers had refused to assist the previous Wage Board by furnishing relevant material for fixation of wages. It would be better to have some simple law prescribing wages and other working conditions of working journalists. There might be a provision in such a legislation for setting up a special tribunal to which an employer, who alleged that he did not have capacity to pay, could go and ask for a stay. The tribunal might prescribe some reasonable interim wage in such a case.

Shri G.D. Sonani (Cong.—Rajasthan) characterised the scheme of workers' participation in the management a 'bold experiment'. This scheme, along with the code of discipline in industry, would go a long way in promoting healthier industrial relations so essential for promoting the economic development of the country.

He hoped that the organisations of workers and employers would "make sincere efforts" to implement the code of discipline in the desired manner. The code enjoined both sides to avoid disputes, go-slow strikes, or lock-outs and to promote smooth running of the industries.

Shri Somani wanted the Labour Ministry to take an initiative whenever it received information regarding the difficulties of running a particular industrial unit, instead of watching helplessly as it was at present doing. In this connection, he referred to the voluntary cut accepted by the workers of Sholapur so that certain units could operate.

Shri T.C.W. Menon (Comm.-Kerala) said that though "certain basic issues" had been unanimously agreed upon at the last Indian Labour Conference, difficulties were coming in the way of implementation which made the workers unhappy and spread discontent among trade unionists. For instance, he said, the conception of minimum and fair wage had been agreed upon. When industrial tribunals functioned keeping in view these considerations, cases were taken to higher courts which were only concerned with interpreting the law of the land. As long as there was no law to lay down the conception of minimum and fair wage, the position would remain in conflict with the declared policies of the Government and implementation of such policies would be frustrated.

Shri Menon said the Labour Minister should do something "to correct the wrong done to working journalists". He hoped the Minister would find out some method by which Parliament could legislate upon the terms and conditions of service of a section of workers and, if this could not be done at present to take steps to amend the Constitution so that industrial tribunals could have exclusive jurisdiction and not other courts whose function was only to interpret the law of the land.

Shri Menon said employers in the public sector were "going back upon the code of discipline" to govern labour relations agreed upon by all the parties concerned.

He urged the setting up of a wage board for the petroleum industry which, he said, employed about 25,000 workers. He referred to the difficulties of workers in industries spread over the country having to seek adjudication in each State and appealed to the Labour Minister to ensure that disputes in such all-India concerns were referred to a national tribunal which could decide all the issues involved.

No Pro-INTUC Bias.- The charge that the Government was boosting the Indian National Trade Union Congress was repudiated by Shri Abid Ali, Deputy Labour Minister, intervening in the debate.

He said while the INTUC membership was 0.930 millions in 1955, 0.971 millions in 1956 and 0.944 millions in 1957, the total membership of the three rival central trade union organisations - the Hind Mazdoor Sabha, A.I.T.U.C., and the United Trade Union Congress - was only 0.785 millions in 1956.

He said while he was personally pro-INTUC, he could not be accused of anti-working class bias. The INTUC, he claimed, had helped in combating the evil forces in the country and mobilising the working class behind the drive for increased productivity. The allegations of opposition members would not make him deviate from the line which he had chosen.

Shri Abid Ali contended that amendment of Section 53 of the Industrial Disputes Act had been welcomed by the workers. Prior to this amendment, a number of complaints had been received.

He also denied the charge that the Government was not taking adequate action to ensure that the awards of tribunals were enforced. He said a large number of prosecutions had been filed against employers who had not implemented the awards.

Regarding complaints that the employment exchanges were not able to provide jobs to the Scheduled Castes, Shri Abid Ali said they could not create employment opportunities. Where there were allegations of favouritism against employment exchanges, the Government would look into them. So far as he was aware, as against the quota of 12-1/2 per cent the exchanges had tried to raise the percentage of employment for the Scheduled Castes to 33 per cent.

Shri Abid Ali said necessary legislation amending the Workmen's Compensation Act would be introduced very soon. They also wanted ~~retaining~~ retainer paid to workers employed in sugar mills to be brought within the purview of the Provident Fund Scheme.

So far as utilisation of provident fund accumulations was concerned, the Government wanted the accumulations to be utilised only in old age. Some loan to meet the expenses of marriage of daughters or for building houses might, however, be permitted.

Referring to the progress of housing scheme, Shri Abid Ali said out of the target of 98,000 houses, they had been able to construct 71,000 houses. The Government wanted to encourage co-operative housing societies.

He also quoted figures to show that the number of awards of tribunals referred to the Supreme Court was not so large as had been made out. In 1956, out of 17,600 cases decided by tribunals, only 19 were referred to the Supreme Court.

These figures were, however, disputed by the Opposition members.

Shri Nanda's reply to deator: Industrial Relations.-  
Replying to the debate Shri Gulzarilal Nanda, Union Minister for Labour and Employment, said that as he looked back at the record of his Ministry for the year under review he believed that his Ministry was entitled to a measure of satisfaction.

He said mention had been made during the debate about the code of discipline which had been evolved by the Ministry and which had been ratified by all central organisations of labour and the principal organisations of employers. The code had been hailed as a big achievement, a significant development and as opening a new chapter in this field. The success of this code actually depended, of course, on its implementation, but with the assurances he had received he had no hesitation in saying that his Ministry would be able to render a good account of itself. "This," he said, "may become a stage in a different kind of revolution from what we are accustomed to believe as what may be a revolution in any kind of economy or society."

Shri Nanda said a good though small beginning had also been made in regard to workers' participation in management. He hoped that with goodwill on either side and with a proper appreciation of what was at stake in the country the parties would co-operate in developing this participation in the direction in which his Ministry was desiring.

He said a study group had been set up in his Ministry on workers' participation in management. In this group too the parties, employers and employees, were collaborating. Some experts had also been associated with the group.

Shri Nanda denied allegations made during the debate against the Deputy Minister for Labour that he had shown partiality in dealing with certain labour matters. He said the Deputy Minister was doing his part "in an exceedingly able and loyal way".

He denied the charge that the officers of his Ministry were anti-labour. "I must say that the Labour Ministry is very fortunate in its officers. They are doing their job in an excellent way in the face of difficulties."

Shri Nanda said that in the course of the debate an allegation had been made that labour laws had been amended in favour of employers. If a certain provision was found unworkable or creating serious difficulties it would have to be amended. But it was not fair to say that the whole series of laws passed by the House at the instance of the Labour Ministry were in favour of employers.

As regards the complaint that the administration did not take sufficient initiative in coming to the rescue of workers and resolving disputes, Shri Nanda said: "We are taking the initiative. There was the award in regard to the coal industry. It was held up by a reference to the Supreme Court. If we had left it at that, workers in the coal industry would not have got increased wages. We called the employers and workers and we came to an agreement". The Government could not be expected to intervene and come to the rescue of workers in disputes where wrong steps had been taken without going through the procedures laid down by the Government at all levels for resolving such disputes.

The Labour Minister said that last year the question of non-implementation of awards and agreements was raised. "When I surveyed the whole position, things were highly unsatisfactory. I offered to do something about it and we are doing something about it. The results are not available immediately and it will take some time. But the line of action which we have adopted is of great promise. We have started in the Labour Ministry a Department of Evaluation and Implementation. We have also asked the States to set up a similar department. This department has already started functioning very effectively."

He said that in respect of employers failing to implement awards and agreements not only all those courses of action under the law were open to them but also representatives of employers would be called upon to go to their constituents to get things done. Otherwise how could employers expect workers to produce more. That mutual obligation was well established. "For those who defy and those who have no respect even for their own organisations for any such kind of code, we may have to have an amending legislation so that much more deterrent punishment is provided against them."

Shri Wanda added: "I believe that the various directions in which we are moving in regard to the question of implementation of awards and agreements enable us to cope with the problem effectively. In the course of a few months, we will be able to show that even this malady is gradually reduced."

Shri Wanda said the allegation that the machinery for industrial relations did not work in an impartial manner and particularly applications for adjudication were not treated sympathetically in the case of other trade union organisations and the INTUC was receiving a partial treatment was wholly wrong.

He said that in 1956-57 only 41 per cent of the cases brought by the INTUC were referred to adjudication as compared to 42 per cent of the cases brought by the A.I.T.U.C. and 47 per cent of those brought by the Hind Mazdoor Sabha.

He said there was room for further examination of the question of industrial relations and joint action. He was convening another session of the Indian labour conference in the middle of May and one of the main subjects for discussion was industrial relations. The conference would be given an opportunity to examine this problem at great length.

The Minister denied the charge that the Government was not fair in according representation to different trade union organisations on various bodies and committees and that the INTUC received a preferential treatment.

Shri Wanda said there was another complaint that the verification process in regard to trade unions was not fair. This was a question of administration and if there was any flaw in the procedure it could be removed and the procedure improved.

The Labour Minister said it was "disturbing" that there was lack of unity in the ranks of trade unionists with the result that they were weak and could not have that powerful influence and develop that strength which could so well be used both for the good of workers and the economic progress of the whole country. He wished that it could be possible to set aside the division in the ranks of the workers and establish a single organisation everywhere but the difficulty was that political parties would like to push their power through trade unions.

Shri Wanda said that if trade unions were not exploited for political ends it would be possible to reduce the numerous difficulties which beset the path of workers. That might not be immediately realised but the second best could be done. He added that the Labour Ministry had done something to expedite matters in regard to industrial disputes. Certain instructions had been given and model rules had been conveyed to the States also.

The Labour Minister went on: "We cannot help people exercising certain rights under the Constitution. I do not want to pronounce on the merits of the Supreme Court judgment regarding working journalists. But this matter affects not only working journalists. A large number of cases go to the Supreme Court and High Courts although during the last year there has been some decline in the references, particularly to the Supreme Court.

"I cannot say immediately what the remedy is going to be generally, but I am absolutely sure that this is a deplorable state of affairs for this reason that in the case of workers it is not a kind of property suits which go on for ten or 20 years before the heirs get the money. Here it concerns workers' day-to-day life and suspense and irritation delays are caused. What atmosphere can be created if there are irritating delays? But what is the way out? We may be examining other possibilities and other avenues of these delays but there is one remedy which I am absolutely sure can be applied. After all, who goes to the court? It is the employer who goes mostly. If employers want productivity, discipline and other things, they on their side have to assure the working class that they will not permit any kind of frivolous references".

Shri Wanda said this matter would be considered when the Government, employers and workers met again and that a convention would have to be established. He added that the Government might take steps to see that references to courts were expedited.

Working Journalists.- Shri Wanda said he had been with the working journalists in their "agonising suspense over a long period". The Press Commission came in 1952 and then its report, the passage of the Working Journalists Act, the appointment of the Wage Board and then the Supreme Court decision and "after that nothing." He could congratulate the working journalists on the "extreme patience" they had shown.

The Labour Minister said he had read the judgment of the Supreme Court carefully and he felt that the court had done a service. It had cleared the ground in a number of ways and it had shut out various references on other grounds which possibly might have tempted people again to go to the Supreme Court. "It has also shown the way how to avoid its jurisdiction coming in. To some extent some light has been thrown on that. The Government might try to explore these possibilities."

Shri Wanda said he had written to the parties (newspaper proprietors and working journalists) to meet as soon as possible. "It is a question of a few days and let us hope that good sense will prevail on all sides and something satisfying will emerge out of these discussions."



"If we fail, then where are those people (journalists)? I would not like to say now because we are going to make a genuine effort. So far as I am concerned, I have told working journalists and employers that if on any technical ground the Supreme Court throws out the decisions of the Wage Board then it is our moral obligation to see that as soon as possible something is done which will carry out the intention of Parliament. The intention was that there should be a wage board and the demand (of the working journalists) should be settled in a proper way. That intention has somewhat been frustrated. I can understand the frustration on the part of working journalists also. Therefore, it is up to us all to find a way out. We can think of a national tribunal or another wage board - it may not be very free from objections of further delays occurring. We will try to devise a way which will be most expeditious."

Unemployment.- He said he did not feel that he was in a position to render a very good account in regard to the problem of unemployment. He did not feel quite happy himself. "That does not mean that the best possible is not being done but that the best possible is not quite adequate."

Shri Bhandu said employment was increasing but at the same time, unemployment was also increasing. By diverting funds from projects like steel to labour-intensive projects, it would be possible immediately to provide more employment but that would hit future employment potential. The problem of educated unemployment was even more difficult because the rate at which new matriculates and graduates were being turned out was greater than the pace of investment. The problem of unemployment could be solved only over a period but training and production centres and other schemes for the educated unemployed showed that there was a way out to improve the situation to some extent.

About closures, Shri Bhandu said that mismanagement was rampant in certain industries or certain units over a period and then a situation arose when a plant could not continue to function and it was not profitable to go to its rescue. The question was whether further money should be put into that "sink or drain". This problem had to be solved in a more radical way. The first thing was to see that the State pursued a more active role in the matter. The Industries' Development and Regulation Act had been used eight times or so for the purpose of investigation. When a particular establishment was in difficulties, then the Government ordered investigations. Some further action could be taken but "it (present method) has not proved to be very very fruitful."

This matter, said Shri Handa, was not purely the concern of the employer because what he did ultimately affected the life of thousands of workers and the interests of the community. Private enterprise did not mean that they could have their own way altogether irrespective of the consequences for others. Some way had to be found for taking timely precautionary measures and ensuring that these concerns did not sink down to that condition. The present procedure of liquidation took a long time. Measures would also have to be adopted "which would enable us to make a quick transfer or change-over of the concern and rid it of the big burden of liabilities which it has incurred owing to mismanagement in the past. Then, if the physical assets are all right, the machinery can run and things can go smoothly. In those directions our mind is working."

Wage questions.— As regards the "charter of demands" submitted by some of the trade union organisations, Shri Handa said the charter demanded a 25 per cent increase in wages as an interim stop. That was the most "spectacular" demand.

On the general question of wage increase, he would straightway say that he did not accept the view that any increase would lead to inflation and a wage-price spiral. "I do not believe in a wage freeze", said Shri Handa. "At the same time, this kind of demand that there should be an immediate 25 per cent increase for all workers does not appear to be reasonably conceived."

Shri Handa said the Government wanted real wages to increase progressively for a larger and larger number of persons and not to do anything which might give them an increase now but which would affect the employment or employment potential. "We want to have such wages and standards as may be obtainable for a larger and larger number of workers in the country."

Those who had made the demand, said Shri Handa, had said that wages had not increased in proportion to the cost of living, in proportion to the increase in productivity and in proportion to the rise in the national income. If that yardstick were to be accepted, it would be found that the conclusion that there should be a 25 per cent increase was not justified. For instance, since 1947, there had been an increase of about 20 per cent in real earnings. That meant that the increase in the cost of living had been fully allowed for. Of course, if the comparison was with the 1939 level the picture would not be the same. There had been a very steep fall in real wages between 1939 and 1947. Even then, it would be found that the workers had recovered lost ground, apart from obtaining increased benefits like social security.

This general demand for 25 per cent increase, he said also raised other issues. Was it to apply, for instance, to an industry like coal which had a very big increase only last year? Shri Dange had said in a statement that this was not a mechanical proposition. If that was so, it meant that action would have to be taken to deal with the situation in each industry. That was why wage boards were there for. Wage boards had been set up for three industries. The cases of others were being examined. They had to stay their hands for a time because of the reference to the Supreme Court. That had some kind of a retarding influence. At the same time, because there were no wage boards in a particular industry, the workers in that industry, had no way of getting their just claims settled.

There was the procedure of the tribunals all the time. In the course of last year several hundred awards had been given on the question of wages.

There had been threats of militant action, said Shri Nanda. He was confident that such action would not materialise. When the parties sat across the table, they would find what was possible and what was not. Nevertheless, some harm would have been done if the workers were led to entertain expectations which it was not possible to satisfy. It may be that some organisations want somehow to extend their influence on workers. But there should be healthier ways of doing that. It is, I believe, when an organisation becomes weaker that it thinks of such things."

(The Hindustan Times, 8 and 9 April 1958).

59. Social Research.

India - April 1958.

Eighth All India Conference of Indian Institute of Personnel Management.

The Eighth All-India Conference of the Indian Institute of Personnel Management was held at New Delhi from 7 to 9 February 1958. The Conference was attended by member delegates from all over India. Guest delegates included the Union Ministers for Commerce and Industry and Labour and Employment, Shri V.V. Giri, Governor of Uttar Pradesh, Shri V.K.R. Menon, Director of this Office, and Shri S.C.C. Anthony Pillai, President of the Hind Mazdoor Sabha.

After the inaugural session at which the Secretary's annual report was presented, the Conference split into three groups to exchange views on the following three topics:-

1. Problems of Discipline and Grievance Procedure.
2. Ways and Means of Developing Direct Negotiation, Joint Consultation and Co-operation in Industry.
3. My Approach to Industrial Relations.

Shri P.N. Krishna Pillai, Personnel Manager, Indian Aluminium Co. Ltd., Calcutta was chairman of the first group and the two speakers were Shri B.N. Datar of the Planning Commission and Shri M.M. Ghosh, of the Bengal Chamber of Commerce and Industry.

Dr. E.S. Basu, Personnel Director, Hindustan Lever Ltd., was Chairman of the second group and the two speakers were Shri V.K.R. Menon of this Office and Shri S.C.C. Anthony Pillai, M.P., of the Hind Mazdoor Sabha.

The Labour Minister, Shri Gulzarilal Nanda was the Chairman of the third group, while the two speakers were Shri V.V. Giri, Governor of Uttar Pradesh and Shri Shri Ram of the Delhi Cloth and General Mills Co. Ltd.

Inaugural address.- Shri Morarji Desai, Union Minister for Commerce and Industry, in his inaugural address said that personnel managers were performing a very important task in keeping industrial relations at the highest level. Shri Desai felt that if personnel management was able to create a feeling of oneness of interest and a unity of purpose between the management and employees, it would have succeeded in the performance of its duty. Many a time it could be a thankless task - when passions were excited and reason was at a discount. The personnel manager was more of an "unseen influence", he had to stay in the background. The real appreciation of his work would be "the fact that there were no differences between the management and workers".

He believed that the Institute was most fitted to provide training facilities to personnel managers. With the industrial growth of the country, the working of factories had to be smooth to ensure production and profits. Properly trained personnel managers should be able to locate friction in a unit as soon as it took place or even anticipate it so that steps could be taken to prevent it. It was, therefore, clear that this work required a great deal of training and psychological perception, he added.

Presidential address.- In his presidential address, Shri N.S. Bhat said the theme of the conference was: "Industrial relations in the public and private sectors". How could not work for a nationalised concern any better than for a private concern unless their basic needs were satisfied. They usually looked forward to immediate satisfaction and were not interested in long term plans. Though industry was not started with the purpose of creating satisfaction, at work, <sup>a</sup> ~~an~~ enlightened business man would not fail to ensure it to achieve his objective, he added.

He thought that there was at present greater desire among the managements and employees for mutual trust and co-operation.

Problem of discipline.- Welcoming the Minister and delegates, Shri Charat Ram, Chairman of the Reception Committee said that industrial relations were a part of human relations. He was glad that some undertakings had agreed to try to settle disputes through joint consultation. Shri Charat Ram emphasised that the problem of discipline in industry could not be solved through "codes and edicts imposed from above. Discipline, if it is to be real, must spring from within. I would, therefore, recommend a clinical approach - based on impartial investigation - as opposed to the rule-of-thumb method".

Strong trade unions needed.- Shri S.C.C. Anthony Pillai, President of the Hind Mazdoor Sabha, said that strong trade unions recognised by employers were necessary if joint consultation was to be successful. He admitted that there was a dearth of good trade union leaders in the country.

Shri Pillai thought that it was essential that a single bargaining agent should be introduced so that union leaders would be forced to think more in terms of achieving a reasonable settlement than of reactions of their rivals.

Various speakers felt that frustration was a cause of indiscipline. Some of them thought that a "written down grievance procedure" was useful in tackling this problem.

I.L.O.'s efforts to better labour management co-operation.- Speaking during group discussions on the topic "ways and means of developing direct negotiation, joint consultation, and co-operation in industry," Shri V.K.R. Menon explained how the ILO's tri-partite machinery had played an important role in India in bringing workers and employers together at various meetings of the Indian Labour Conference and its subsidiary bodies which the Government had modeled on the ILO structure.

Shri Menon said that in the I.L.O., the subject of labour-management co-operation, which covers joint consultation as an essential part thereof, has been receiving increased attention of late. In his Report to the 38th Session of the International Labour Conference the Director-General of the International Labour Office took as his main theme the question of labour-management relations. During the debate on the Report many delegates made practical suggestions regarding the action that the I.L.O. might take to bring about a larger degree of co-operation between employers and workers, and the Conference adopted a resolution asking the Governing Body of the International Labour Office to draw up a practical programme of action on the basis of proposals to be submitted by the Director-General. The Director-General commissioned Mr. David L. Cole a well known authority on the subject to prepare a programme of action and this was done. I.L.O. Headquarters were now engaged in ways and means of assisting member countries in working out the programme as suited to varying conditions existing in the different countries.

Continuing Shri Menon said that in addition to a programme of action in the field of labour-management co-operation, which I have already referred, the International Labour Conference also discussed at length the subject of consultation and co-operation. This resulted in a Recommendation (Recommendation No. 94) concerning consultation and co-operation between employers and workers at the level of the undertaking adopted by the International Labour Conference in its 35th Session held in June 1952.

In conclusion Shri Menon referred to the findings of the ILO Productivity Missions in India to illustrate how joint consultation in a proper manner had resulted in achieving increased production with the active co-operation of workers.

(The Statesman, 8 February 1958;  
Documents of the Conference,  
received in this Office ).

# Chapter 6 : General Rights of Workers

## 63. Individual Contracts of Employment.

India - April 1958.

### Industrial Employment (Standing Orders) (Bombay Amendment) Act, 1958 (No. XXI of 1958).

The Industrial Employment (Standing Orders) (Bombay Amendment) Bill (vide pages 48-50 of the report of this Office for June 1957) as passed by the Bombay Legislature received the assent of the President on 13 February 1958 and has been gazetted as Bombay Act No. XXI of 1958. The more important of the amendments are briefly explained below.

- (1) The Act is made applicable to all establishments employing 50 workmen or more.
- (2) Power is taken to make model standing orders applicable initially to all establishments covered by the Act and, thereafter, to permit the employers and workmen to submit within six months thereafter, draft amendments to the model standing orders according to the requirements of each individual establishment. The Certifying Officer will, after consulting the other party, decide whether any modification to such draft amendments ~~with~~ are necessary, and then certify the draft amendments with or without modification.
- (3) The definition of the term "employer" ~~and~~ is enlarged. Where an owner of an industrial establishment enters into a contract with a person for doing any work then in relation to the workmen employed by the contractor the owner of the establishment would be the employer.



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- (4) Section 10 is amended in order to permit modification of model standing orders, with or without amendment, on an application by the employer or workmen, after a specified period.
  - (5) The Act does not at present provide for a penalty for contravention of the provisions of the Act or of the Rules made thereunder, other than those falling in sub-section (1) and (2) of section 13. A new sub-section is added to remedy this defect. Provision is also made to authorise the Court to require an employer to pay adequate compensation to the workmen directly or adversely affected by contravention or an illegal modification of the Standing Orders, for which the employer may have been convicted.
  - (6) In all standing orders a suitable provision should be made for the age for retirement or superannuation of workmen. A new item "Age for retirement or superannuation" is, added to the Schedule to the Act.
  - (7) Industrial establishments for which the Central Government is the appropriate Government under the Principal Act, are excluded from the purview of the Act.

(The Bombay Government Gazette,  
Part IV, 27 February 1958,  
pp. 96-101 ).

Madhya Pradesh Industrial Workmen(Standing Orders)  
Bill, 1958.

The Government of Madhya Pradesh, published on 16 April 1958, the Madhya Pradesh Industrial Workmen (Standing Orders) Bill, 1958, to be introduced in the Legislative Assembly of the State.

The Statement of Objects and Reasons of the Bill declares that standing orders form the basic rules regulating the conditions of service of workmen in industrial establishments. The position in the matter in the State is governed at present by three different Acts, viz., (i) The Industrial Employment (Standing Orders) Act, 1946 (20 of 1946), (ii) The Central Provinces and Berar Industrial Disputes Settlement Act, 1947 (XXIII of 1947), and (iii) The Bombay Industrial Relations Act, 1946 as adapted in Madhya Bharat region by the Madhya Bharat Industrial Relations (Adaptation) Act, Samvat 2003. Such a state of affairs is not desirable and it is expedient to have a uniform law on the subject containing such provisions as are considered desirable in the light of the experience gained in the working of the standing orders under the existing laws during all these past years. The Bill is designed to achieve this object.

The Bill is generally based on the Industrial Employment (Standing Orders) Act, 1946 (20 of 1946). The salient features of the Bill are as follows:-

The scope of the law has been sufficiently widened by providing that the Act shall apply to all industrial establishments employing more than 20 workmen.

Clause 4.- Experience has revealed that if the initiative to frame standing orders in respect of his industrial establishment is left with the employer, he seldom takes initiative in the matter with the result that the workers in his industrial employment have to suffer unnecessarily. No doubt under the existing law employer can be prosecuted for non-submission of standing orders but it has been seen that prosecution is a long drawn affair giving no immediate relief to workmen.

Sub-clause (1), therefore, empowers the Government to apply, by notification, standard standing orders to any establishment to which the Act applies. Sub clause (2) provides for giving continuity to existing standing orders, if any, till standard standing orders are applied to such establishments. It is hoped that this provision would go along way in giving relief to workers by removing a long felt lacuna in the law on the subject.

Clauses 18, 19 and 20.- Provisions in these clauses have been made with a view to tighten the administration of the Act.

The Bill seeks to repeal certain enactments to the extent specified in the schedule. These are :-

Enactment Repealed

Year	No.	Short Title.	Extent.
1947	XXIII	The Central Provinces and Berar Industrial Disputes Settlement Act, 1947.	Section 30. Clause (a) of sub-section(1) of section 40. Sub-section (2) of Section 47. Clause (j) of sub-section(2) of section 61. Schedule I.
1948	XXXI	The Bombay Industrial Relations Act, 1948 as adapted in Madhya Bharat region by the Madhya Bharat Industrial Relations (Adaptation) Act, Sarwat 2006.	Sections 35 to 41. Sub-section (1) of section 46. Sub-clause (ii) of clause(a) of section 37. Section 107. Clause (8) of sub-section(1) of section 123. Schedule I.

(Madhya Pradesh Gazette, Extraordinary,  
16 April 1958, pp. 669-678 ).

66. Strika and Lockout Rights.

India - April 1958.

Industrial Disputes (Bihar Amendment) Act, 1957  
(Bihar Act VIII of 1958 ).

The Government of Bihar gazetted on 5 April 1958 the Industrial Disputes (Bihar Amendment) Act, 1957, of the Bihar Legislature, having been assented to by the President on 7 March 1958. The Act which amends the Industrial Disputes Act, 1947, in its application to the State of Bihar adds the following item to the First schedule to the Industrial Disputes Act, 1947, namely -

" 11. Oxygen and Acetylene."

(The Bihar Gazette, Extraordinary,  
5 April 1958, page 2 ).

67. Conciliation and Arbitration.

India - April 1958.

Industrial Disputes (Punjab) Rules, 1958.

The Government of Punjab published on 28 February 1958, the Industrial Disputes (Punjab) Rules, 1958, made in exercise of the powers conferred under the Industrial Disputes Act, 1947. The rules prescribe inter alia the procedure for reference of industrial disputes to boards of conciliation, courts of enquiry, labour courts or industrial tribunals, powers, procedure and duties of conciliation officer, boards, courts, labour courts, tribunals and arbitrators, remuneration of arbitrators, chairman and members of courts, presiding officers of labour courts or tribunals, assessors, witness and staff, procedure for notice of change in conditions of service applicable to workmen, constitution of works committees, procedure for retrenchment of workers and re-employment of retrenched workmen.

(Notification No. 1747-5 CD1-58/67 38  
dated 24 February 1958; Punjab Government  
Gazette, Extraordinary, 28 February 1958,  
pp. 405-420 ).

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Bombay: Central Provinces Industrial Disputes  
Settlement (Commencement of Certain Amending  
Provisions and Validation) Bill, 1958.

The Government of Bombay published on 17 April 1958, a Bill to bring into force the amendments made by the Madhya Pradesh Industrial Disputes Settlement (Amendment) Act, 1955, to the Central Provinces and Berar Industrial Disputes Settlement Act, 1947 (vide page 50 of the report of this Office for November 1955) from the date of the commencement of the former Act and to validate action taken under those provisions.

The Statement of Objects and Reasons of the Bill declares that the Madhya Pradesh Industrial Disputes Settlement (Amendment) Act, 1955, had amended the Central Provinces and Berar Industrial Disputes Settlement Act, 1947, by incorporating therein certain new and amending provisions.

In Special Civil Application No. 340 of 1957 the Bombay High Court, sitting at Nagpur, has held that though the provisions incorporated by the Amending Act of 1955 have become part of the Principal Act, they have to be read with section 1 of the Principal Act, and consequently, unless and until a notification under sub-section (3) of section 1 thereof is issued bringing the Amending provisions, or any of them, into force they cannot take effect. No such notification was issued by the former Madhya Pradesh Government. In view of this judgment, it is necessary to bring the provisions of the Amending Act into force from the date of the commencement of the said Act namely, 25 November 1955, in relation to the industries in the Vidarbha area to which the Principal Act applied on the said date and also to validate and regularise any action taken so far under the Principal Act as amended by the Amending Act. The Bill seeks to achieve this object.

(Bombay Government Gazette,  
Part V, 17 April 1958,  
pp. 324-526 ).

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Bombay Industrial Relations Act, 1946, extended to  
Transport Services and Electric Supply Industries.

In exercise of the powers conferred under the Bombay Industrial Relations Act, 1946, and by a notification dated 16 April 1958, the Government of Bombay has directed that with effect from 1 May 1958, the all the provisions of the said Act shall apply to the following industries in all the remaining areas of Greater Bombay in addition to the areas thereof specified in Government Notification, Political and Services Department, No. 357/46, dated 4 December 1946 and in Government Notification, Development Department, No. 298/46-1, dated 7 April 1954, namely:-

- (1) the conduct and maintenance of public passenger transport services by omnibus or tram;
- (2) the supply of electrical energy by concerns or undertakings situated in the said areas.

Explanation.- For the purposes of this notification -

- (i) all business, trade, manufacture, service and employment connected with the conduct of either of the above industries shall be deemed to be a part of the industry concerned when engaged in by an employer engaged in such industry;
- (ii) "Greater Bombay" shall have the same meaning as assigned to it in clause (a) of section 3 of the Bombay Municipal Corporation Act (Bombay III of 1958).

(Notification No. BIR 1158-1,  
dated 16 April 1958;  
the Bombay Government Gazette,  
Part IVB, dated 24 April 1958,  
pp. 347-348 ).

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES  
OF WORKERS.

INDIA- APRIL 1958.

71. Employees and Salaried Intellectual Workers.

All Categories of Teachers to receive Pension:  
Madras Education Minister's Announcement.

Shri C. Subramaniam, Minister of Education, Government of Madras, while replying to the demand for grants for his Ministry in the State Assembly on 8 April 1958, said that the State Government has decided to extend the pension scheme to all teachers, employed in High Schools including Oriental, Anglo-Indian and Special Schools.

It may be mentioned here that generally speaking the practice of granting pension to teachers is usually in vogue in Government Schools.

(The Hindu, 9 April 1958).

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

India - April 1958.

Service Conditions of Civil Servants: Government not to  
revise existing rules.

The Home Minister, Pandit Govind Ballabh Pant, said in the Lok Sabha on 25 April 1958, that so far as civil servants were concerned, the Government would not tolerate any sort of unnecessary excitement being created by them for the redress of imaginary grievances or even of any real ones.

He had no objection to Civil Servants joining unions, but he made it clear that their unions must be "of a responsible type". The Government would recognise unions meant for the benefit of public servants but unions, "by whomsoever formed", which had an "ulterior objective", would not be encouraged.

The Home Minister was opposing a non-official resolution sponsored by a Communist member, Chaudhary Pratap Singh Daulta, calling for an examination of Union Government Service Rules by a joint committee of Parliament with a view to making recommendations for their modification and improvement. The resolution was rejected by the House.

Pandit Pant said to think of a parliamentary committee to revise all sets of rules relating to all classes of services was, to say the least, not a feasible proposition, whatever its merits or demerits. It could not possibly be put into operation. The rules, he said, had a technical aspect too and unless one had been in the service himself or had administered the rules or had some share in framing them it would be difficult for him to take up this intricate work of re-examination.

While conceding that it was the duty of the Government to give public servants all privileges and facilities to the extent the resources of the Government and States permitted he said it was necessary they should not enter the arena of conflict and controversy.

Staff councils had been appointed for different services. Officers were there to look after their welfare. The question of emoluments had been referred to the Pay Commission. In such circumstances, the Home Minister said, there was no room or any occasion for any sort of agitation or excitement.

He added: "I see no reason and I am not going to tolerate any sort of unnecessary excitement being created by them for the redress of any imaginary grievances or of real ones.

"I do not see why public servants should go on strike or why should there be any threat of strike. That to me is subversive of the elementary discipline that should be observed in public services."

He said such grievances could be discussed in Parliament and could be settled in a reasonable way. No occasion should arise for strikes or strike threats and such activities should not be encouraged.

The Home Minister said there was no objection to public servants joining unions but unions must behave in a responsible manner. If the union was affiliated to any other union that union too must be of a responsible type. The Government should recognise the unions which were meant for the benefit of public servants. But if the unions had ulterior objectives, they should not be encouraged.

As for service rules governing industrial employees in the public sector he said the Government was giving thought to the question and was going to frame a different set of rules for them.

He said there was no bar in the employment of married women in services. There was only option or discretion. Though the Constitution provided that no one could be debarred from service on the ground of sex, sometimes a married woman could not be employed to a certain job because she would not be able to discharge her duties sufficiently.

(The Statesman, 29 April 1958).

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CHAPTER 8. MANPOWER PROBLEMS.

MEDIA - APRIL 1958.

31. Employment Situation.

Bombay Relief Undertakings (Special Provisions) Bill, 1958:  
Provision for Unemployment Relief.

The Government of Bombay published on 20 March 1958 the Bombay Relief Undertakings (Special Provisions) Bill, 1958, which will enable the Government to conduct industrial undertakings as a measure of unemployment relief.

The Statement of Objects and Reasons of the Bill said that in order to mitigate the hardship that may be caused to the workers who may be thrown out of employment by the closure of an undertaking, Government may take over such undertaking either on lease or on such conditions as may be deemed suitable and run it as a measure of unemployment relief. In such cases Government may have to fix revised terms of employment of the workers or to make other changes which may not be in consonance with the existing labour laws or any agreements or awards applicable to the undertaking. It may become necessary even to exempt the undertaking from certain legal provisions. For these reasons it is proposed to obtain power to exclude an undertaking, run by or under the authority of Government as a measure of unemployment relief, from the operation of certain labour laws or any specified provisions thereof subject to such conditions and for such periods as may be specified. It is also proposed to make a provision to secure that while the rights and liabilities of the original employer and workmen may remain suspended during the period the undertaking is run by Government, they would revive and become enforceable as soon as the undertaking ceases to be under the control of Government.

The laws listed in the schedule to the Bill include:

- 1) The Industrial Employment (Standing Orders) Act, 1946 (XX of 1946).
- 2) The Industrial Disputes Act, 1947 (XIV of 1947).
- 3) The Bombay Industrial Relations Act, 1946 (Dom. XI of 1947).
- 4) The Bombay Shops and Establishments Act, 1948 (Dom. LXXIX of 1948).
- 5) The Central Provinces and Berar Shops and Establishments Act, 1947 (C.P. and Berar Act No. XXII of 1947).
- 6) The Central Provinces and Berar Industrial Disputes Settlement Act, 1947 (C.P. and Berar Act No. XXIII of 1947).
- 7) The Saurashtra Shops and Establishments Act, 1951 (Sau. Act No. X of 1951).
- 8) The Hyderabad Shops and Establishments Act, 1951 (Hyd. Act X of 1951).

The Government is empowered to direct that in relations to any relief undertaking all or any of the laws mentioned above shall not apply or shall apply with such modifications as may be specified in the notification.

(The Bombay Government Gazette, Part V, 20 March 1956, pp. 204-207).

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Employment Exchanges: Working during January 1958.

General Employment Situation.- According to the review of work done by the Directorate-General of Resettlement and Employment during the month of January 1958, the number of registered unemployed at the end of January 1958, was 17,632 more than at the close of the year being 939,731. A total of 6,177 employers utilised the services of employment exchanges and notified 25,854 vacancies. The corresponding figures for the previous month were 5,883 and 24,400 respectively. In keeping with the rise in the number of vacancies notified, the placements during January increased by 1,417, totalling 17,042.

Widespread shortage continued in respect of acceptable or mobile trained teachers, draftsmen, overseers, stenographers, typists, compounders midwives and nurses. Shortage in respect of experienced civil mechanical and electrical engineers, doctors, electricians, skilled fitters, turners and welders was also fairly widespread. A number of exchanges experienced shortage in respect of surveyors, accountants, health visitors, sanitary inspectors, boiler attendants, moulders, diesel engine mechanics, road roller drivers (steam) and tractor drivers.

Widespread surpluses persisted in respect of clerks, untrained teachers, freshers from schools and colleges, motor drivers, carpenters, unskilled office workers and unskilled labourers. A good number of exchanges reported an excess of supply in respect of semi-skilled fitters, motor mechanics, attenders, peons and chowkidars.

Registrations and placings.- The following table compares registrations and placings during the months of December 1957 and January 1958:-

	<u>December 1957.</u>	<u>January 1958.</u>
Registrations -----	168,797	168,221
Placings -----	15,625	17,042

Register of unemployed.- At the end of the month under report 939,731 applicants were on the live registers of employment exchanges which is 17,632 more than the figure at the close of the previous month. This increase was almost widespread, but was conspicuous in the States of West Bengal (7,231), Kerala (2,692), Andhra (2,116) and Mysore (1,258). In all, 11,215 employed and self employed persons of whom 405 were women remained on the live registers at the end of the month.

The composition of the live register occupation-wise is given below:-

<u>Occupation.</u>	<u>Number on Live Register on 31 January 1958.</u>
1. Industrial Supervisory -----	5,900
2. Skilled and semi-skilled -----	73,294
3. Clerical -----	268,441
4. Educational -----	40,435
5. Domestic Service -----	33,124
6. Unskilled -----	475,325
7. Others -----	45,211
<b>TOTAL.</b>	<b>939,751</b>

Employment position of special categories of applicants.-  
 The employment position of special categories of applicants during the month under report is shown in the following table:-

<u>Categories.</u>	<u>Registrations.</u>	<u>Placings.</u>	<u>Number of Live Register.</u>
1. Displaced persons -----	4,243	647	43,412
2. Ex-service personnel -----	4,940	824	24,798
3. Scheduled Castes -----	19,465	2,450	95,903
4. Scheduled Tribes -----	2,958	283	20,386
5. Anglo-Indians -----	193	19	382
6. Educated Applicants -----	155,629	16,685	307,558
7. Women -----	9,165	1,319	56,380

As against 205 medical graduates seeking employment assistance at the end of June 1957, 171 such applicants were on the Live Registers at the end of December 1957. Only 10 or 6 per cent of the total number of graduates were willing to work on a salary of less than 200 rupees per month. A total of 23 such applicants were registered as "employed or self employed persons" according to their own declaration and were in search of better prospects.

As against 173 medical Licentiates who were on the live register of employment exchanges as on 30 June 1957, 141 such applicants were seeking employment assistance at the end of December 1957. Forty-three Licentiates were registered as "employed or self employed persons" and had registered themselves at the exchanges with a view to better their prospects. Only fifty per cent licentiates were willing to accept posts carrying a salary of less than 200 rupees per month.

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Collection of Employment Market Information.- Mr. Bevey, I.L.O. Expert on Manpower accompanied by the Deputy Director of Employment Exchanges (Manpower) visited the State Headquarters of Andhra Pradesh, Madras, Mysore, Kerala, Bihar and Madhya Pradesh and discussed with the State Director and his officers the immediate steps to be taken for implementation-implementing the Employment Market Information Programme and drew up a time-table of action for each State. Inter-departmental meetings were also held at the State Government Secretariats to explain the scope and object of the programme. In order to assist the States in the training of staff, lecture notes together with a time-table of training in Employment Market Information procedures were prepared and sent to all the State Directors.

Vocational Guidance and Employment Counselling.- Mr. S.O. Deos, the I.L.O. Expert, joined the Directorate General of Resettlement and Employment on 10 January 1958 for a 5 months follow up visit. He has started reviewing the progress of the Vocational Guidance scheme.

During the first meeting of the Working Group of the Employment Service held in August 1957, a revised definition of the term "fresher" was arrived at. This new definition was communicated to all Exchanges together with instructions that the revised definition should be followed in respect of the chapter in the Manual dealing with categorisation of applicants into freshers and non-freshers.

The second meeting of the Working Group of the Employment Service was held at Hyderabad on 16, 17 and 18 of January 1958. About 30 items relating to employment exchange policy and procedure were discussed. Minutes of the meeting have been drafted and sent to State representatives who participated in the discussions for formal concurrence.

Occupational Information Unit.- The classification code structure was examined in detail and the various amendments and alterations suggested were discussed by the O.I. Officers with the I.L.O. Expert. As a result of these discussions an amended code structure was prepared to be finalised in consultation with other interested parties concerned such as the C.S.O., I.S.I. the Census Commissioner and others.

Work and Orientation Centres.- Reports relating to the first batch of trainees of the Kalamassary and Delhi Centres received from the Government of Kerala and Delhi Administration were considered at the meeting of the Inter-Ministerial Committee on Educated unemployed held on 25 January 1958. The Committee felt that one year was too short a period for the proper evaluation of the results of the scheme. Accordingly it recommended that pilot scheme should be extended for two years.

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Regarding the extension of the scheme to other States, the Committee felt that this should wait for at least six months by which time the existing batches at Pusa and Kalamassery Centres will have completed their training and the first course at the Kalyani Centre, which is expected to start functioning shortly, will also be completed.

Opening of additional Employment Exchanges.- One new employment exchange was opened during the month. ~~at the end~~ Thus 177 employment Exchanges were functioning in the country at the end of January 1958.

(Review of Work Done by the Directorate-General of Resettlement and Employment during the Month of January 1958; issued by the Ministry of Labour and Employment, Government of India, New Delhi ).



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83. Vocational Training.

India - April 1958.

Labour Ministry's Training Scheme: Training during  
January 1958.

Training of Craftsmen, Women Craft Instructors and  
Displaced Persons.— The number of trainees on the roll  
of various training institutes and centres on 31 January  
1958 was 14,524. There were 12,914 trainees (including  
19 women) in technical trades and 1,610 (including 624  
women) in vocational trades.

Under the scheme for the training of women craft  
instructors at the Industrial Training Institute for Women,  
New Delhi, 29 Women Instructors trainees were receiving  
training at the end of month under review.

The total number of displaced persons undergoing  
training in technical and vocational trades at the end  
of 31 January 1958, was 1,851 of whom 1,546 were undergoing  
training in technical trades and 285 in vocational trades.  
A total of 619 displaced persons were undergoing training  
as apprentices in Industrial undertakings and establishments  
in Uttar Pradesh and West Bengal against 1,220 seats sanctioned  
for the purpose.

Training of School-Going Children in Hobby Centre,  
Allahabad.— Forty-two trainees were undergoing training  
at the end of the month under report at the Hobby Centre,  
attached to the Industrial Training Institute, Allahabad.

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Expansion of the Craftsman Training Scheme.- During the month of January 1958, sanctions for the introduction of the following seats were issued:-

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1. I.T.I., Hourkela	.....	200 seats (New Centre)
2. I.T.I., Gwalior	.....	264 seats (New Centre)
3. I.T.I., Almora	.....	98 seats (Old Centre)

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The total number of seats sanctioned so far under the Second Plan thus comes to 15,342. This number does not include the proposals sent to the Ministry of Finance or those which are under the consideration of the Directorate General of Resettlement and Employment.

The following table gives the total number of training institutes and centres and the total number of persons (including displaced persons) undergoing training on 31 January 1958:-

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<u>Number of Training Institutes and Centres.</u>	<u>Number of Seats sanctioned.</u>	<u>Number of persons undergoing training.</u>
556	19,883	15,974

---

Stores and equipment.- T.C.M. equipment worth approximately 148,490 rupees was reported to have been received at the different training centres during the month of January 1958. This brings the total value of equipment received under this Aid Programme till the end of the month under review to approximate 2.411 million rupees.

Orders for supply of tools and equipment worth 51,701 rupees to Industrial Training Centre, Mandi (Himachal Pradesh) were placed on different firms during this month.

(Review of Work Done by the Directorate-General of Resettlement and Employment during January 1958; issued by the Ministry of Labour and Employment, Government of India, New Delhi ).

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# Chapter 9: Social Security

## 92. Legislation.

India - April 1958.

### Madhya Pradesh Maternity Benefit Bill, 1958.

The Government of Madhya Pradesh published on 7 April 1958, the Madhya Pradesh Maternity Benefit Bill, 1958, proposed to be introduced in the Legislative Assembly of the State. The Statement of Objects and Reasons of the Bill declares that consequent on the reorganisation of States, it has become necessary to consolidate and amend the law in regard to maternity benefit prevalent in the integrating units of the new States. There is no law in force on the subject in the Vindhya Pradesh region which would benefit for (first) the time from this legislation. Improvements have been made upon the existing law on the subject in force in other parts of the State in respect of the matters enumerated below:-

- (a) the scope of the Act has been widened so as to include within its ambit-commercial establishments, omnibus service, workshops, etc.;
- (b) the rest period has been increased from 8 weeks to 12 weeks;
- (c) provision has been made for effective supervisory machinery;
- (d) facility has been provided for easy recovery of claims arising out of the Act, etc.

The salient provisions of the Bill are summarised below.

Extent.- The provisions of the Bill will apply to such establishments or class of establishments and from such date as the State Government may, by notification in the official gazette, from time to time, specify.

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The term 'establishment' has been defined to include (i) a factory as defined by clause (n) of section 2 of the Factories Act, 1948 (LXIII of 1948); (ii) any tramway or motor omnibus service; (iii) workshop or other establishment in which articles are produced adapted or manufactured, with a view to their use, transport or sale; (iv) a shop, commercial establishment, residential hotel, restaurant, eating house, theatre or other place of public amusement or entertainment.

Prohibited period of employment.- No employer shall knowingly employ a woman in any establishment to which the Act applies during six weeks immediately following the day of her delivery; and no woman shall work in any establishment to which the Act applies during six weeks immediately following the day of her delivery.

Maternity Benefit.- Every woman employed in any establishment shall be entitled to the payment of maternity benefit at the rate of  $7/12$ th of her average daily earnings calculated on the total wages earned during the period of three months preceding the day of her confinement or at the rate of 75 N.P. per day ~~preceding~~ her whichever is higher for the actual days her absence for the period immediately preceding her confinement and for not less than six weeks immediately following her confinement.

In the case of a miscarriage the period of maternity benefit after miscarriage shall not exceed three weeks or the period of her absence whichever is less; and in the case of illness arising out of pregnancy or confinement the period of maternity benefit shall be extended by a further period not exceeding one month as may be certified in the manner prescribed.

The qualifying period of service for maternity benefit is fixed at nine months service immediately preceding the date on which notice of confinement is given.

The maximum period for which any woman shall be entitled to the payment of maternity benefit shall be twelve weeks of which not more than six weeks shall precede the date of confinement. If a woman dies during this period, the maternity benefit shall be payable only for the days up to and including the day of her death.

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A medical bonus of 10 rupees shall be paid to a woman worker on maternity leave, if no prenatal confinement or postnatal care of any approved type is provided by the employer or under the Employees' State Insurance Act 1948, free of charge.

Protection against dismissal.- When a woman absents herself from work in accordance with the provisions of the Act, it shall not be lawful for her employer to give her notice of dismissal during such absence or on such a day that the notice will expire during such absence.

Repeals.- The Bill seeks to repeal the Central Provinces Maternity Benefit Act 1930 (VI of 1930), the Bombay Maternity Benefit Act, 1929 (VI of 1929), as adapted by the Madhya Bharat Maternity Benefit (Adaptation) Act, 1949 (34 of 1949), the Bhopal State Maternity Benefit Act 1943 (XIII of 1943), and the Rajasthan Maternity Benefit Act 1953 (XXVII of 1953), so far as it relates to Sironj region.

(Madhya Pradesh Gazette,  
Extraordinary, Part IVA,  
7 April 1958, pp. 533-533).

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V. Oldage Benefits.

Employees' Provident Funds (Amendment) Bill, 1958:  
Extension to Public Sector proposed.

Shri Gulzarilal Handa, Minister for Labour, Planning and Employment, Government of India, introduced in the Lok Sabha on 14 April 1958 the Employees' Provident Funds (Amendment) Bill, 1958, seeking to place the public sector and the private sector on par in the matter of application of the Employees' Provident Funds Act, 1952.

The Statement of Objects and Reasons of the Bill declares that the Employees' Provident Funds Act, 1952, does not apply at present to any establishment belonging to the Government or a local authority by virtue of section 13(1)(a) of the Act. It has been felt that this exception in favour of the establishments owned by Government or a local authority offends against the principle of uniformity of treatment of the public and the private sectors in the matter of application of labour laws. It is, therefore, proposed to omit clause (a) of section 13(1) of the Act. It is also proposed to amend the definition of "appropriate Government" in section 2(a) of the Act in order to enable the Central Government under section 17 to exempt, in suitable cases, any establishment belonging to, or under the control of, the Central Government or connected with a railway company or a major port. The present Bill seeks to achieve these objects.

(The Gazette of India, Extraordinary,  
Part II, Section 2, 14 April 1958,  
pp. 527-529 ).

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VIII. Maternity Benefits.

All-India Maternity Benefit Bill, 1958: Non-Official  
Bill introduced in Parliament.

Mrs. Rema Chakravarty (Communist-West Bengal) introduced in the Lok Sabha on 5 April 1958 a Bill to prevent the employment of woman in factories, plantations and other establishments for some time before and some time after confinement and to provide for payment of maternity and medical benefits to them.

The Statement of Objects and Reasons of the Bill declared that in order to permit a woman to fulfil her double role of worker and a mother, dedicating her energy to raise both the wealth of the nation and the family, as well as to rear up healthy happy children, the need for an All-India Maternity Benefit legislation has become necessary. Although State legislations guide Maternity Benefits, All-India legislation has been demanded for a long time: (1) because there is such wide divergence of the law varying from State to State; (2) because Maternity Benefit in plantations is being widely circumvented due to loopholes in the State laws; (3) white collar women workers in offices, in schools and colleges and the in other institutions have no legal act guiding their right to Maternity Benefit.

Although the Central Government has asked State Governments to revise their Maternity Benefit laws and made them conform to certain common standards, as yet very few State Governments have complied with this request while many workers continue to face the sufferings arising out of the loopholes and inequities of the existing maternity benefit laws. Dismissals from service and threats of being rendered unemployed are commonly-used devices to circumvent the law. The rates are often low and payment so long deferred that the very purpose of the Act is often defeated. Hence the urgent necessity of this All-India Act.

The Bill seeks to prohibit the employment of women in any factory, plantation or other establishment during the eight weeks immediately following the day of her confinement and provides for the payment of Maternity Benefit at the rate of the average daily earnings during the period of her actual absence immediately preceding and including the day of her confinement and for the eight weeks immediately following her confinement.

(The Gazette of India, Extraordinary,  
Part II, Section 2, 5 April, 1958,  
pp. 511-520 ).



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Uttar Pradesh: Old Age Pension Rules modified.

The Government of Uttar Pradesh has modified the rules relating to the U.P. Old Age Pension Scheme (vide pages 63-64 of the report of this Office for August 1957). The scheme was introduced in the State on 1 December 1957.

The modifications have been designed to accommodate greater number of beneficiaries as certain number of beneficiaries cases of hardships were brought to the notice of the Old Age Pension Advisory Committee.

The modifications provide that applicants who are over 70 years of age but whose only supporting dependant, the wife, too is over 60 years in age should be given pension under the scheme.

Applicants who are 70 years of age and whose living relatives are also of the age of 70 years or above and are themselves otherwise destitutes should be given pension.

There may be cases where the applicants may be over 70 years of age and may have relatives who may be continuously missing for over seven years or so, or may have relatives totally incapacitated, such as blind persons, leprosy victims or infirm persons or insane persons. It has been decided that such persons should also be given pension under the scheme. The fact that the relatives are so missing should be categorically certified by the District Magistrate.

Where the old and the destitute applicant, eligible for pension under the scheme, is insane or of an unsound mind, efforts should be made to appoint a guardian for him and pension should be given to the guardian so nominated by the District Magistrate. An agreement would, however, have to be executed by the guardian undertaking to support the insane applicants before the pension is sanctioned.

When both the husband and the wife are over 70 years of age, both of them would be entitled to a pension under the scheme.

It has been decided that the money order commission on old age pension being very nominal should be met by the State Government out of the contingencies.

(The Hindustan Times, 20 April 1958).

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CHAPTER 11. OCCUPATIONAL SAFETY AND HEALTH.

INDIA - APRIL 1958.

111. General.

Safety in Mines: Conference to be Convened.

Addressing the first meeting of the Steering Group on Safety in mines held at New Delhi on 17 March 1958, Shri G.L. Nanda, Union Minister for Labour and Employment said the Government was alive to its obligations as the question of safety became more important in the context of expanding production. "Safety, no doubt, costs; but this cost has to be borne. If production cannot be had except at the cost of safety, it is not worthwhile". "What we are producing is little compared to producing what we are going to produce, and there will be a rush for more production. This is going to entail more of mechanization. Therefore, a greater sense of caution and preparedness to deal with contingencies has become important". Shri Nanda also referred to the appointment of courts of inquiry to investigate the recent accidents in the Chinakuri and Central Bowrea collieries (vide Section 111, page 97 of the report of this Office for February 1958) and said much more had to be done besides the setting up of such courts for particular accidents.

The Steering Group then drew up a list of subjects to be discussed at the main conference. These were: mining legislation, its enforcement and connected problems, management practices - duties and responsibilities of management, how far they are being discharged; recruitment of labour and conditions under which they work; training of supervisory staff and workers; inculcation of safety and consciousness through training and safety propaganda; special hazards connected with deep, gassy and dusty mines and how to cope with them; compensation and relief for treatment and rehabilitation of victims of accidents; safety equipment, its availability and development; rescue and recovery of victims of accidents; and discipline among workers in conducting different operations in mines.

The Steering Group consists of representatives of employers, workers, mining experts and three Members of Parliament.

(The Hindustan Times, 18 March 1958).

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Accidents at Indian Ports: Minister's Statement  
in Parliament.

Replying to a question in the Lok Sabha, the Deputy Minister for Labour stated that the following steps were being taken by the Government to reduce the frequency of accidents at Indian Ports:-

- (1) A scheme for training of dock workers had been framed and circulated to the Port Authorities and Dock Labour Boards.
- (2) A full length film on 'Safety in Dock Work' was being produced.
- (3) Safety Committees were being set up in the Ports to create safety consciousness amongst employers and workers.
- (4) Technical bulletins and safety posters for educating both the employers and employees in safety practice in dock work were being issued by the Chief Adviser Factories.

(Indian Labour Gazette, Vol. XV, No. 9,  
March 1958, page 893 ).

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CHAPTER 12. INDUSTRIAL COMMITTEES.

INDIA - APRIL 1958.

121. Special Information.

First Session of Industrial Committee on Mines  
Other than Coal, New Delhi, 17-18 April 1958:  
Creation of Welfare Fund for Manganese Mines  
and Extension of Minimum Wages Act approved.

The first meeting of the tripartite Industrial Committee on Mines other than Coal Mines (vide section 121, page 134 of the report of this Office for March 1958) was held at New Delhi on 17 and 18 April 1958, Shri Gulzarilal Nanda, Union Minister for Labour and Employment presiding. The session, among other decisions, approved legislation for setting up a welfare fund for manganese mines and extension of Minimum Wages Act, 1948, to all mine workers.

Proceedings: Shri Nanda's address.- Inaugurating the meeting, Shri Nanda stressed the growing importance of the mining industry in the context of industrial development of the country. He added that the large range of products available from mines had high value from the point of view of external resources. The problems of mica, manganese, iron ore, lime-stone and other mining industries should be viewed from this angle, he said.

He said the prospect of proper implementation of labour laws became brighter when those who had ultimately to bear the brunt of whatever arose out of those laws had a share in making them and settling policies. Then those laws had a much more assured future.

The method of tripartite consultations, Shri Handa said, had yielded good results. He said the approach had to be not one of bargaining; nor one trying to get more out of the other. That never paid. He said: "We want the stability and progress of the country; we want industry to grow and we want to promote the well-being of the working class. All these things are inter-related. Therefore, the Government, industry and workers have a common interest in all these things."

In this connection, Shri Handa referred to the scheme of workers' participation in management, the code of discipline, the grievance procedure etc., which had been worked out on an agreed basis. This was a great advance, he said.

Referring to the condition of workers in mines other than coal, Shri Handa said, he had the impression that the workers were badly organised or unorganised and in many places were not being looked after well. This had to be gone into carefully.

He also referred to the draft regulations that had been framed to govern operations in mines, and said that accidents could be reduced greatly not merely by framing rules but by ensuring their implementation.

Decisions: 1) Welfare Fund for Manganese Mine workers.-  
The Committee approved the setting up of a Manganese Mines Labour Welfare Fund by imposing a welfare levy of 2 rupees per ton, to begin with, on all exports of ores with more than 40 per cent manganese content. It was, however, made clear that the exemption of low-grade ores from the levy would not preclude workers employed in such mines from the benefits contemplated by the proposed fund.

The Committee recommended that no State should be exempted from the scope of the legislation to be enacted for setting up the welfare fund. The representative of the Orissa Government, however, desired to reserve his position on the matter on the ground that his State already had similar legislation covering all mines.

There are at present 595 manganese mines in the country, employing on an average 89,907 persons with a total output of 1,583,558 tons valued at 108,154,330 rupees.

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Extension of Minimum Wages Act.- The Session also agreed that the Minimum Wages Act should be extended to all mines as early as possible, but that the extension of the Act should not adversely affect the existing rights of workers in any manner.

Metalliferous Mines Regulations.- The Committee also considered the draft regulations governing operations in metalliferous mines and approved the changes suggested by its sub-committee. A few more changes were suggested by workers' representatives during the discussions and the Committee decided that these should be examined.

The Indian Metalliferous Mines Regulations, which are in force at present, were framed in 1926 at a time when the metalliferous mining industry was still in its infancy. These regulations have proved to be inadequate to meet the present requirements of the fast developing industry. In the majority of the mines little planning is done and work is carried out in a haphazard and often dangerous manner. It is therefore considered necessary to ensure that under the stimulus of expansion schemes of mineral production, the interests of safety are not lost sight of and that the new mines are planned scientifically on modern lines. The need for revision of the regulations has, therefore, become a necessity.

In the light of the experience gained in the working of the existing regulations and in consultation with the State Governments and Mining Boards, a draft code of revised regulations was, therefore, prepared and published for general information on 28 March 1957 (vide section 112, page 151 of the report of this Office for April 1957).

(The Hindustan Times, 18 and 19  
April 1958;

Documents of the Meeting received  
in this Office ).

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Meeting of Sub-Committee of the Industrial Committee  
on Plantations, New Delhi, 23 April 1958; Appointment  
of Wage Boards deferred; Amendments to Code of Discipline  
in Industry.

The Sub-Committee set up at the eighth session of the Industrial Committee on Plantations held in January 1958 (vide section 121, pp.100-107 of the report of this Office for February 1958) to consider the subjects of discipline, housing and wages, met at New Delhi on 23 April 1958, Shri Abid Ali, Union Deputy Minister for Labour presiding.

Shri Abid Ali's address.- Addressing the meeting Shri Abid Ali stated that nobody would question the great need for discipline in the interest of higher production and all would agree that discipline was best maintained when it was evolved from within and not imposed from above. He added that they had heard of many instances of indiscipline in the plantations recently. These were distressing because such happenings did not help anybody, least of all the workers. The problem of discipline in plantations had its special features. Unlike other industries, plantation workers lived on the estates and the employers' policy touched to their life at many more points. These might very well turn out to be points of friction, but was it not possible to transform them into points of cooperation?

Code of Discipline.- After a discussion, the sub-committee agreed to adopt the Code of Discipline in Industry with the following modifications:-

i) In para 1 under Explanation in Part I, the reference to the Sub-Committee of the Indian Labour Conference would be replaced by a reference to the Sub-Committee of the Industrial Committee on Plantations. The reference relates to the body to settle the procedure for resolving difficulties which may arise in deciding or identifying the party on which the obligations of the Code shall fall.

ii) In Clause (i) of Part III, the words "or alter conditions of service" would be added after the word "work-loads". The original clause read "Management agree - not to increase work-loads unless agreed upon or settled otherwise".

iii) In Clause (iv) of Part IV the word "insubordination" would be replaced by the words "disregard or disobedience of reasonable and lawful orders". The original clause reads: "Union(s) agree.....to discharge unfair labour practices such as (a) negligence of duty, (b) careless operation, (c) damage to property, (d) interference with or disturbance to normal work and (e) insubordination".

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Housing.— An exchange of views on the fuller utilisation of loans for provision of houses to workers took place. The employers generally felt that while they were anxious to avail of the loans, they had no resources with which to construct houses, due to many factors including tax obligations. They therefore wanted some relaxation of conditions for grant of loans. One employer member suggested that a fund might be created out of the surplus of the Tea Board for guaranteeing the advances made to the planters under the Housing Scheme. Alternatively, loans should be advanced against the promissory notes of limited liability companies. Shri A.K. Pillai (Kerala Government) said that the Government of Kerala had already relaxed the rules and employers could get loans against a bank guarantee. This relaxation was made on their suggestion. Yet their response was poor. The employers now wanted that instead of a bank guarantee, a bank reference should be enough. Even this was being considered. But employers must co-operate by making use of the loans offered. Shri S.K. Banerjee (West Bengal Government) agreed that there was considerable force in the argument advanced by employers. He suggested that the Central Government should take initiative in the matter of making relaxations to meet this difficulty.

Shri S.K. Mallick (Assam Government) said that in Assam, certain unanimous decisions had been reached at a recent tripartite meeting which was attended also by a number of financiers. The difficulties felt by the financiers in accordance accepting the Assam Government's proposals had been satisfactorily resolved. The decisions of the meeting were:—

"(a) The houses constructed with the loan money and the land on which the houses stand should be offered at first mortgage with Government against loans under the Plantation Labour Housing Scheme.

"(b) There should be an undertaking by the loanee that he will not create any encumbrances on the Estate without making arrangement for annual repayment of the housing loan. This matter of "negative lien" should be legally examined and it should be ensured that in case of default by the loanee the financing bank may be made liable for the payment of the instalments.

"(c) If Government is satisfied that in a bad year some extension of time should be allowed for repayment of the annual instalment of the loan Government may consider postponement of the repayment of the loan for a specified period of time.



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"(d) The property situated in any other area may be accepted as security provided other conditions are satisfied under the existing rules."

Shri H.P. Dube, Housing Commissioner, Ministry of Works, Housing and Supply, Government of India said that note had been taken of the suggestion that the Government of India should consider whether they could allow the State Governments to take a risk in the matter of security conditions for the loans or, where such risk was taken, it could be shared between the Centre and the States. This would be taken up with the Ministry of Finance.

He thought that one possible solution of the difficulty might be the creation of a pool guarantee fund to cover the bad debts, if any. If loans were given to the State Governments at 5 per cent, 1/2 per cent might be put into this pool guarantee fund.

He pointed out that only about 10 per cent of the planters were in need of the loans and the remaining 90 per cent would have to find their own money for building houses, which was a statutory obligation. It would be interesting to know how this larger percentage of employers proposed to meet this obligation.

Shri U.K. Ghoshal, Chairman, Indian Tea Board, referred to the suggestion about a guarantee fund to be created out of the surplus available with the Tea Board and said that, in principle, it would be reasonably safe to expect that if that was found to be the only solution, the Tea Board might take a favourable view. However, the fund was rather limited and there were a number of schemes looking up to it for support. So, if any proposal for providing security for housing loans came up, it would have to compete with these other schemes and it would be necessary to decide which scheme deserved the highest priority.

Wage Boards.— The Sub-Committee noted that even though the workers' representatives were in favour of a Wage Board for the Plantation industry, the representatives of employers and State Governments did not think it appropriate to disturb the existing Wage agreements by setting up a Board at the present stage. In view of the divergent opinions expressed he thought that the question of setting up a Wage Board should be deferred for the present.

(Documents of the Meeting received  
in this Office).

LIST OF PRINCIPAL LAWS PROMULGATED DURING THE PERIOD COVERED BY THE REPORT FOR APRIL 1958.

INDIA - APRIL 1958.

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

Punjab Shops and Commercial Establishments Act, 1958 (Punjab Act No. 15 of 1958). (Punjab Government Gazette, Extraordinary, 1 May 1958, pp. 932-933).

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

- (a) Industrial Employment (Standing Orders) (Bombay Amendment) Act, 1958 (No. XXI of 1958) (Bombay Government Gazette, Part IV, 27 February 1958, pp. 93-101).
- (b) Industrial Disputes (Bihar Amendment) Act, 1957 (Bihar Act VIII of 1958) (Bihar Gazette, Extraordinary, 5 April 1958, page 2).

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CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

- \* "Fifth Annual Session - Brief Review - Madurai:1958, INTUC". pp.108.

CHAPTER 3. ECONOMIC QUESTIONS.

- \* (a) "Statistical Abstracts of Madhya Pradesh, 1956-57". Issued by Directorate of Economics and Statistics, Madhya Pradesh.
- \* (b) Received from the Government of Bombay a copy each of the following:-
- 1) Speech of the Finance Minister, pp.84.
  - 2) Financial Statement (Budget), pp.31.
  - 3) Budget Memorandum for 1958-59, pp.588.
  - 4) Civil Budget Estimates for 1958-59, pp.1169.

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

- \* (a) Received from the Directorate of Industries and Commerce, Government of Andhra Pradesh; one copy each of:-
- 1) Handicrafts of Andhra Pradesh, pp.33.
  - 2) Sericulture in Andhra Pradesh, pp.9.
  - 3) Results of socio-economic survey conducted by the Women's Relief Committee, Hyderabad-Deccan, pp.28.
  - 4) Development of Handloom Industry in Andhra Pradesh, pp.51.
- \* (b) "The Madras Cultivating Tenants Protection Act, 1955 (Madras Act XIV of 1955) and the Rules made thereunder", pp.13; price 0.20 Naya Paisa.
- \* (c) "The Tanjore Panniyal Protection Act, 1952 (Madras Act XIV of 1952) and the Rules made thereunder", pp.9, price 10 Naya Paisa.
- \* (d) Received from the All India Co-operative Union, New Delhi, one copy each of the following:-
- 1) "Four Years of the All-India Co-operative Union, 1953-57", pp. 71.
  - 2) "Co-operative Developments in India 1953-54 to 1955-56" with latest developments on State Partnership, etc. - Report to the 3rd Indian Co-operative Congress, 1958, pp.122.

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CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

- \* (a) "Annual Departmental Report by the Commissioner of Labour and Commissioner of Mines for the Financial Year 1956-57, Hong Kong", pp.136, price \$ 6.00.
- \* (b) "Administration Report on the Working of the Madras Shops and Establishments Act for the year 1956", pp.5. (One copy sent to Geneva vide this Office Minute No.D.3/912/58 dated 25 April 1958).
- \* (c) "Statistical Abstract, India, 1955-56". New Series No.6; Issued by the Central Statistical Organisation, Cabinet Secretariat, Government of India, pp.932.

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

- \* (a) "A Case Study - Labour-Management Relations at the Indian Aluminium Works - Belur, West Bengal", by Subbiah Kammappan and his associates in the Industrial Relations Research Department, Xavier Institute of Labour Relations, Jamshedpur, pp. 53 plus Appendices.
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CHAPTER 8. MANPOWER PROBLEMS.

- \* (a) "Report 1957-58" of the Ministry of Rehabilitation, Government of India, pp.92. (One copy sent to Geneva vide this Office Minute No.D.1/768/58 dated 7 April 1958).
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CHAPTER 9. SOCIAL SECURITY.

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