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INTERNATIONAL LABOUR OFFICE
INDIA BRANCH

Industrial and Labour Developments in October 1959.

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

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - OCTOBER 1959.

12. Activities of External Services.

Publications:

During the month 'ILO Bulletin' Vol.VI, No.3, was published by this Office.

Visitors:

Mr. Jef Rens, Deputy Director-General, Mr. R. Rao, Assistant Director-General and Mr. R. Lyman, Chief, Manpower Division, visited the Office during the month of October.

Reception:

To meet the Deputy Director-General, the Director and Mrs. Menon held a reception on 29 October 1959, at which, among others, the following guests were present:- Shri V.V. Giri, Governor of Uttar Pradesh, Shri G.L. Nanda, Union Labour Minister, and Shrimati Lakshmi Menon, Deputy Minister of External Affairs.

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Chapter 2. International and National Organisations

25. Wage-Earners' Organisations.

India - October 1959.

Strength of Central Trade Union Organisations:
INTUC Has Largest Membership.

Replying to a short notice question in the Lok Sabha on 12 September 1959, the Union Deputy Minister for Labour, Shri Abid Ali, said that the membership figures claimed by I.N.T.U.C., A.I.T.U.C. and H.M.S. as on 31 March 1959 were:

<u>Organisation.</u>	<u>No. of Unions.</u>	<u>Membership.</u>
I.N.T.U.C. -----	1,269	1,503,605
A.I.T.U.C. -----	1,338	1,082,572
H.M.S. -----	324	480,290

The U.T.U.C. had asked for time upto 15 September 1959 for submitting its membership figures and this had been allowed.

Asked about the actual membership of these organisations, Shri Abid Ali replied that verification of the figures, which was being done in consultation with the representatives of the Central Trade Union Organisations would take several months to complete.

Earlier in written answer to a question in the Lok Sabha on 4 September 1959, the Deputy Minister stated that the verification of membership of the Central Trade Union Organisations had not yet been completed. The verification figures, as on 31 March 1958, forwarded to the organisations to enable them to submit their objections, if any, were:

I.N.T.U.C. -----	898,527
A.I.T.U.C. -----	517,306
H.M.S. -----	184,084
U.T.U.C. -----	80,345

(Indian Information, Vol.2, No.17,
1 October 1959, pp. 594-595).

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National Federation of Steel Workers set up under
INTUC Auspices.

A Convention of Workers' representatives of the six steel plants in India - Jamshedpur, Durgapur, Burnpur, Bhilai, Rourkela and Bhadravati - was held recently at Jamshedpur. The Convention, which was inaugurated by Shri G. Ramanujam, President of the I.N.T.U.C., decided to form a Federation of all iron and steel workers of which Shri Michael John, President of the Tata Workers' Union, was elected President.

The Federation will act as the central representative organisation to negotiate, conclude, modify or revoke collective agreements on wages and conditions of service on behalf of all workers employed in the iron and steel industry. About 70 delegates from Rourkela, Bhilai, Durgapur, Burnpur, the Bhadravati Steel Works and TISCO attended Convention.

(Indian Workers Vol.VIII, No.3,
19 October 1959, page 1).

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Chapter 3. Economic Questions.

33. Full Employment Policy.

India - October 1959.

Pilot Projects to Study Employment Opportunities:
Union Government's Decision.

At a Press interview at Calcutta on 24 October 1959, Shri Gulzarilal Nanda, Union Minister for Labour and Employment, stated that the Union Government had decided to set up a pilot project in each State to study how employment opportunities can be expanded in a particular area and under specific conditions.

For details, please see Section 81, p. 86 of this Report.

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34. Economic Planning, Control and Development.

India - October 1959.

4250 Million Rupees Invested in Public Sector during
First Three Years of Second Five Year Plan.

A sum of 4,258.2 million rupees was invested in the various industrial projects in the public sector during the first three years of the Second Five Year Plan, according to official statistics.

This includes 4141.9 million rupees spent on Central and 116.3 million rupees on State Government schemes. Of this, the foreign exchange component has been estimated at 2441.6 million rupees.

The bulk of the Central expenditure was incurred on the three steel plants - Bhilai 1200.9 million rupees, Rourkela 1387.3 million rupees and Durgapur 1016.9 million rupees.

The other important items of expenditure during this period were: The Neyveli Lignite project 154.9 million rupees; the Integral Coach Factory at Perambur 71.9 million rupees; the heavy electricals plant at Bhopal 70 million rupees; the Nangal fertilizer factory 91.0 million rupees; Sindri Fertilizers 42.8 million rupees; Hindustan Machine Tools 22.3 million rupees; Hindustan Antibiotics at Pimpri 14.6 million rupees and Hindustan Insecticides, Delhi 8.4 million rupees.

The State-wise ~~investments~~ investments on Central schemes were Andhra 6.5 million rupees; Bihar 52.4 million rupees; Bombay 27.6 million rupees; Kerala 2.5 million rupees; Madras 226.8 million rupees; Madhya Pradesh 1270.9 million rupees; Mysore 25.9 million rupees; Orissa 1387.3 million rupees; Punjab 91.0 million rupees; Uttar Pradesh 6.9 million rupees; West Bengal 1035.2 million rupees; and Delhi 8.9 million rupees.

As Madras, Orissa, Punjab, Rajasthan and Delhi had no Central schemes during this period and hence no investments.

During the first Five-Year Plan the total investments of the Central and State Governments made in public sector project amounted to 581.6 million rupees of which the foreign exchange component was 124.5 million rupees.

(The Hindustan Times, 28 September 1959).

Working of the Industrial Finance Corporation during
July 1958 - June 1959, 666.9 Million Rupees Loans given
to Industry.

The gross income of the Industrial Finance Corporation of India, during the year ended 30 June 1959, rose to 20,338,000 rupees from 15,491,000 rupees in the previous year. The net profit also rose to 3,537,000 rupees from 2,820,000 rupees.

Loans amounting to 37.9 million rupees were sanctioned to 19 ~~application~~ applicants from six industries bringing the total amount of loans sanctioned to 190 concerns since the inception of the Industrial Finance Corporation in 1948 to 666.9 million rupees. The Corporation sanctioned interim loans aggregating 42.5 million rupees during the year.

During the year, the Corporation repaid 50 million rupees to the Central Government, but withdrew subsequently 30 million rupees. The Industrial Finance Corporation thus owes the Government 130 million rupees. These borrowings carry an interest of $4\frac{1}{2}$ per cent.

Borrowings from the Reserve Bank were sparingly availed of during the year mainly due to the success of the public issue of bonds, which were subscribed to the tune of 83.9 million rupees - i.e. 38.3 million rupees more than the previous year's subscriptions, even though the amount of issue in both years was the same, viz., 40 million rupees.

The report says that out of the net income of 3,537,000 rupees, 1,000,000 rupees will be paid to the Central Government to reduce the Corporation's liability to the Government on account of subvention drawn from it in previous years for the payment of the guaranteed dividend. Out of the balance of profit, 1,412,000 rupees have been transferred to the General Reserve Fund which stood at 3,112,000 rupees on 30 June 1959; 1,125,000 rupees will be utilised for distribution among shareholders of the guaranteed dividend at $2\frac{1}{2}$ per cent on the paid-up share capital of 80 million rupees.

Industrial Loans.- During the year, the Corporation sanctioned loans worth 37.9 million rupees on 19 out of 26 applications. The disbursements amounted to 74.8 million rupees. Nine loans aggregating 17.0 million rupees were sanctioned to co-operative societies.

Industries other than co-operatives which were sanctioned loans during the year were cement - 11 million rupees; cotton Textiles - 4 million rupees; Iron and Steel (light engineering) - 3.3 million rupees; mechanical engineering - 2 million rupees; and electrical engineering - 0.6 million rupees.

State-wise, Bombay was sanctioned the largest amount of loan (195 million rupees); followed by Madras (94.7 million rupees); West Bengal (63.4 million rupees); Uttar Pradesh (56.1 million rupees); Mysore (50.6 million rupees); Bihar (49.8 million rupees); Kerala (47.7 million rupees); Orissa (37.7 million rupees); Andhra Pradesh (31 million rupees); Punjab (30.1 million rupees); Rajasthan (7.45 million rupees); Assam (6 million rupees); Delhi (2 million rupees); and Madhya Pradesh (0.35 million rupees).

The total amount of interest charged on loans advanced since the inception of the Industrial Finance Corporation was 70.3 million rupees of which 69.3 million rupees were actually received. The sum in default amounted to 1.4 per cent of the total amount due. The rate of interest remained unchanged at 7 per cent with the usual rebate of $\frac{1}{2}$ per cent for payment of interest and repayment of instalments of principal on the due dates.

(The Statesman, 26 September, 1959).

National Income of India for 1957-1958: Preliminary
Estimates show 1.5 Per Cent Decline.

According to preliminary estimates, the national income of India for the year 1957-58 was 108,300 million rupees at 1948-49 prices as against 110,000 million rupees for 1956-57. The figures show that in real terms, there has been a decline of 1.5 per cent. This decline is a reflection of the shortfall in agricultural production consequent on a bad monsoon. A temporary set-back like this does not in any way reflect adversely on Plan efforts.

So long as the country is dependent on the monsoon, such fluctuations are unavoidable. This has happened in other countries also. In Ceylon, for example, the gross national product went down in 1953 to 3.69 billion rupees from 3.92 billion rupees in 1952; it went down again in 1956 to 4.32 billion rupees from 4.34 billion rupees in 1955. In Pakistan, national income registered a decline from 18,320 million rupees in 1950-51 to 18,160 million rupees in 1951-52; it also showed a fall in 1955-56 to 19,520 million rupees from 19,860 million rupees in 1954-55.

The level of agricultural production in India has varied in recent years but it was only in 1957-58 that the fall was large enough to be reflected in a decline in national income as a whole. Over a period of seven or eight years, the income of the agriculturists went up steadily in constant (1948-49) prices as may be seen from the following table:-

Year	Net value added in agriculture (in constant prices).	Aggregate national income (in constant prices).	Income in agricultures as percentage of aggregate income.
1950-51 ..	4340	8850	49.0
1951-52 ..	4440	9100	48.8
1952-53 ..	4600	9460	48.6
1953-54 ..	4980	10030	49.7
1954-55 ..	5030	10280	48.9
1955-56 ..	5020	10480	47.9
1956-57 ..	5250	11000	47.7
1957-58 ..	4930	10830	45.5

On present estimates, there is an increase in food production in 1958-59 to about 73 million tons as compared to 62 million tons in the previous year. This will reflect itself in higher national income.

While income from agriculture declined in 1957-58, the income from other sectors increased. This does not mean that the other sectors gained at the expense of agriculture. If these other incomes had not increased, there would have been correspondingly more poverty for everybody. A reduction or a non-increase of incomes in other sectors would not have benefitted agriculturists. It should be a matter for satisfaction that, in spite of a fall in agricultural production, there were some increases in production in other sectors, so that the fall in aggregate national income turned out to be more moderate than the fall in agricultural production taken by itself.

A word might be said about the decline shown in the table above in the proportion of national income originating in agriculture. As the economy of a country develops, the proportion of incomes generated in agriculture necessarily goes down. This is because other sectors like industry, trade and transport and services advance more rapidly. In fact, a relative decline in the share of agriculture in total national income is regarded as an index of economic progress. While one cannot draw conclusions of this character from short term trends, over a period, the implication of economic progress necessarily is that the relative proportion of income from agriculture goes down. Simultaneously, there has to be a transfer of population from agriculture to secondary and tertiary occupations, which would raise per capita incomes in agriculture. This latter process has probably not started in India and it is for this reason that it cannot be argued from the declining share of agriculture in total national income, that the economy is definitely advancing. This is the case of agricultural countries like India, Pakistan, Ceylon and Burma.

The conclusion, then, is that the fall in national income in 1957-58 is an indication of the need for more assured irrigation facilities which would free the economy from the vagaries of the monsoon. National income trends must be judged over a period of years and from this point of view, the advance registered is significant. There can be no dispute, of course, about the need for more rapid development and for effort to secure larger and steadier increases in national income.

(Journal of Industry and Trade, Vol. IX, No. 9, September 1959, pp. 144-1412).

Measures to encourage Foreign Investment in India:
Agreement with T.C.M. for Setting up Investment Centre.

The Government of India and the United States Technical Co-operation Mission (T.C.M.) concluded an agreement at New Delhi on 6 October 1959, providing an initial grant of 57,000 rupees (\$ 12,000) for the establishment of an All-India Investment Centre to increase the flow of foreign private capital into India.

The initial grant is intended to pay for the services of a foreign investment promotion specialist, who will study the organisational and operational requirements of the Centre and suggest the lines of implementation. He will have consultation with the Union Government, the TCM and the governing ~~governing~~ council of the proposed Investment Centre.

The Government of India plan to focus continuing efforts to attract foreign capital through the establishment of the Centre which will function as an independent, private, Government-supported, non-profit organisation.

The centre will be governed by a council whose members will be the members of the Board of Directors of the Industrial Credit and Investment Corporation of India, Bombay. It is expected that, if properly developed, the centre will bring together, in one organisation, the diverse technical facilities for locating and attracting foreign capital and providing advice to foreign and local private investors.

(The Hindustan Times, 6 October 1959).

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Aid to India under U.N. Special Projects Fund:
Basic Agreement Signed.

An agreement was signed in New Delhi on 20 October 1959, between the United Nations Special Fund and the Government of India embodying conditions under which the U.N. Special Fund will assist the Government of India in respect of projects already approved upto be approved in future.

During the first year of its operation, the Special Fund has already sanctioned in favour of India one project and approved three more projects covering about \$ 4 million in foreign exchange. The project of an Industrial Instructors' Training Institute to be set up near Calcutta has already been sanctioned.

The projects which have been approved in principle are: Power Engineering Research Institutes at Bhopal and Bangalore, A Central Mechanical Engineering Research Institute at Durgapur and three Regional Labour Institutes at Calcutta, Kanpur and Madras.

(The Statesman, 21 October 1959).

Government's Decisions on Commission of Managing Agents.

The Government of India announced on 23 October 1959, the new scales of remunerations of Managing Agents, Secretaries and Treasurers of companies and their terms of office, fixed recently on the advice of the Company Law Commission.

According to the announcement the remunerations have been fixed according to a sliding scale of commission on the net profits of the managed companies.

The scale of commission for Managing Agents is 10 per cent on the first 1,000,000 rupees; 9 per cent on the next 1,000,000 rupees; 8 per cent on the next 1,000,000 rupees; 7 per cent on the next 1,000,000 rupees; 6 per cent on the next 1,000,000 rupees; $5\frac{1}{2}$ per cent on the next 2,500,000 rupees; 5 per cent on the next 2,500,000 rupees; and 4 per cent on any sum over 10 million rupees.

The scale of commission for Secretaries and Treasurers is: $7\frac{1}{2}$ per cent on the first 1,000,000 rupees; $6\frac{3}{4}$ per cent on the next 1,000,000 rupees; 6 per cent on the next 1,000,000 rupees; $5\frac{1}{4}$ per cent on the next 1,000,000 rupees; $4\frac{1}{2}$ per cent on the next 2,500,000 rupees; $4\frac{1}{8}$ per cent on the next 2,500,000 rupees; $3\frac{3}{4}$ per cent on the next 2,500,000 rupees and 3 per cent on any sum over 10 million rupees.

The decision on the term of office is that it should ordinarily be 10 years when Managing Agents or Secretaries and Treasurers are appointed by a Company for the first time. On re-appointment or successive appointments it should be five years.

These decisions, according to the announcement, have been enforced and the Department of Company Law Administration has already decided as many as 70 applications on this basis.

The Government has also amended the rules regarding its approval for the appointment of reappointment of managing directors, managing agents and secretaries and treasurers according to a Press Note issued by the Ministry of Commerce and Industry on 25 October 1959.

The Press Note says that under the Companies Act, companies seeking Government approval to the appointment or re-appointment of managing directors, managing agents and secretaries and treasurers, have to furnish particulars as prescribed in the company (Central Government's) general rules and forms. The Government has now revised the form of application to be filled by companies for such approval and asked them to furnish additional information in certain respects to provide the Government with complete particulars of the persons or bodies proposed for appointment as managing directors, managing agents, etc.

Under the revised procedure, companies have to furnish details regarding the nature of services, managerial or otherwise, rendered or proposed to be rendered by the managing agents and others who are sought to be appointed. Details of any loans advanced by the managing agents to the company and the interest charged on them are also inter alia to be furnished.

Companies are also required to send to the Registrar of Companies copies of the notice published by them in the newspapers regarding their applications along with all the material particulars. Such notices when concerning changes in the constitution of the managing agents in the constitution of the managing agents or of the secretaries and treasurers if issued to members of the agency companies have to be addressed to the members of the managed companies as well. Persons having any objection to the company's proposal are asked to communicate the same in writing to the Central Government within 30 days of the publication of the notice.

(The Statesman, 24 and 26 October 1959).

14

Promotion of Small-Scale Industry: Minister Outlines
Aid Measures.

Addressing the 14th meeting of the All-India Small-Scale Industries Board, at Puri on 7 October 1959, Shri Manubhai Shah, Union Minister for Industry, announced three important steps to promote small-scale industries.

These are a redefinition of the term "small-scale industries", the introduction of a credit-guarantee scheme from 1 January 1960, and an expansion of the activities of the National Small-Scale Industries Corporation.

Shri Shah stated that the Central Government had accepted the Board's recommendation that the term "small-scale industry" should be redefined but that did not mean that the investment limit of 500,000 rupees would be waived. On the contrary, he said, this figure would include the expenditure on land, the cost of machinery and erection charges.

The Minister said that the Government had just accepted the credit-guarantee scheme recommended by a Reserve Bank seminar. Under the scheme, credit up to 250 million rupees was expected to be guaranteed and pumped into different units in 42 selected areas of the country.

He added that instead of the existing flat rate of interest, a 5 per cent slab system would be introduced.

~~XXXXXXXXXXXXXXXXXXXX~~ Shri Shah said that in view of the success of the National Small-Scale Industries Corporation, it had been decided to expand its activities. Its equity share would be raised from 5 million rupees to 20 million rupees.

The Minister said that the Government might also redefine the term "medium industry" so as to include those industries in which the investment was less than 5 million rupees. The effect of the redefinition would enable medium industries to secure foreign exchange and raw materials.

(The Times of India, 8 October 1959).

35. Productivity.

India - October 1959.

Increasing Productivity in Railway Workshops:
Agreement with Workers' Organisation.

Proposals for introducing a scheme to provide the necessary incentive to increase productivity in railway workshops and allied railway organisations were discussed between the Railway Board and the National Federation of Indian Railwaymen, at a meeting held at New Delhi on 26 October 1959. The Federation's delegation was led by its President, Shri S.R. Vasavada.

After discussing the scheme in detail, the principles underlying it were agreed to.

According to the scheme, when it is introduced, it was agreed that no worker would be retrenched as a result of the working of the scheme; an equitable share in gains resulting from higher production would be received by the workers as incentive bonus and care would be taken to see that workers did not overstrain themselves in order to get increased earnings.

A similar scheme is successfully working at the Chittaranjan Locomotive Works, where workers have, for some time past, been earning bonus over their basic emoluments for raising productivity. A delegation of the Federation will visit the Chittaranjan Works to see the working of the scheme.

(The Hindu, 29 October 1959).

Fourth Meeting of the National Productivity Council:
Ad Hoc Committee set up to prepare Third Five Year
Plan Schemes: Labour Minister Criticises Attitude
towards Draft Code of Efficiency and Welfare.

The fourth meeting of the National Productivity Council (NPC) was held at New Delhi on 30 September 1959, Shri Manubhai Shah, Union Minister for Industry, presiding. Shri V.K.R. Menon, Director of this Office, was, among others, present at the meeting.

In his opening remarks, Shri Manubhai Shah expressed complete satisfaction with the programme so far generated by the NPC in the country particularly in rousing productivity consciousness and organising training programmes. He stated that he had opportunity of attending some of the training activities organised under NPC and Local Productivity Councils and was very satisfied with the quality of training organised. He emphasised that there was a very heartening response from the industries to the programme initiated by the Council and that the employers, labour and technicians evinced greater awareness and consciousness of the need of productivity drive. He stated, however, that there might have been some shortcomings in implementation of the programme but over-all picture was very satisfactory.

The President emphasised that the programme of sending Productivity Teams abroad was a comparatively much less important part of the total programme initiated by the Council. In this context he stated that undue emphasis need not be laid on this aspect of the programme in considering the entire range of activities. He stated, however, that the programme of sending trainees abroad had significant importance because these persons, after receiving training, would be able to propagate and carry the productivity drive further.

Labour Minister's Address.- Addressing the Council, Shri Gulzarilal Nanda, Union Minister for Labour and Employment stated that only if employers and workers accepted a code of efficiency and welfare, could a "massive improvement rising cumulatively" be brought about in industrial efficiency and that he was astonished at the "very summary" manner in which the NPC had rejected the draft of a code it had been asked to consider.

Shri Nanda said whatever might be the objections to individual points of the draft code, such a code was "inevitable in the end".

The draft code, circulated to employers' and workers' organisations by the Labour Minister, was rejected by the NPC on the ground that it was not needed now. The employers' organisations were also reported to have expressed the view that there was no need for the code now and that they should wait to see how the code of discipline worked.

Shri Nanda did not consider the NPC to be the forum to pass judgment on the question which he thought might be left to the Indian Labour Conference. He said he had only sought the help of the NPC in producing a workable code.

"I took it as axiomatic that the NPC would welcome any move in this direction (of increasing efficiency)", he added.

The Labour Minister said that the idea of a code had occurred to him in view of the constant complaints of leaders of industry about the lack of efficiency of the workers and the workers' complaints of lack of amenities and demands for increase in wages. Considering all aspects of the matter, he had come to the conclusion that the two had to be linked together and should form part of an overall settlement.

"Now if the employers and the workers are not willing to go ahead with it for the time being, I cannot force them to do so", he said. "But if they come back with their tales of woe I can only show them the same way because I know of no other."

The Labour Minister said the code had been drafted by the Labour Ministry and sent out after months of preparation and discussion at successive tripartite meetings. His own impression was that there was a favourable reaction to it and that at any rate, while there might be conflicting views, there could be no opposition to an effort being made to evolve such a code.

"There may be several stages of the process of clarifications and the final emergence of the code may take sometime", he said. "I have no doubt in my mind that it is inevitable in the end, whatever the form of or shape it may eventually assume. But I am also keen that it should not take a long time. Any delay will be a sign of complacency towards our needs and problems and must bring injury to the vital interest of the parties themselves and of the nation."

Shri Nanda said it was obvious that workers' claim would only be "irritants" and might not be capable of realisation to any large extent unless productivity was raised and the production costs brought down. At the same time it was also obvious that when the workers were confronted with the demand for increased efficiency, they would point to certain impediments which according to them were created by managements. They would also ask for improvements in several directions, such as working conditions, amenities and living conditions, ~~such as working conditions~~ especially housing, to enable them to make their best contribution. He had, therefore, come to the conclusion, that there had to be an "overall settlement".

On the argument (presumably advanced by the NPC while rejecting the code) that advance in efficiency and welfare could be made without a code, Shri Nanda said: "Yes, even now some improvements are being made here and there and efficiency will rise in the course of time. But this could be said of productivity also. It has been increasing and will move up even if there be no National Productivity Council in the country.

"The question remains, however, in both cases whether the optimum results can be obtained without such special measures. If massive improvement rising cumulatively is what we are after, then there can be no escape from such measures".

Shri Nanda said such a code might not be found in other advanced countries, but the ingredients of such a code had been built up there in the course of a long history of collective bargaining. In fact, many collective agreements contained provisions which had been sought to be generalised in the code.

"There is a degree of organisation of both sides which ensures a continuous two-way flow, which ~~ensures~~ makes for higher productivity", he said. "In our country we find ourselves under the compelling need to create new channels for such purposes".

A great deal of constructive work had to be done to bring about an awareness and understanding of the needs of the situation and mutual obligations, he said. This applied both to employees and employers. He wanted the broad ideas in the code to be widely propagated so that they entered into the consciousness of all.

Decisions.- The more important of the decisions taken by the meeting are briefly reviewed below:

i) Training Courses.- The President of the NPC indicated that he had recently had talks with Vice-Chancellors of some universities and also with some Engineering Colleges, Polytechnics and Institutions. He was of the view that initiative should be taken to introduce training courses on specialised subjects of productivity in technical institutions. The Executive Director of the NPC informed that this proposal was laid by him before the Association of Principals of Technical Institutions in their last Conference held at Chandigarh. The Conference had accepted the proposal and had resolved to move the Ministry of Scientific Research and Cultural Affairs for persuading the technical institutions to introduce such courses in consultation with the All India Technical Education Council. It was decided that an Ad Hoc Committee should be set up for making specific suggestions regarding the training courses which should be introduced on subjects of industrial productivity in technical institutions.

ii) NPC in III-Five Year Plan.- In regard to the Third Plan requirements, it was decided that an Ad Hoc Committee should be set up which should undertake a very early preparation of the draft third Five Year Plan for the NPC. Recommendations of the Committee should be considered by the Governing Body and then submitted to the Government of India.

(Minutes of the 4th Meeting of NPC,
received in this Office).

36. Wages.

India - October 1959.

Seven Months' Wages awarded as Bonus for 1957 and 1958
to Coimbatore Textile Workers.

Twenty-five textile mills in Coimbatore district, employing 22,000 workers have been directed by the Industrial Tribunal, Madras, to pay their workers one to seven months' wages (excluding dearness allowance) as interim bonus for the years 1957 and 1958.

The tribunal announced its award on 15 October 1959. It also directed another 25 mills in the district, employing 27,000 workers, to pay one month's basic wage as Deepavali advance, recoverable in six instalments beginning from March 1960.

The management of the mills were asked to make these disbursements, totalling about 3,200,000 rupees on or before 24 October 1959.

The Madras Government had referred the question of bonus payable to textile workers for the years 1957 and 1958 to the Industrial Tribunal, Madras, following the failure of high-level tripartite talks between Government, management and workers' representatives at Madras and Coimbatore to bring about a settlement of the question by arbitration as was the case in previous years.

(The Hindu, 16 October 1959).

37. Salaries.

India - October 1959.

Bombay: Expert Committee to Enquire into Pay Scales of Staff in Technical Institutions.

The Government of Bombay has appointed a seven-member committee to make recommendations regarding pay-scales of full-time as well as part-time teachers working in technical industrial institutions in the State, and also about their service conditions, hours of work, etc. The number of technical and industrial institutions in Bombay State is annually increasing by about 50 and Government felt that the question of the pay-scales, etc., of the staff of those institutions be fixed on the basis of the Ghatge-Parulekar Committee and as such decided to refer it to an expert committee.

The committee, of which the Principal of the V.J. Technical Institute, Matunga, is the chairman, and the Secretary of the State Council of Technical Education is the Secretary, will make recommendations regarding the pay scales for full-time as well as part-time teachers in technical and industrial institutes teaching subjects of approved courses and the maximum hours of work in a week and of holidays per year and the steps to be taken to give protection, if any, to the teachers whose existing scales are more than those to be recommended by the committee. The committee will also lay down the basis of refixing the pay of the existing teachers in the new scales and make recommendations regarding other matters of interest to the teachers from the point of view of their scales, services, etc.

(Labour Gazette, Vol. XXXIX, No. 1, September 1959, page 3).

38. Housing.

India - October 1959.

Housing Problem in Greater Bombay: Proposal to
Utilise Provident Fund Amounts.

At a meeting held on 15 September 1959, the Bombay City Co-ordinating Council requested the Government to take steps for making available provident fund amounts of industrial employees in Greater Bombay for financing housing schemes.

It was pointed out that the ~~total~~ total accommodation now available in Bombay City was 573,700 tenements, which was just sufficient for 2,800,000 people. There was still need for 300,000 tenements to accommodate the remaining population of 1,500,000.

It was stated that "public employment" and "industrial employment" were the two predominating components of the City's population. A rough analysis of all the employment categories revealed that (i) public employment, that is, service of the Central and State Government departments, railways, public corporations, the Bombay Municipal Corporation and the BEST Undertaking accounted for 260,000 employees; (ii) 445,000 people were engaged in organised industry; and (iii) 340,000 were employed in commercial, business and other establishments coming under the Bombay Shops and Establishments Act.

It was agreed that the Central Government, the State Government and other public authorities should provide for the construction of a proportion of departmental housing for their low-paid employees in the Third Five Year Plan.

The Council decided to set up a suitable machinery to obtain, compile and maintain information regarding available plots of land, both Government and private owned, in order to assist the public authorities in securing sites for housing.

The question of timely repairs to about 12,000 old buildings in the City was also discussed. The Council decided that its General Sub-Committees should suggest, in consultation with the municipal authorities, specific measures for ensuring repairs to these structures. The question of providing accommodation to the victims of house collapses was also considered.

The Council asked the Bombay Housing Board to draw up a housing programme for the remaining two years of the Second Plan and give rough estimates for the Third Plan.

The Council is a high-level co-ordinating consultative and advisory body constituted by the State Government to consider problems relating to the development of Greater Bombay. The Chief Minister, Shri Y.B. Chavan, who is the Chairman of the Council, presided. Those present included the Finance Minister, Dr. Jivraj Mehta, the Labour Minister, Shri Shantilal Shah, the Minister for Housing, Shri S.G. Kazi, the Minister for Public Works, Shri D.S. Desai, and the Mayor of Bombay, Shri P.T. Borale.

(The Times of India, 16 September 1959).

Punjab: 80,000 Houses to be built during Third Five Year Plan.

Addressing a Conference of Chief Commissioners and Deputy Commissioners of the Punjab State at Simla on 24 September 1959, Shri R.I.N. Ahuja, Secretary to the Government of Punjab in charge of housing stated that it was proposed to spend 200 million rupees in various categories of the housing programme under the Third Five Year Plan.

This comprehensive programme, he said, had been drawn up in accordance with the policy laid down by the Government of India for implementing the fundamental rights and directive principles of the Indian Constitution, stressing social justice to be streamlined under the Third Plan.

Shri Ahuja disclosed that under this programme the Punjab Government would undertake to build nearly 80,000 houses while an equal number of houses would be built in the private sector.

This housing programme, he said, would be extended to both the urban and rural areas and different groups, including Government officials, industrial labour, Harijans and other backward tribes along with the low-income, middle income and rental housing schemes already in operation.

The Town and Country Planning Committee of the Conference recommended that all housing programmes should be dovetailed into schemes of urban development within the district or regional master plans which should be immediately drawn up for checking haphazard growth in towns.

(The Tribune, 25 September 1959).

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Slow Progress of Rural Housing Scheme.

According to the Special Representative of The Statesman, the Union Government's efforts in the field of rural housing have been conspicuously unsuccessful in tackling this almost overwhelming problem.

According to recent estimates worked out by the Works, Housing and Supply Ministry, it is clear that no more than 70,000 village homes are likely to be reconstructed during the Second Plan period. The immensity of the problem can be gauged from the fact that nearly one million houses have to be rebuilt in the 5,000 villages which the Village Housing Projects Scheme aimed to cover.

Broadly speaking, it is estimated that 50 million of the existing 54 million houses in rural India need to be rebuilt or require substantial improvement. Even if the Government devotes its attention to only 5,000 villages, this work will have to be continued in the third and a subsequent Plan.

According to the figures worked out by the Housing Ministry, even if the third Plan would aim at the construction of only 500,000 rural houses, the costs involved would amount to around 370 million rupees.

One of the causes of the Government's difficulties in tackling this problem is understood to be the slow progress made by the Village Housing Projects Scheme, formulated in 1957.

The scheme aimed at covering the construction of about 133,000 houses in 5,000 villages with the help of 100 million rupees as loan finance. It is now believed that the second Plan's reappraisal will affect the housing target by 50 per cent.

As a result of these and other difficulties, a considerable amount of rethinking on the scheme has been in progress in the Housing Ministry. Among the decisions recently taken to modify the scheme is that the State Governments should be allowed to utilise their loan allocation for acquisition of additional land required for providing community facilities and developed land to the poorer sections of the village population.

(The Statesman, 15 October 1959).

Madras City: Scheme for Rest Shelters for 1,000 Homeless Wage-Earners.

A shed to provide night shelter for 1,000 ^{wage} earners now living on the City's pavements will be put up shortly in Nungambakkam, a suburb of Madras City.

For details, see Section 52, pp. 41 of this Report.

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

INDIA - OCTOBER 1959.

41. Agriculture.

Madhya Pradesh Land Revenue Code 1959 (Act No.20 of 1959).

The Government of Madhya Pradesh gazetted on 21 September 1959 the Madhya Pradesh Land Revenue Code as passed by the Madhya Pradesh Legislature and which received the assent of the President on 15 September 1959. The Code consolidates ~~the~~ and amends the law relating to land revenue, the powers of revenue officers, rights and liabilities of holders of land from the State Government, agricultural tenures and other matters relating to land and the liabilities incidental thereto in Madhya Pradesh.

Chapters XII, XIV and XVI of the Code deal respectively with tenure holders, occupancy tenants and consolidation of holdings. Under the former Madhya Pradesh Land Revenue Code, 1954 (vide pp. 45-47 of the report of this Office for February 1955) now repealed, there were two classes of tenure holders viz., bhumiswami and Bhumidhari. Under the present Code of 1959 (Chapter XII) there shall be only one class of tenure holders viz., Bhumiswami. Every person who hold land:

- (a) in Mahakoshal regions in Bhumiswami rights;
- (b) in Madhya Bharat region as a pucca tenant or as Maufidar, inamdar or concessional holder;
- (c) in Mahakoshal regions in bhumidari right;
- (d) in Bhopal region as an occupant;
- (e) in the Vindhya Pradesh region as a Pachpan Paintalis tenant, pattedar tenant, a grove holder, a holder of a tank and a gair haqdar tenant entitled to patta;
- (f) in Sironj region, as a khatedar tenant or as a grove holder.

Shall be called a bhumiswami. Other provisions in the Chapter deal with right to transfer any interest in land subject to certain restrictions, order of succession to land of a bhumiswami, right to trees in holding, etc.

Chapter XIV deals with occupancy tenants. Under the former Code of 1954 there were two classes of tenants with varying rights viz., ordinary tenants and occupancy tenants (vide page 46 of the report of this Office for February 1955). The present Code of 1959 provides for only one class of tenant viz., occupancy tenants. Any person holding land belonging to a bhumiswami will get status as an occupancy tenant. The maximum rent payable by an occupancy tenant shall not exceed: (a) in the case of any class of irrigated land - four times the land revenue; (b) in case of bandh land in the Vindhya Pradesh region - three times the land revenue; and (c) in any other case - two times the land revenue. Some changes have been made in the new Code regarding conferral of bhumiswami rights on an occupancy tenant.

The Code repeals a number of enactments including the Madhya Pradesh Land Revenue Code, 1954, mentioned in the second schedule to the Code.

(Madhya Pradesh Gazette, Extraordinary,
21 September 1959, pp. 1335-1432).

42. Co-operation.

India - October 1959.

Provision of Adequate Credit to Cultivators: Expert
Committee appointed to examine the Problem.

The question of providing adequate credit to cultivating families in the villages in the light of production programmes and consistent with principles of co-operative finance was discussed in the Conference of Ministers of Co-operation at Mysore, who resolved that the problem should be examined in all its aspects by an expert committee. In accordance with this recommendation, the Government of India has decided to constitute a committee consisting of 11 members with Shri Vaikunth Lal Mehta, Chairman, All-India Khadi and Village Industries Commission, as Chairman.

The Committee will inter alia examine:

- (i) (a) the existing standards for credit limits prescribed under the Co-operative Societies Act, Rules or the bye-laws of the societies in the different States and (b) their jurisdiction from the point of view of the principles of sound co-operative banking;
- (ii) the loan policies and practices of co-operative credit institutions from the apex to the primary level;
- (iii) the working in community development blocks and in other areas of (1) a few representative societies which have (a) suffered losses in successive years, (b) got heavy overdues outstanding for more than two years, (c) repeatedly defaulted to the central banks, or (d) gone into liquidation, as also (2) of a few good societies in different States from the point of view of the following criteria, among others, viz.,

- (a) adequacy of credit, (b) coverage of families,
- (c) inclusion of the smaller farmers and tenants,
- (d) utilisation of loans for productive purposes,
- (e) recovery of loans, (f) repayment to the central financing agency, and (g) deposits and encouragement of thrift generally;

(iv) the measures necessary for increasing the borrowing power of primary credit societies to the extent necessary in this connection; and in the same context, the question of revising the existing standards for fixing credit limits and the conditions under which it should be effected with a view to providing more effective credit for agricultural production plans; and

(v) the desirability of share capital participation by the State in village societies and if the Committee is in favour of it, the terms and conditions subject to which such State participation should take place;

and make definite recommendations.

(The Gazette of India, Part I, Sec. 1,
12 September 1959, pp. 204).

Jammu and Kashmir: Three Year Plan for Setting up
Service Co-operatives.

Shri Shamsuddin, Kashmir Minister for Co-operatives and Agriculture, announced in the State Legislative Council on 17 September 1959 that the existing co-operative credit societies in the State would be converted into service co-operatives in the next three years. This, he said, would mark the first step towards co-operative farming.

The Minister was opposing the introduction of a Bill, seeking to make provisions for the formation of co-operative farming societies in Kashmir. The Council ultimately refused leave to Raizada Amir Chand, a Democratic National Conference member, to introduce the Bill.

Shri Shamsuddin said the State Government had accepted the principle of co-operative farming. The Government, he said, would consult the Opposition in the task of "reorientating the existing Co-operative Act to suit the present needs".

The reorientated Act, the Minister said, would provide for, among other things, the establishment of co-operative farming service co-operatives, land mortgage banks and greater scope to the co-operative societies to function in a completely decentralized manner.

(The Statesman, 19 September 1959).

Assam Shramik Bahini Bill, 1959: Bill to provide for
formation of Labour Co-operatives.

The Government of Assam published on 30 September 1959 a Bill to provide for the formation of associations of ~~the~~ labourers and for their registration for better and more regular supply of labour for execution of Five Year Plan Projects. The Statement of Objects and Reasons of the Bill states that it is needless to stress that without voluntary co-operation, no democratic government can function successfully. Five Year Plans projects can fetch the desired result only if the people participate in these plans. It is therefore, considered necessary to enthuse the spirit of voluntary co-operation among the labourers in the State of Assam and to provide for formation of associations of the labourers and for their registration for better and more regular supply of labour for execution of Five Year Plan Projects. This is all the more necessary as supply of labour from outside the State is irregular, as such supply depends upon circumstances then prevailing. Besides the local people should also be enabled to earn a good portion of the development expenditure incurred by the State.

The Bill defines the term 'shramik' to mean a person who is not below the age of 18 years and is a resident of the State of Assam and desirous of putting in his labour in any project, undertaking or contract works to earn his living or to supplement his income. A 'shramik Bahini' means a voluntary association of Shramiks for the purpose of putting in labour in any project, undertaking or work of the State Government. The Bill provides that any twenty-five, or more Shramiks in an area may, by individually signing applications in the prescribed forms and by otherwise complying with the provisions of the Bill in respect of registration associate and form themselves into a Shramik Bahini.

The Chief Engineer or any officer empowered by him in this behalf, shall be the registering authority of the Shramik Bahini. Every application for registration of a Shramik Bahini shall be made to the Chief Engineer or to the Officer empowered by him in this behalf in a statement containing the personal particulars.

The function of a Shramik Bahini shall be to do any work on a contract basis with the State Government or any other statutory body or other local authority. The State Government may, as and when considered necessary, allot work of any kind the value of which does not exceed 30,000 rupees to a Shramik Bahini for its execution without calling for tender.

The net income of the Shramik Bahini after deducting expenses for the management of the affairs of the Shramik Bahini shall be divided among the Shramiks and the Hayak, pro rata, that is proportionately on the basis of work put in. The non-Shramik member and the President, if he is also a non-Shramik member, shall not be entitled to the sharing of the net income.

The Shramik Bahini shall be a body Corporate. No Shramik or non-Shramik member of a Shramik Bahini shall exercise the rights of the member unless and until he has made such payment to the Shramik Bahini in respect of a membership or acquired such interest in the Shramik Bahini as may be prescribed by the rules or regulations of the Shramik Bahini itself. Each Shramik or non-Shramik member shall have one vote only as a member in the affairs of the Shramik Bahini.

On the death of a Shramik or non-Shramik member the Shramik Bahini may transfer the shares or interest of the deceased Shramik or non-Shramik member to the person nominated in accordance with the rules made in this behalf or, if there is no person so nominated, to such person as may appear to the Executive Committee to be the heir, or legal representative of the deceased Shramik or non-Shramik member, or pay to such nominee, heir or representative, as the case may be, a sum representing the value of such Shramik or non-Shramik member's share or interest, as ascertained in accordance with the rules or regulations.

Other provisions of the Bill deal with, procedure for inspection of affairs of Shramik Bahini, dissolution of Shramik Bahini, power of State Government to frame rules and power of Shramik Bahini to frame regulations.

The following Acts, namely: (a) The Societies Regulations Act, 1860, (b) The Assam Co-operative Societies Act, 1949, and (c) The Companies Act, 1956, shall not apply to any Shramik Bahini and the registration of any such Shramik Bahini under any such Acts shall be void.

(The Assam Gazette, Part V, -30 September, 1959, pp. 223-231)

43. Handicrafts.

India - October 1959.

Development of Coir Industry on Co-operative Lines:
Government's Decision on Committee's Recommendations
published.

In its Resolution No. 42-SSI(B)(5)/55 dated 6 January 1958, the Government of India constituted a Committee under the Chairmanship of Shri G. Parameshwaran Pillai to evaluate the achievements of the coir development schemes in the country in general and in Kerala in particular and also to offer suggestions and recommendations for development of the Coir Industry on Co-operative lines for consideration of Government.

The Committee has submitted its report. It consists of two parts - parts I and II. The various recommendations made in parts I and II of the report have been examined and Government's decisions were published on 5 September 1959. The more important of the Committee's recommendations and decisions of the Government are given below.

(i) Recommendation.- In several societies the Managing Committee consisted of a large number of persons who were neither producers nor workers or who have no interest whatever in Coir Industry as such. These short-comings in the organisation of Coir Co-operatives should be rectified.

(ii) Stricter control and greater supervision over the affairs and operations of the societies are essential for efficient functioning of the Co-operative Societies.

(iii) The nature of the operations of the Coir Societies being such as do not necessitate the issue of loans on long term credit, the Committee is of the opinion that the funds to be advanced to the Coir Co-operatives should be on a short-term basis taking into consideration the needs of the Industry.

(v) The affairs of each Society which is working at a loss should be gone into to see whether it has been functioning in strict conformity with the real objectives underlying the Co-operative schemes.

Decision i to iv: The Government of India agrees with these recommendations and has brought them to the notice of the State Governments.

(v) Recommendations.- In view of the substantial aid already given to the Coir Co-operative Societies for the purchase and retting of green husks, the Committee considers that the grant of financial assistance through an intermediary agency like the present Husk Societies which have no direct interest in the actual production of yarn, is unnecessary.

Decision.- The Government of India agrees with this recommendation.

(vi) Recommendation.- The Committee does not favour the establishment of any monopolistic agency by or under the auspices of Government for collection and trade in cocanut husks. The Committee also feels that control by the State Government of a Commodity of the nature of green husks would be ineffective and illusory so long as it is not possible to fix a price for coir yarn, the bulk of which is exported to foreign market at prices governed by factors beyond our control. Apart from the legal difficulties, the Committee also feels that it is neither feasible nor practicable to control movement of green husk from place to place or to prescribe a fair price for green husk because of the variations in current price, according to the quality, season and locality and the scattered nature of the commodity throughout the State.

Decision.- The Government of India agree with this recommendation and this has been brought to the notice of the Kerala Government.

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(vii) Recommendation.- An immediate and thorough examination of the financial position of the existing Husk Societies and the need for a complete revision of the terms and conditions governing the loans already issued to them is essential.

Decision.- This has been recommended to the Government of Kerala for action.

(viii) Recommendation.- The Committee supports the step taken by the Kerala State Government in providing share capital contribution to the extent of 90 per cent of the value of share taken by the worker members.

Decision.- The Government of India has decided that in line with the existing pattern of Central assistance for schemes of Industrial Co-operatives relating to small-scale industries, the Central Government will contribute 75 per cent of the Share Capital of Coir Co-operative Societies as a two year loan at $2\frac{1}{2}$ per cent rate, of interest to State Government and the balance should be found by the State Government and/or the party concerned. The existing pattern of Central assistance for meeting the requirements of working capital viz., 50 per cent by the Centre and 50 per cent by the State Government shall continue, but such loan assistance from the Centre shall be recovered within 10 years and the rate of interest shall be $2\frac{1}{2}$ per cent. As far as possible such loan assistance shall be routed by the State Governments through institutional agencies. The Central Government shall also meet 50 per cent of the salary of a full time paid Secretary for each coir co-operative society for a period of 3 years and the balance should be met by the State Government.

(ix) Recommendation.- The Committee stresses that the membership of Coir Co-operative Societies should consist almost entirely of really small producers owning one spindle, or, in special cases, two spindles, as also workers who are engaged either in the production of hand-spun or spindle-spun yarn, the management of such Societies being also vested in such members. The element known as "Sympathisers" should not exceed 5 to 7 per cent of the total membership. These "Sympathisers" should be persons who have no competitive interest in the production or marketing of yarn as against small producers and workers.

(x) The Committee has also stressed the importance of providing facilities for Co-operative education to members of Managing Committee's. All Inspectors of Coir Societies should have had training in Co-operation.

Decision (ix) and (x).- The Government of India agrees with the recommendations and has brought these to the notice of the State Governments for necessary action.

(xi) Recommendation.- Training should be given to labourers in coconut growing areas in the art of spinning and manufacture of coir goods. Either a team of persons experience in this art might be sent from Kerala to other States to impart training or suitable persons from those places might be sent to Alleppey and other Centres of Coir Production in the Kerala State to get themselves trained.

Decision.- This has been recommended to State Government for action.

(xii) Recommendation.- The Training-cum-Production Centres should introduce improved techniques both in the extraction of fibre as well as in the production of coir goods. The importance of research institutes could not be over-estimated in this connection particularly in such directions as "rubberisation" and of coir fibre, "Macquering" of coir fibre and blending of other fibres with coir.

Decision.- The Coir Board has been advised to see that the Coir Research Institutes set up by the Board examine these recommendations.

(xiii) Recommendation.- The existing practice of credit sales involving long-term repayment should be discontinued. It should be the endeavour of the Central Marketing Societies to make sales only to parties who are in a position to remit the sale price as quickly as possible on delivery of goods. The Central Marketing Societies and the bigger exporting and manufacturing firms should establish cordial business relations with each other so that the activities of both parties will be mutually complementary.

(xiv) The Central Marketing Societies are advised to establish their own collection depots as convenient production centres and to collect the yarn from the various Primary Societies in the area. Steps may also be taken to expand godown accommodation facilities for the Central Marketing Societies.

Decision xiii and xiv.- The attention of the Kerala State Government has been drawn to these recommendations.

(xv) Recommendation.- The numerous small units throughout the rural areas in the Kerala State which are engaged in the production of mats in unfinished condition might be organised on a regional co-operative basis and given facilities to bring their products to the Central Marketing Societies. Purchasing depots should be established under the auspices of the Central Marketing Societies to take over such goods at fair price and to sell them to the major factories for further processing and export.

Decision.- The Central Government agrees with this recommendation. The Kerala Government has been requested to take necessary action.

(xvi) Recommendation.- The Committee recommend the abolition of the supervisory unions on the ground that they have been ineffective and are superfluous.

Decision.- The Central Government has accepted this recommendation and the Government of Kerala have been requested to take necessary action.

(The Gazette of India, Part I, Sec. 1,
5 September 1959, pp. 199-201).

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - OCTOBER 1959.

50. General.

Labour Conditions in Mica Mines and Attached Factories.

Based on a recent sample enquiry into conditions of labour in mica mines and factories in India, an article has been published in the Indian Labour Gazette, Vol. XVII, No. 3, September 1959.

General.- The mica mining industry is concentrated in Bihar, Andhra Pradesh and Rajasthan. Out of total employment of 34 thousand in mica mines in 1956, 33,480 workers were employed in the mica mines located these three States. During the course of the present enquiry, comprehensive information was collected from the sampled mines. The sampled mines having attached factories were also asked to furnish information in respect of factories in a separate questionnaire. Only those mica factories were covered which were either attached to the sampled mines as in Andhra Pradesh and Rajasthan or were situated in the adjacent area and were owned by the owners of sampled mines as in Bihar. The mica factories which were covered in Bihar were governed by the Factories Act, 1948 while in Andhra Pradesh and Rajasthan, the factories attached to the mines were governed by the Mines Act, 1952.

This article has been divided into two parts. Part A relates to labour conditions in Mica Mines and Part B relates to labour conditions in Mica Factories. The findings in respect of mica factories may not be fully representative of the industry as no accurate sample was drawn up in respect of mica factories.

Out of the total of 676 working mines in 1956 (of which employment figures could be obtained in respect of 400) 67 mines were selected as sample; of these 10 were in Andhra Pradesh, 44 in Bihar and 13 in Rajasthan. The enquiry, however, relates to 66 mines as only 12 mines could be covered in Rajasthan because not only one of the sampled mines but also all the other mines in the employment group above 100 were found to be closed. As regards mica factories attached to the sampled mines, the data were collected in respect of 34 units - 10 in Andhra Pradesh, 16 in Bihar and 8 in Rajasthan.

The information collected through questionnaires relate to September 1959, supplemented by a field enquiry in March, 1959.

Part A - Mica Mines

Employment. - Data regarding employment separately of direct and contract labour in respect of 66 sampled mines covered, State-wise, employment group-wise and sex-wise are given in the table below:-

No. of mines covered.	Upto 50		51-100		Above 100		All Groups		Total	
	Men	Women	Men	Women	Men	Women	Men	Women		
Andhra Pradesh ..	10									
(a) Direct Labour.	-	58	-	250	43	820	65	1,128	108	1,236
(b) Contract Labour.	-	-	-	-	-	-	-	-	-	-
Bihar...	44									
(a) Direct Labour..	-	500	2	674	8	536	40	1,610	50	1,660
(b) Contract Labour.	-	303	2	286	8	146	-	735	10	745
Rajasthan..	12									
(a) Direct Labour.	-	162	13	146	-	304	18	612	31	643
(b) Contract Labour.	-	-	-	-	-	-	-	-	-	-
All States..	66									
(a) Direct Labour.	-	720	15	970	51	1,660	123	3,350	189	3,539
(b) Contract Labour.	-	303	2	286	8	146	-	735	10	745

Note:- In Bihar, one mine did not work after 26 July, 1958 and as such the number of workers on roll on this date were taken and have been included in the figures for Bihar.

The total number of workers employed in the sampled mines on 30 September, 1958 was 4,284. Of these 3,539 or 82.6 per cent, were employed directly while the remaining 745 or 17.4 per cent, were engaged through contractors. The system of contract labour was not prevalent in sampled mines situated in Rajasthan and Andhra Pradesh. The percentage of contract labour to total was, however, high (31) in Bihar. Of the 4,085 male workers employed in the sampled mines, 3,427 or 83.9 per cent, were employed underground while the remaining 658 or 16.1 per cent, were employed on the surface. All the workers employed in the sampled mines were time-rated. There was no piece-rate system prevalent in the mica mines.

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Out of 3,539 workers employed directly in the sampled mines, 2,382 or 67.3 per cent, were permanent and 1,157 or 32.7 per cent, were temporary; there being no casual workers in the sampled mines. Taking the individual States, the percentage of permanent workers was the highest in Andhra Pradesh, i.e., 83.8 per cent, and the lowest in Bihar, i.e., 55 per cent. Out of the total of 189 women workers employed directly in the sampled mines, 117 or 61.9 per cent, were permanent and the remaining 72 or 38.1 per cent, were temporary.

Taking all the States together, 65.9 per cent, of the workers had service below one year. Those having service of one year or more but below 5 years, of 5 years or more but below 10 years and 10 years or more formed 28.9 per cent, 3.2 per cent, and 2.0 per cent respectively of the total direct labour employed. In the individual States also, majority of the workers had service below one year. The percentage of such workers was 77.4 in Rajasthan, 71.4 in Bihar and 52.4 in Andhra Pradesh. This high percentage can be explained by the fact that majority of the workers are agriculturists and they absent themselves during the sowing and harvesting seasons. In the State of Rajasthan, there was no worker having 10 years' service or more while in the States of Andhra Pradesh and Bihar the percentages of such workers were 4.3 and 1.1 respectively.

There was no regular system of recruiting the workers. In Bihar and Andhra Pradesh workers were recruited directly and they themselves reported for jobs at the site of the mines. In Rajasthan, recruitment was done through the existing workers. The system of apprenticeship did not exist in any of the sampled mines.

Absenteeism.- The average annual rate of absenteeism was more or less the same in all the three States varying from 15.9 in Bihar to 17.6 in Rajasthan. The all-India average for the year was found to be 16.7 per cent. The high rate of absenteeism may be attributed to various factors. ~~Firstly~~ Firstly, it may be stated that a very large percentage of labour is drawn from the agricultural communities and they invariably run to their villages during busy agricultural seasons. Secondly, festivals and social customs attract them to their native villages and are to a great extent responsible for spasmodic attendance in mines.

Wages and Earnings.- The details of wage rates in respect of some selected occupations are as follows:-

(i) Baniati/Hand-driller.- Hand-drillers were appointed as daily-rated workers in the States of Andhra Pradesh and Bihar while in Rajasthan, they were appointed on a daily basis as well as on a monthly basis. In Andhra Pradesh, daily-rated workers got Rs.2.2.0 per day, in Bihar they were paid Rs.1.11.6 and in Rajasthan, the wage rate varied from Rs.1.2.0 to Rs.1.8.0 per day. The monthly-rated workers in Rajasthan were paid Rs.30 to Rs.35 per month in the different mines. The average monthly earnings per hand-driller for the month of September 1958 were Rs.46-12-0 in Andhra Pradesh, Rs.37-13-0 in Bihar and Rs.22-5-0 in Rajasthan.

(ii) Machine Driller.- Machinedriller/were appointed as daily rated workers in the States of Andhra Pradesh and Bihar and were paid Rs.2 to Rs.2-2-0 per day in the former and Rs.2-12-3 per day in the latter. In Rajasthan, daily-rated workers were paid Rs.1-3-0 to Rs.1-5-0 per day while monthly-rated workers got Rs.35 per month. The average monthly earnings for machine-drillers were Rs.45-4-6 in Andhra Pradesh, Rs.58-1-3 in Bihar and Rs.28-8-0 in Rajasthan.

(iii) Sardar/Mate.- Wages paid to sardars in Andhra Pradesh varied from Rs.2 to Rs.2-2-0 per day in the different mines while in Bihar, all Sardars got Rs.3-2-0 per day. In Rajasthan (where Sardars are called Mates), daily-rated Mates were paid Rs.1-2-0 to Rs.2-2-0 per day in the different mines while those appointed on a monthly basis got Rs.36 to Rs.70 per month in the various mines. The average monthly earnings for sardars were Rs.54-4-9 in Andhra Pradesh, Rs.75 in Bihar and Rs.45-12-0 in Rajasthan.

(iv) Shot-firer/Blaster.- Shot-firers were appointed on a daily basis in the State of Bihar and were paid Rs.2-9-6 per day in all the mines. In Andhra Pradesh and Rajasthan, they were appointed on daily basis as well as on monthly basis. In Andhra Pradesh, the rates varied from Rs.2-2-0 to Rs.2-8-0 per day for daily-rated workers and Rs.56 to Rs.80 per month for monthly-rated workers in the different mines. In Rajasthan, daily rated workers got Rs.1-5-0 per day while the rates for monthly-rated workers varied from Rs.36 to Rs.70 per month in the various mines. The average monthly earnings for shot-firers were Rs.57-12-0 in Andhra Pradesh, Rs.59-10-6 in Bihar and Rs.32-13-0 in Rajasthan.

(v) Pump-Khalasi.- Employment of Pump-khalasis on daily basis as well as on monthly basis were reported in all the States although employment on daily basis was more prevalent. The rates paid to daily-rated workers in different mines varied from Rs.1-2-0 to Rs.2-0-0 per day in Andhra Pradesh and from Rs.1-2-0 to Rs.1-5-0 in Rajasthan. In Bihar, daily-rated workers were paid Rs.2-6-6 in all the mines. Monthly-rated workers were paid Rs.70 per month in one mine of Andhra Pradesh, Rs.36 per month in one mine of Rajasthan and Rs.76-3-0 to Rs.90 in 5 mines of Bihar where monthly rates were prevalent. Of the 5 mines of Bihar, workers employed in 4 mines got Rs.76-3-0 per month while in the remaining one mine, workers were paid Rs.90 per month. The average monthly earnings for Pump-khalasis were Rs.41-11-0 in Andhra Pradesh, Rs.57-5-6 in Bihar and Rs.25-5-0 in Rajasthan.

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Bonus.- Profit bonus scheme existed only in one mine of Andhra Pradesh. In this mine, all workers were paid profit bonus equivalent to 12 per cent of their total wages during the year 1958. The system of paying attendance bonus was prevalent in all the 44 sampled mines of Bihar and in 7 of the mines of Andhra Pradesh. In one mine of Andhra Pradesh, all workers having 6 months' service were given clothing worth Rs.20/- during the year 1958. No bonus of any kind was paid to workers employed in any of the 12 sampled mines of Rajasthan.

Working Conditions.- In all the mines, the working hours were 8 per day excepting 2 mines in Bihar where the working hours were 7. The period of daily rest interval varied from half-an-hour to one hour in the different mines. The rest interval was mostly meant for surface workers. The weekly hours of work were 48 in all the mines excepting two mines, where the weekly hours of work were 42.

Night shifts were worked in 33 mines - 4 in Andhra Pradesh, 23 in Bihar and 6 in Rajasthan. Twentythree of the mines were working 3 shifts while the remaining 10 mines were working 2 shifts. No separate allowance for night shift workers was being paid but the system of changeover of shift every week was prevalent.

Casual leave was granted only in the case of ⁹ mines - 4 in Andhra Pradesh and 5 in Bihar. In one mine of Andhra Pradesh, all workers were granted 7 days' casual leave in a year. In the remaining 3 mines, only monthly paid workers were granted such leave and the number of days allowed was 10, 15 and 36 respectively. In 5 mines of Bihar, only monthly-rated workers were given 10 days' casual leave in a year, as per Award given in April 1954.

Under the term of this award all the monthly-rated workers in Bihar mines were entitled to sick leave for 7 days in a year. In the other States, sick leave was granted only in the case of 4 mines - 3 in Andhra Pradesh and 1 in Rajasthan. In one mine of Andhra Pradesh workers were given 7 days' sick leave. In another mine, workers were allowed 15 days' sick leave on production of a medical certificate. In the third mine, sick leave was allowed only in deserving cases and the number of days allowed was not fixed but leave was usually granted for the full period of sickness. In the Rajasthan mine, sick leave was allowed in genuine cases. Apart from the leave provided in the Award for the monthly-rated workers, six of the mines in Bihar allowed sick leave in genuine case to daily-rated workers.

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Earned leave was granted to workers in 62 mines (out of 66 sampled mines). Of these, 44 were in Bihar, 12 in Rajasthan and 6 in Andhra Pradesh. In Bihar, all the workers (daily-rated and monthly-rated) enjoyed this leave as per the award. According to this Award, all daily-rated workers were entitled to this leave at the rate of 1 day for every 20 days' attendance. The condition of eligibility was 216 days' attendance in a year for under-ground workers and 228 days' attendance in a year for surface workers. Monthly-rated workers were entitled to 20 days' earned leave in a year. The condition of eligibility for such workers^{with} one Year's service.

In the 12 mines of Rajasthan, workers got earned leave as per the Mines Act, 1952.

In Andhra Pradesh, the period of earned leave varied in the various mines. In 3 mines, earned leave was granted to workers as per the Mines Act. In one mine, under-ground workers were granted earned leave at the rate of 1 day for 27 days worked, surface workers at the rate of 1 day for 38 days worked and salaried employees at the rate of 1 day for 19 days worked. In the remaining two mines, daily-rated workers were given 7 days' earned leave in a year while the monthly rated workers were allowed 14 days leave in a year. The condition of eligibility however, varied in the two mines. Under-ground workers with 190 days' attendance and surface workers with 265 days' attendance in a year were eligible in the first mine and workers in with 260 days' attendance in a year were eligible in the second mine.

All the 66 mines allowed holidays with pay. The period, however, varied. Two mines allowed 15 days, 10 mines allowed 8 days, 11 mines allowed 7 days, 2 mines allowed 5 days, 1 mine allowed 4 days, 25 mines allowed 3 days and 15 mines allowed 2 days.

Out of the 66 sampled mines, weekly off with pay was granted to workers only in the case of 22 mines - 10 in Andhra Pradesh, 7 in Bihar and 5 in Rajasthan. In the mines of Bihar and Rajasthan, all workers were allowed weekly-off with pay while in the 10 Andhra Pradesh mines, only monthly-rated-paid workers were allowed weekly-off with pay. In the remaining 44 sampled mines, weekly-off was allowed to workers without pay.

Welfare.- An account of the welfare facilities under the Mica Mines Labour Welfare Fund Organisation for the year 1957-58, may be found at pp.51-56, of Section 52 of the Report of this Office for February 1959. So far as housing was concerned, all the mine owners in Andhra Pradesh had provided housing accommodation to their workers although the percentage of workers housed was not indicated. The houses provided were kutchha huts or kutchha sheds and were provided rent-free. In Rajasthan, no housing accommodation was provided to the workers as all the workers belonged to the nearby villages. In one mine of Bihar, pucca houses were provided to the workers. In 24 mines, no housing accommodation was provided to the workers but the managements had built kutchha sheds near the mines and all such workers as stayed in those sheds for more than 20 days in a month were paid house-rent of Rs.4/- per month as per award. In the remaining 19 mines, all workers came from the neighbouring villages and were therefore not provided with housing.

Social Security.- None of the units in the States of Andhra Pradesh, Bihar and Rajasthan had got any scheme of Provident Fund or gratuity for their workers. The managements did not provide any maternity benefit to women workers in any one of the sampled mines. Maternity and child welfare facilities to such workers were provided by the Mica Mines Labour Welfare Fund Organisation.

Industrial Relations.- Out of 66 mines, 44 had framed Standing Orders for regulating the conditions of service of their employees. These Orders were certified in 36 cases, while in 8 cases, these were under certification.

Only in 6 mines - 5 in Andhra Pradesh and 1 in Bihar, Works Committees existed for looking after the grievances of workers. The workers had equal representation with management on such Committees in all the mines.

There were no trade unions exclusively of workers belonging to an individual mine. But certain unions (viz., the Mica Labour Union and the Abrak Mazdoor Union at Jhumri Telaiya in Bihar and Mica Karmika Sangham at Gudur in Andhra Pradesh) were looking after the interests of the mica mine workers. These Unions were recognised by the managements of various mines.

Part-B. Mica Factories.-

Employment.- Data regarding employment of labour in respect of 34 Factories, State-wise and sex-wise, are given below:-

No. of workers employed in Mica Factories as on 30-9-1958

State	No. of factories covered.	No. of Workers								
		Adults		Adolescents		Children		Total		Total
		Male	Female	Male	Female	Boys	Girls	Male	Female	
Andhra Pradesh..	10	253	397	-	-	-	-	253	397	650
Bihar.....	16	4,418	1,097	221	6	359	10	4,998	1,113	6,111
Rajasthan..	8	373	44	19	-	-	-	392	44	436
Total.	34	5,044	1,538	240	6	359	10	5,643	1,554	7,197

The total number of workers employed in the 34 mica factories on 30 September 1958, was 7,197. Of these, 5,643 or 78.4 per cent, were males and 1,554 or 21.6 per cent, females. Taking the individual States, it will be seen that employment of females predominated in Andhra Pradesh where 38.9 per cent were males and 61.1 per cent were females. In Bihar and Rajasthan, females accounted for only 18.2 per cent and 11.2 per cent of the total number of workers respectively.

Of the 7,197 workers employed, 6,582 or 91.5 per cent, were adults, 246 or 3.4 per cent were adolescents and 369 or 5.1 per cent were children. In Andhra Pradesh, adolescents and children were not employed while in Rajasthan, children were not employed and adolescents, accounted for 4.4 per cent of total workers. In Bihar adolescents and children accounted for 3.7 per cent and 6 per cent of the total number of workers respectively.

Out of 7,197 workers, 4,328 or 60.1 per cent were permanent; 2,240 or 31.1 per cent were temporary and 629 or 8.8 per cent were casual. Taking the individual States, the percentage of permanent workers was the highest in Rajasthan (86.0) and the lowest in Bihar (56.5). All the casual workers were females and were employed in one factory of Bihar. No casual workers were employed in the factories of Andhra Pradesh and Rajasthan.

Of the 7,197 workers employed in the 34 factories, 5,187 workers or 72.1 per cent were employed on time-rates while the remaining 2,010 or 27.9 per cent were employed on piece-rates. Statewise break-up shows that employment on piece rate system was more common in Rajasthan where 75.5 per cent of the workers were engaged on this basis. In Bihar, 27.5 per cent of the workers were employed on piece-rate system while in Andhra Pradesh all workers were time-rated. Taking all the States together 45.5 per cent of the workers had service below one year;

32.2 per cent had service of one year or more but below 5 years; 17.9 per cent had service of 5 years or more but below 10 years and the remaining 4.4 per cent had service of 10 years or more. In the individual States, majority of the workers had service below 5 years, the percentage of such workers being 87.1 in Andhra Pradesh, 74.9 in Bihar and 98.6 in Rajasthan. The percentage of workers having service of 10 years or above was 3.5 in Andhra Pradesh, 4.8 in Bihar and 0.2 in Rajasthan.

Absenteeism.- The average annual rate of absenteeism was the highest in Rajasthan (22.7 per cent) and the lowest in Andhra Pradesh (12.1 per cent). The All-India average for the year was 15.4 per cent. The high rate of absenteeism may be attributed to the fact that most of the workers come from rural areas and they absent themselves from the factories during the sowing and the harvesting periods.

Wages and Earnings.- Employment in mica works is one of the employments scheduled under the Minimum Wages Act, 1948. Under the provisions of the Act, the Governments of Bihar and Andhra Pradesh have fixed minimum rates of wages for workers employed in mica factories. The rates fixed under the Act are Rs.1-4-6 per day in Bihar and Rs.1-4-0 per day in Andhra Pradesh. In Bihar, a 7 per cent increase in the minimum rates of wages fixed under the Act has been given to the workers as a result of the Award Shri A. Hassan, Chairman of the Industrial Tribunal, Bihar and the workers are now getting a minimum rate of Rs.1-6-0 per day. It may be mentioned that workers in certain factories were not getting the increased rates of Rs.1-6-0 per day; they were getting only Rs.1-4-6 per day, as fixed under the Act.

Excepting cutters in the States of Bihar and Rajasthan, all categories of workers were employed on time-rate basis. The wages paid to different categories of workers varied from Re. 1 to Rs.1-10-0 per day in Andhra Pradesh, and Rs.1-4-6 to Rs.1-8-6 per day in Bihar. Higher wages were also paid to efficient workers in certain factories of Bihar. For instance, in one factory, cutters got Rs.2 per day while in 3 other factories of Bihar, workers got Rs.1.37 to Rs.2.67 per day. In Rajasthan, only cutters and sorters were employed in the mica factories attached to the mines. The cutters were generally employed on piece-rate basis and were paid on the basis of a seer, the ^{rate} per seer being Re.-/5/6 to Re.-/5/9. In two factories of Rajasthan, cutters were employed on daily basis and were paid Rs.1/2/- and Rs.1/4/- per day respectively. Sorters were generally employed on monthly basis in the factories of Rajasthan and were paid Rs.30 to Rs.61/12/- per month in the different units. In one factory, sorters were engaged on daily basis and were paid Rs.1/4/- per day.

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Bonus.- The system of paying bonus existed in 25 factories - 16 in Bihar and 9 in Andhra Pradesh. No bonus was paid to the factory workers in the State of Rajasthan. The rates of different types of bonus paid in these units were the same as in the case of workers employed in the mica mines and discussed in Part A of the report.

Working Conditions.- Casual leave was granted only in 5 factories of Andhra Pradesh. In one factory, all workers were granted 7 days' casual leave in a year. In another factory, all workers were eligible for casual leave at the rate of 1 day for every 38 days worked. In the remaining 3 factories, casual leave was granted only to monthly-rated workers. The number of days allowed to such workers differed in the 3 factories being 10 per annum in one, 15 per annum in another and 36 per annum in the third.

Sick leave was granted to workers only in 4 factories - 3 in Andhra Pradesh and 1 in Bihar. The number of days allowed in the Bihar factory was not fixed. In one factory of Andhra Pradesh, all workers were allowed 15 days' sick leave on production of a medical certificate. In another factory, only monthly-rated workers were given sick leave for the period of their sickness. In the third factory, all workers were allowed 7 days' sick leave in a year.

Earned leave was granted to workers in 27 factories - 4 in Andhra Pradesh, 7 in Rajasthan and 16 in Bihar. Workers employed in all the mica factories of Bihar got earned leave at the rate of 1 day for 20 days' attendance in a month provided such workers had got 240 days' attendance in a year. In Andhra Pradesh and Rajasthan, workers got earned leave as per the Mines Act.

All the 34 factories allowed holidays with pay to the workers. In all the 10 factories of Andhra Pradesh, workers got 8 holidays with pay while the holidays with pay granted to workers in Bihar and Rajasthan factories varied from 2 to 7 days in a year.

Weekly-off was generally allowed without pay to daily-rated workers although some factories in Bihar and Rajasthan allowed it with pay. Monthly-rated workers got weekly-off with pay in Andhra Pradesh. There were no such workers in Bihar.

Welfare and Social Security.- The position in respect of welfare facilities and housing and social security is the same as that of the mica mine workers.

Industrial Relations.- Out of 34 factories, 25 factories had framed Standing Orders for regulating the conditions of service of their employees. These were certified in all the cases.

In 11 factories - 4 in Andhra Pradesh, 6 in Bihar and 1 in Rajasthan Works Committees existed for looking after the grievances of workers. The workers had equal representation with employers in such Committees in all the factories.

There were no separate trade unions for the mica factory workers. The trade unions of mica mine workers also looked after the interest of mica factory workers.

(Indian Labour Gazette, Vol. XVII, No. 3, September 1959, pp. 211-258).

'L'

51. Hours of Work.

India - October 1959.

Working of the Hours of Employment Regulations in
Railways for 1957-1958.

The total number of railway servants covered by the Regulations during the year under review was 1,109,430 as against 1,080,753 in the preceding year.

Administration.- The Chief Labour Commissioner (Central), Deputy Chief Labour Commissioners, Regional Labour Commissioners (Central) and the Conciliation Officers (Central) have been appointed as "Supervisors of Railway Labour" under the Indian Railways Act, 1890. They are assisted by the Labour Inspectors (Central), who, having no legal powers under the Act, carry out inspections, on behalf of the Regional Labour Commissioners, in their respective jurisdictions. At the end of the year under review, there were 6 Regional Labour Commissioners, 18 Conciliation Officers and 80 Labour Inspectors spread all over the country.

Classification of Workers.- The peculiar nature of employment in Railways requiring service round the clock has necessitated classification of employees, under different categories with varying hours of work and periodic rest. Rule 4 of the Railway Servants (Hours of Employment) Rules, 1951, empowers the General Managers of the Railways, to classify the railway servants, under one or the other of four categories, namely: (1) intensive, (2) essentially intermittent, (3) continuous, and (4) excluded. The number of employees, classified under these four categories and their percentage in relation to the total number of employees, etc., on the different Railways is given in the table below:-

Classification of Staff covered by the Hours of Employment Regulations in Railways, 1957-58.

Name of the Railway.	Intensive		Continuous		Intermittent		Excluded		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%
Northern Railway.	238	0.13	113,697	62.95	19,114	10.57	47,636	26.35	180775	100.0
North-Eastern "	43	0.06	90,526	74.54	10,301	15.22	6,899	10.18	107769	100.0
Eastern "	284	0.12	114,652	69.66	12,534	7.61	37,247	22.61	164717	100.0
Central "	462	0.23	133,768	65.89	23,486	11.57	45,311	14.22	203027	100.0
Western "	356	0.24	94,085	63.45	19,584	13.43	31,846	21.83	145871	100.0
Southern "	567	0.30	111,586	64.1	16,879	9.8	44,803	25.8	173835	100.0
South Eastern "	235	0.20	79,377	59.4	12,651	9.5	41,263	30.9	133526	100.0
TOTAL.										
1957-58	2,185	0.21	737,691	67.09	114,549	9.23	255,005	23.42	1109430	100.0
1956-57	2,041	0.19	718,415	66.43	119,274	11.04	241,023	22.30	1080753	100.0

Inspection.- The inspectorate continued to pay special attention to this matter. Cases of incorrect or doubtful classification of staff reported by the inspecting officers, are scrutinised by the Regional Labour Commissioners, are taken up with the General Manager of the Railway concerned for consideration and necessary action. It was observed that ~~something~~ sometimes the employees were denied the benefit of the Regulations due to shortage of staff. Such cases were also referred to the Railway administration for necessary action. Differences of opinion, do arise in such cases between the Industrial Relations Machinery and the Railway Officers and the matters are settled amicably. Out of 261 cases of reclassification referred to the Railway Administration, the latter accepted the suggestions of Inspecting Officers in 69 cases and contested 15 cases. The remaining 177 cases were pending at the end of the year. During the same period 254 cases were referred to the Railway Administration for appointment of additional staff. In 36 cases additional staff was appointed and 7 cases were contested by the Railway Administration, leaving 211 cases pending at the end of the year. The proposals for reclassification and appointment of additional staff are scrutinised and passed at various stages resulting in delay in rectification of these irregularities.

During the year under report, 4,974 establishments were inspected as against 5,793 during the year 1956-57. The number of irregularities detected during 1957-58 were 18,578 as against 13,208 during the preceding year. The nature of irregularities detected and the number of such irregularities are shown in the table below:-

Nature.	Number	Percentage
1 Non-existence of Rosters -----	3,088	16.6
2 Non-display of Rosters -----	410	2.2
3 Out-of-date Rosters -----	429	2.3
4 Illegible or otherwise Defective Rosters -----	2,176	11.7
5 Non-display of Regulations -----	1,091	5.7
6 Habitual working Outside Working Hours -----	1,584	8.5
7 Habitual Working on Rest Days -----	1,550	8.3
8 Occasional Working Outside Rostered Hours-----	884	4.8
9 Occasional Working on Rest Days -----	907	4.9
10 Working Contrary to Rosters -----	240	1.3
11 Performing Continual Night Duty -----	107	0.6
12 Denial of Compensatory-off in lieu of Weekly Rest Foregone-----	1,694	9.2
13 Non-Payment of Overtime Allowances-----	2,068	11.1
14 Non-maintenance of Overtime Registers-----	618	3.5
15 Irregularities Regarding Maintenance of Muster Rolls and Over-time Registers -----	536	2.9
16 Other Irregularities -----	1,196	6.4
Total.	18,578	100.0

All the irregularities detected by the officers were taken up with the Railway Administration concerned, for rectification. Of the 18,578 infringements so taken up, 7,263 or 31 per cent were rectified during the year as against 36 per cent during the preceding year. Of the balance, 135 were contested by the Railway Administration as against 70 during the last year. Of the irregularities rectified, 36 per cent were rectified ~~within~~ within three months, 38 per cent 3 to 6 months, 20 per cent from 6 to 9 months, 4 per cent from 9 to 12 months and 2 per cent after twelve months. In order to enable the Railway Administrations to rectify the irregularities, pending with them, the Regional Labour Commissioners continued to furnish, as before, quarterly statement of cases pending with the Railway Administrations, for more than three months. In spite of these steps, the number of outstanding irregularities continued to be large.

A review of the Working of these regulations in the year 1956-57 was given at Section 51, pp. 44-46 of the report of this Office for October 1958).

¹¹
(Indian Labour Gazette, Vol. XVII, No. 3,
ⁿ September 1959, pp. 246-249).

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

India - October 1959.

Madras City: Scheme for Rest Shelters for 1,000 Homeless Wage-Earners.

A shed to provide night shelter for 1,000 wage earners now living on the City's pavements will be put up shortly in Nungambakkam, a suburb of Madras City.

A second shed is also to be put up, probably in the People's Park near Ripon Buildings, to house another 750 persons during the rainy season.

A nominal fee will be charged to cover expenditure on provision of sanitary and other amenities.

This scheme has been undertaken by the Bharat Sevak Samaj in an effort to provide "a roof over the head" for the pavement dwellers who count some 6,500 families, mostly engaged in casual labour and work for daily wages. The heaviest concentration of these families is in the George Town and Harbour area which are nearest to the places of their daily work.

The problem of providing suitable accommodation for these families, which has persisted for decades, is a difficult one. In the past, it has been the experience that these workers when forced to leave their "homes" in one place, very soon after occupy some other place in the same locality, because of their reluctance to move farther away from the places of their actual or potential employment.

According to experienced social workers, the problem of pavement dwellers and slums in the City are closely connected as "the pavement dweller of to-day is the slum dweller of to-morrow". Able-bodied men in search of work move into the City from the surrounding districts daily, and faced with the difficulty of finding suitable shelter, occupy the pavements during the nights. Many of them are used to better conditions in their native villages and therefore, they strive to establish residence in some sort of hut or thatched shed on the nearest vacant land available as soon as possible. There are thus more than 300 slums in the City in which about 16.8 million rupees under the Second Five-Year Plan for the acquisition of the lands on which these slums stand and for their improvement.

The Bharat Sevak Samaj also has its own programme for slum improvement, in which the co-operation of college students and their social service organisations will be enlisted. The programme includes provision for promoting better sanitary conditions, adult education centres and cultural activities; distribution of milk to children, teaching of crafts; starting of a Balwadi and open air theatre in Adyar, and the organisation of camps for school children. The Samaj also proposes to organise production of travellers' "hold-alls" at the night shelter in Nungambakkam, thus providing additional employment for the workers. The Samaj will supply the requisite raw materials and also arrange for marketing the finished goods.

(The Hindu, 23 October, 1959).

59. Social Research.

India - October 1959.

Rs. 1,000 Million Programme for Women's Education
in Third Five Year Plan: National Council's
Recommendation.

The first meeting of the recently constituted National Council for Women's Education (vide Section 59, pp.42-43 of the Report of this Office for July 1959), was held at New Delhi from 16 to 18 October 1959. Dr. K.L. Shrimali, Union Minister for Education, inaugurated the meeting and Shrimathi Durgabai Deshmukh, Chairman, Central Social Board, presided.

Inaugurating the meeting Dr. Shrimali stated that money spent on women's education yielded rich dividends for women were a great creative and civilizing force. Public opinion on the question of women's education had however, been influenced in the past by social prejudices, ignorance and other factors which tended to minimize its importance. Dr. Shrimali said one of the main objectives before the planners engaged at present in preparing the educational targets of the third Plan was removal of the wide disparity in the education of boys and girls. He assured the Council that the Government would give full consideration and support to any suggestion which the Council might make.

Shrimathi Deshmukh said that the immediate task in the third Plan was almost entirely one of enrolment of girls in primary schools to be set up in rural areas. Some of the popular prejudices against girls' education had to be removed.

She stated at the present rate it would require a century and a half for girls' education to reach parity with boys' education. The gap was being filled at the rate of 5 per cent in ten years. "We cannot afford to wait that long", she declared. The immediate need was to cut away from the orthodox and traditional methods and venture on a bold and new path in an effort to spread education among the girls of school-going age.

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Shrimathi Deshmukh said it should be necessary for the Central Government at least initially during the third Plan, to assume direct responsibility for guiding the work of women's education in all its aspects.

Statistics showed that 12 per cent of the women were literate as against 35.2 per cent of the men. One of the major obstacles to the expansion of women's education was a dearth of female teachers. Similarly, there was a great shortage of doctors, nurses, midwives, welfare officers, craft instructors and other personnel.

The Planning Commission had estimated that about 850,000 women workers would be required by the end of the third Plan, she said.

1,000 Million Rupees Plan.- The Council recommended an allocation of 1,000 million rupees in the third Plan for a special programme for the spread of girls' and women's education. It also recommended that about 100 million rupees be earmarked during the remaining years of the second Plan to train teachers for the third Plan educational programmes.

The National Council suggested that advisory councils be established at a State level for implementing the programmes.

The meeting passed resolutions on the scope and extent of Central responsibility; the targets, policies and special programmes for primary education of girls; special educational facilities for adult women; pre-primary education and the launching of experimental pilot projects.

According to the Council, an officer of the rank of Joint Educational Adviser should be appointed at the Centre to supervise such educational programmes and a separate unit created in the Union Ministry of Education to deal with the subject. At the State level, besides the Advisory Councils, there should be a Joint Director in charge of the education of girls and women.

Regarding the scope and extent of Central responsibility for the education of girls and women, the Council endorsed the recommendations of the National Committee on Women's Education that it should be the Centre's responsibility to achieve parity between the number of boys educated and girls.

Referring to the introduction of universal primary education for boys and girls in the 6-11 years age-group, the Council recommended that every effort should be made to reach as high a target of enrolment as possible and it should not be less than 50 per cent in any part of a State.

The Council appointed a sub-committee to work out details regarding target, policy and special programmes for the education of girls and women at the primary, middle, secondary and adult stages and to make suitable recommendations for the pre-primary and university stages of education.

(The Statesman, 17 and 19 October 1959).

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Chapter 6. General Rights of Workers.

66. Strike and Lockout Rights.

India - October 1959.

Madhya Pradesh Essential Services Maintenance Act, 1959
(Madhya Pradesh Act No. 21 of 1959).

The Madhya Pradesh Essential Services Maintenance Bill (vide pages 63-64 of the report of this Office for September 1959) as passed by the Madhya Pradesh Legislature received the assent of the Governor on 6 October 1959 and has been gazetted as Madhya Pradesh Act No. 21 of 1959. The Act empowers the State Government to prohibit by general or special order, strikes in any essential service specified in the order.

(Madhya Pradesh Gazette, Extraordinary,
7 October 1959, pp. 1817-1818).

67. Conciliation and Arbitration.

India - October 1959.

Bombay: Industrial Disputes during 1958.

Number of disputes and workers involved.- During the year 1958 there were 245 disputes in the State involving 216,105 workers on the maximum with a time loss of 1,261,770 man-days. The corresponding figures for 1957 were 306 disputes involving 192,283 workers on the maximum with a time loss of 867,311 man-days. Thus compared to the position in 1957 it will be seen that although there was a fall in the number of disputes, both the number of workers involved and the man-days lost were on the increase. The number of disputes declined by 19.93 per cent while the time loss recorded a rise of more than 45 per cent over the previous year. The average man-days per dispute increased from 2,834 in 1957 to 5,150 in 1958 while the average duration of disputes rose from 4.51 to 5.84 during the year under review.

There was only one industry-wise workstoppage i.e., the strike by the doffers in various Cotton Textile Mills at Ahmedabad during July 1958 which accounted for more than 54,000 man-days during the year under review. However, there were, 10 lockouts, which involved only 6,762 workers but accounted for 469,549 man-days or 37.21 per cent of the total time loss resulting from all the disputes. The only important lock-out was the one in the Premier Automobiles Limited, Kurla, Bombay, involving 4,723 workers. This lock-out alone accounted for 421,223 man-days i.e. the highest time-loss for any individual dispute during the year.

Only 10 per cent of the total time loss was recorded by the textile industry during the year, which accounted for 23.67 per cent of the total number of disputes. The total time loss suffered by this industry showed appreciable decline as compared to the previous year. The engineering industry accounted for 36.18 per cent of the total time loss which ~~was~~ was nearly three times higher than the previous year while the miscellaneous industries with the highest number of disputes accounted for nearly 54 per cent of the total time loss during the year which was more than twice the time loss recorded for the preceding year. It will thus be seen from these figures that the miscellaneous industries recorded the highest time loss during the year which was mainly ~~due~~ due to the strikes in (1) the Bombay Municipality and (2) the Port and Docks, Bombay, which together accounted for 463,594 man-days ~~lost~~ out of the total time loss of 678,091 man-days suffered by this industry.

Disputes occurred at 54 centres as against 60 centres in 1957. Greater Bombay, the most important industrial centre in the State recorded as usual, the highest number viz., 140 as against 178 during 1957 while Ahmedabad recorded only 7 disputes. Disputes in Greater Bombay alone affected more than 52 per cent of the total workers involved during the year and accounted for more than 80 per cent of the total time loss.

Causes of disputes.— A variety of reasons occasioned strikes and lockouts and in several instances many issues were involved in each case. However, for the purpose of statistics such cases have been classified according to what appeared to be the principal issue in the dispute.

About 45.31 per cent of the total disputes involving more than 35 per cent of the total workers affected related to "pay, allowances and bonus issues", 72 or 29.4 per cent of the total disputes affecting 21.36 per cent of the total workers involved were due to "grievances about personnel" only 5 disputes occurred on account of "leave and hours of work" while 57 or 25.27 per cent of the total disputes affecting 41.38 per cent of the total workers involved were due to "other causes". The highest time loss i.e., 45.34 per cent of the total time loss was on account of the disputes relating to "pay, allowances and bonus" while "personnel" causes accounted for 39.17 per cent of the total time loss as will be seen from the table below which shows the distribution of disputes according to the main causes:—

Causes	Number of Disputes	Number of Workers involved	Number of Man-days lost
Pay and Allowances	97	72,999	559,876
Bonus	14	2,944	12,257
Leave and hours of work.....	5	4,594	3,696
Personnel	72	46,152	494,208
Others	57	89,416	191,733
Total.....	245	216,105	2,261,770

The "pay, allowances and bonus" formed the main cause and the percentage to total recorded a rise from 36.27 in 1957 to 45.30 in 1958. The percentage to ~~xxxxxx~~ total number of disputes due to grievances about "personnel" however, recorded a slight fall of 0.68 per cent. The "leave and hours of work" and "other causes" however, recorded a fall of 5.48 per cent and 2.87 per cent, respectively.

Results of disputes.- In 77 or nearly 32.08 per cent of the 240 disputes, which terminated during the year under review representing about 31.37 per cent of the total workers, the workers were either partially or entirely successful while in 103 or nearly 43 per cent of the disputes affecting about 24 per cent of the total workers involved, the workers were entirely unsuccessful. In 54 or 22.5 per cent of the total disputes, the result was indefinite i.e., work was resumed pending final settlement of the dispute.

Compared to the previous year, the percentage of the disputes which were either successful or partially successful recorded an increase of 11.06 per cent. The proportion of unsuccessful disputes, however, recorded a fall of 13.01 per cent, while "indefinite" disputes rose from 20.34 in 1957 to 22.50 in 1958. The workers were reported to be completely successful in 18 disputes in which "pay and allowances" was the principal issue and in 20 disputes which related to "grievances about personnel".

Workers involved and man-days lost.- The number of workers involved recorded for the year under review was higher by 12.4 per cent than the 1957 figure. More than 52 per cent of the workers involved in all the disputes during the year were from the textile industry while miscellaneous industries accounted for nearly 40 per cent.

Analysing the disputes according to the number of workers involved, the 10 - 100 group accounted for 53.47 per cent of the total disputes but the time loss caused by these disputes was only 2.37 per cent, while 8 disputes involving over 4,000 workers accounted for nearly 76.55 per cent of the ~~total~~ total time loss.

The ^{year} under review recorded nearly 1,262,000 man-days lost as against about 867,000 during the previous year representing a rise of more than 45 per cent over the preceding year. The 1 to 100 slab of time loss recorded 92 disputes involving only 2.54 per cent of the total ~~time~~ ~~workers~~ workers while 21 disputes with a loss of more than 5,000 man-days involved 72.89 per cent of the total workers and accounted for about 90 per cent of the total time loss.

Duration of disputes.- Nearly 74 per cent of the total disputes did not last for more than 5 days. Even among these, there was a heavy concentration in the class lasting for "a day or less". It will also be seen that a little less than half of the total disputes involving about 20.86 per cent of the total workers lasted for a period of "a day or less". The time loss in these disputes was, however, only about 2.79 per cent while 64 or 26.12 per cent of the total disputes which lasted for more than 5 days accounted for nearly 87 per cent of the total time loss. The average duration of the disputes (obtained by dividing the total number of man-days lost by the total number of workers involved) however, advanced from 4.51 in 1957 to 5.84 during 1958.

(Labour Gazette, Vol. XXXVIII, No. 12, August 1959, pp. 1558-1574).

68. Labour Courts.

India - October 1959.

Retrenched Workers can Claim Both Retrenchment Compensation and Gratuity: Supreme Court's judgment.

The Supreme Court on 16 October 1959, held that the workmen entitled to retrenchment compensation benefit under Section 25-F of the Industrial Disputes Act can also claim the benefit of a gratuity scheme.

In view of this ruling the court dismissed three appeals by the Indian Hume Pipe Company Ltd., the Indian Bank Ltd., and Dalmia Cement Ltd., - all of which had contended that the workmen could not be entitled to the double benefit of a gratuity scheme as well as the retrenchment compensation. The question to be decided in the three appeals was identical.

In a dispute between the Indian Hume Pipe Co., and their workmen the Industrial Tribunal had held that the workmen were entitled to both gratuity and retrenchment compensation. The Appellate Tribunal later agreed to the view taken by the Tribunal and also made some changes in the gratuity scheme sanctioned by the Tribunal.

Mr. Justice Gajendragadkar of the Supreme Court, delivering the judgment said: "It is true that a retrenched workman would get both the retrenchment compensation and gratuity and in a sense, on his retrenchment he would get more than what other workmen with corresponding length of service would get on their retirement; but it must be remembered that the retrenched workman gets compensation because involuntarily he has been forced to face unemployment, and it is to enable him to tide over the period of unemployment that retrenchment compensation is paid to him."

"So," he added, "on the general contention raised before us that the employees are not entitled to claim the double benefit of gratuity and retrenchment compensation, there can be only one answer, and that is that there is no conflict between the two claims and industrial tribunals are right in recognising that both claims can be entertained and granted, and reasonable gratuity scheme can and should be framed even after the enactment of Section 25-F in the Act."

(The Hindustan Times, 17 October 1959).

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

India - October 1959.

Burmah-Shell Workmen conclude Collective Agreement on
Age of Retirement.

A settlement was arrived at on 28 May 1959 in Bombay between the Burmah-Shell Oil Storage and Distributing Company of India Limited, and their employees relating to the age of retirement.

The agreement states that all labour employees in Greater Bombay shall retire from the service of the Company on completion of their 55th year of age. Those employees who will have completed 55 years of age on or before 31 August 1959 shall retire with effect from the evening of 31 August 1959.

Those employees who will complete 55 years of age subsequent to 31 August 1959 shall be governed by the following procedures:

- (a) Employees who have not declared their exact month of birth shall retire with effect from 1 January of the year following the year in which they complete their 55th year.
- (b) Employees who have declared their month of birth but not declared the exact date of birth shall retire on the last day of the month of birth in the year in which they complete 55 years of age.

(c) Employees who have declared their exact date and month shall retire as stated below:

(i) In the case of those whose birthday is on the first of any month, on the first of the month of birth, in the year in which they complete 55 years of age; and

(ii) In other cases, on the last day of the month of birth, in the year in which they complete 55 years of age.

The Unions have made a strong plea that those due to retire on 31 August 1959 as a result of this settlement will receive comparatively short notice and should therefore be given some special consideration. The Company has agreed as a gesture of goodwill to make up lump sum payments to these workmen, ex-gratia and without precedent, as shows below: Unskilled-900 rupees, Semi-skilled I- 1000 rupees; Semi-skilled II - 1100 rupees; Skilled I - 1200 rupees; Skilled II - 1300 rupees. The Company reiterates that the above payments will only be made to the workmen due to retire on 31 August 1959 in the light of the circumstances mentioned above; those retiring after that date will of course receive no such payments.

(Trade Union Record, Vol.XV, No.22, 20 September 1959, page 6).

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Experiment in Joint Management in Hindustan Machine Tools:
Alleged Violation of Agreement.

Deteriorating labour-management relations have led to the virtual extinction of the Joint Management Council introduced in Hindustan Machine Tools in September 1958.

This first experiment in workers' participation in management was said to be revolutionary. But the Council has not functioned since June contrary to its constitution which specifies a meeting every month. No immediate comment was available from the management on the present state of affairs.

stated at Bangalore on 20 Oct 1958
Shri M.S. Krishnan, President of the HMT Employees' Association, which is a party to the establishment of the Joint Management Council, ~~stated~~ *stated* yesterday confirmed that the Council had not met since June. He ~~told~~ *told* the management's representatives in the Council were taking unilateral action without consulting the representatives of the workers. The management had also violated the agreement with the Employees' Association regarding other matters also, he ~~claimed~~. He complained of victimization and unjust dismissal of workers.

Shri Krishnan regretted that in HMT there were three trade unions today as against only one when the agreement relating to the Joint Management Council was signed. He alleged that the management was supporting one of the unions which had the backing of the INTUC.

Speaking to pressman, Shri M.S. Krishnan said that the Hindustan Machine Tools Employees' Association has urged upon the Government of India to enquire into the complaints of the Association regarding the working of the Joint Management Council and violation of the Code of Discipline.

Commenting on the statement of Shri M.S. Krishnan, Shri G.V. Ramachar, President of the Mysore State Branch of the INTUC said, "I read with great surprise the summary of the statement issued by Shri M.S. Krishnan regarding the affairs of the Hindustan Machine Tools at Bangalore. In the course of the statement, he has chosen to hurl certain allegations against the INTUC State Branch. He seems to think that it is the INTUC that started the Union against the one that Shri Krishnan had started. The interpretation he has given to the facts existing at the HMT is also erroneous.

"It will be recalled that the Association headed by Shri Krishnan attended a meeting of the Joint Council last June and on some flimsy ground the representatives of the workers staged a "walk-out" of the Joint Council. The weapon of "walk-out" is not a Trade Union weapon but a political weapon. The workers interpreted the said "walk-out" as kicking the Joint Council in its face. Naturally the workers were interested in saving the Joint Council and safeguarding the economic welfare of the workers. It is necessary to point out the importance of co-management in the public sector. The scheme of co-management is a brake on the public sector degenerating itself into "State capitalism". They indulged in pressing for promotions to their Treasurer alone, when several people had the same claims. They did not take up the cause of others. This was unfair Trade Union stand. The workers were faced with the problem whether they should associate themselves with the strike against the scheme of co-management as evidenced by their "walk-out" and tolerate anti-Trade Union conduct, or should form another Union to save the scheme of co-management. They, therefore, decided to form a separate Union. It is absolutely erroneous to state that the INTUC started the Union. The Union was started by the workers themselves."

"There was one more substantial reason for the Workers to form another Union. The Association headed by Shri Krishnan seems to have exhibited a partisan attitude with regard to the redress of grievances of individual workers. The workers resented the collection of Communist Party funds from them and also the enrolment of members to the Communist Party, with the help of their office-bearers, and those who did not like to join the party were not treated kindly by the Association's office-bearers. All these created discontent among the rank and file of the workers and they had to form another Union to safeguard their own interests as well as that of the industry."

(The Statesman, 22 October 1959;
The Deccan Herald, 23 October 1959).

Joint Management Council in Hindustan Insecticide
Factory inaugurated.

The joint management council of the Hindustan Insecticide Factory was inaugurated in Delhi on 1 October 1959.

The factory is the second undertaking in the public sector to have such a Council. The first was the Hindustan Machine Tools.

The Council, consisting of three representatives each of the workers and the management, will be consulted on such matters as retrenchment, rationalisation and closure of the factory. It will also have the right to receive information on the economic condition of the factory, ~~and~~ the production, sales programme and the annual balance sheet.

(The Statesman, 2 October 1959).

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES
OF WORKERS.

INDIA- OCTOBER 1959.

71. Employees and Salaried Intellectual Workers.

Bombay: Expert Committee to Enquire into Pay Scales of
Staff in Technical Institutions.

The Government of Bombay has appointed ^a seven-member committee to make recommendations regarding pay-scales of full-time as well as part-time teachers working in technical industrial institutions in the State, and also about their service conditions, hours of work, etc.

For details, please see Section 37, page 2/ of this Report.

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - OCTOBER 1959.

81. Employment Situation.

Unemployment in Urban Areas: D.G.R.& E. Study Published.

In a study¹ issued recently, the Directorate of Employment Exchanges of the Ministry of Labour and Employment examines, in brief, the problem of unemployment in urban areas as revealed from Employment Exchange Statistics and other sources, and in particular by the studies made by the National Sample Survey. It endeavours to discover reasons why, despite an increase in employment opportunities generated by the Five Year Plan, the number of unemployed registered at employment exchanges is steadily on the increase. The Study has, in general, revealed that the very desirable economic and social policies which India is pursuing, the determination to increase the number of educated persons and the steps towards rapid industrialisation will "inevitably result in a concentration of the labour force in urban areas." The following is a summary of the Study.

An Urban Phenomenon.- Unemployment is primarily an urban phenomenon. In rural areas where agriculture is the main source of livelihood, the problem is one finding additional work to those who are already employed or partially employed.

¹ Employment and Unemployment Study No.4: Unemployment in Urban Areas: National Employment Service, Ministry of Labour and Employment, Government of India (D.G.R.& E.), New Delhi, March 1959, pp. 25.

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In urban areas, the situation varies, if not in kind at least in degree, as between towns and cities depending on their size and importance. Most of the small towns have characteristics in common with villages and their working population is therefore affected by under-employment. As between towns of a bigger size, the magnitude of unemployment assumes varying dimensions, generally according to their relative importance viz., industrial cities, state capitals, university cities, project-towns, etc. Thus consideration of the problem of unemployment as a whole has to take into account the inevitable process of and the prospects for urbanisation in the country. It will be realised that the process of urbanisation, caused among other factors by migration from villages to towns and from towns to cities has, to a considerable extent, influenced the composition of the labour force living not only in villages but in towns and cities also. It is against this background that the problem of unemployment particularly in urban areas is being examined.

Characteristics of the Urban Population.- According to the 1951 Census, 17 per cent of India's population lived in urban areas. Of the urban population, nearly 39 per cent were found to be living "cities" with a population of a 100,000 and above; 12 per cent in "towns" with a population of 50,000 and above but below 100,000; and the remaining 49 per cent in "small towns" with a population below 50,000 and more than 5,000.

Changes in the Age Composition.- One of the results of migration from villages is that the urban population has assumed a peculiar age-distribution. In urban areas, as compared to rural areas, there is relatively a larger proportion of population in the working age group and a smaller proportion in the younger and older age groups. Similarly, as a result of migration from towns to cities, there is a larger proportion of the population in cities belonging to working ages as compared to other urban areas. For example, in Calcutta City 64.2 per cent of the population belong to the age-group 16-61 as compared to 55.9 per cent in urban India as a whole.

Effects on Labour Force.- It has been observed from the results of a National Sample Survey that 59.0 per cent males and 32.3 per cent females in rural areas were in the labour force. The corresponding percentages in urban areas were 55.4 and 15.0 respectively. The net result is that 45.8 per cent of the rural population were found to be in the labour force as against 36.2 per cent of the urban population. As between urban areas of different sizes, the position is again different. Where there is a greater degree of urbanisation, there is an increasing proportion of males in the labour force while the participation of females in the labour force tends to decline. The National Sample Survey has revealed that the percentage of males in the labour force was 62.1 in big cities (namely Calcutta, Madras, Bombay and Delhi), 54.9 in capital cities and those with the 300,000 population and above, and 53.8 in other urban areas, while the corresponding percentages for females in the labour force

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were 7.0, 8.6 and 13.2 respectively. The net effect was that the labour force comprised 38.2 per cent of the population in big cities, 33.3 per cent in capital cities and those with 300,000 population and above, and 34.2 per cent in other urban areas. Both the favourable age composition of the population and the high participation of men in the labour force have contributed to the fact that the proportion of the labour force in urban population is the highest in cities.

Sex Composition of Urban Areas.- A National Sample Survey shows that the population in Calcutta City comprised 59.1 per cent males and 40.9 per cent females as against 51.6 per cent males and 48.4 per cent females in urban India as a whole. The larger proportion of females in the village population pushes up the size and proportion of the labour force in rural areas in view of their high rate of participation in work. In urban areas, however, the proportion of females in the population is smaller and their low rate of participation in work pulls down the size and proportion of the total labour force.

Other Characteristics.- Among other characteristics, 35 per cent of the urban population are literate as against 12 per cent of the rural population. Matriculates and those with high educational standard, form 5.5 per cent of the urban population as against 0.5 per cent of the rural population. This disproportion is of social significance, though it has no effect on the actual size of the labour force.

Size of Households.- The household size is declining with growing urbanisation. The average size of rural households is 5.0 as compared to 4.7 in towns below 15,000 and 4.1 in big cities.

Extent of Migration.- The National Sample Survey brings out the fact that as much as 40 per cent of the present urban labour force already consists of migrants. More than half of them had migrated from villages and about one-sixth had migrated from other urban areas. The remainder were displaced persons and many of them came from rural areas. It will thus be seen that a large part of the urban labour force are migrants from villages in search of employment opportunities.

Employment Pattern in Urban Areas.- Compared to the rural areas, a higher proportion of the population are employed in Manufacturing such as food products, textiles, etc., and in Services such as construction, water, electricity and sanitary services, trade and commerce, transport and communications and professional services. The number is greater in cities than in towns. Analysing the occupational pattern, a higher proportion of the working population in urban areas are employed as administrative and technical personnel, craftsmen and artisans, clerical workers, unskilled workers such as peons, cleaners and sweepers and in service occupations relating to the wholesale and retail trade such as hawkers and shop keepers. Educated persons are mostly employed in professional and technical, administrative and executive and ministerial occupations.

Nearly 18.0 per cent of those employed in urban areas are in the public sector, as compared to only 2.1 per cent in rural areas. While most of the working population in rural areas are engaged in agriculture, small-scale industries and household services, the working population in urban areas are generally engaged in large-scale industries and domestic services. It is observed that on an average the working population belonging to urban parts are engaged in their primary occupations for 23 days in a month, while the working population in the rural parts of the country are engaged only for 18 days. It will, therefore, be seen that there is an incentive on the part of the rural population to migrate to towns and cities in their desire to shift from the cultivation of land to manufacturing and services, from agricultural and house-hold occupations to non-agricultural and service occupations, from the private to the public sector, and from intermittent or seasonal work to regular employment. Above all, there is a rapid and continual shift of the educated population to urban areas in search of professional, administrative, technical or clerical work.

Urban Unemployment.— In view of the continuous migration to urban areas, there is an increase in the number of unemployed persons in urban areas; the proportion of the unemployed is higher in cities compared to towns and is the highest in big cities. The draft report No.15 of the National Sample Survey shows that 9.0 per cent of the labour force were unemployed in big cities as compared to 6.0 per cent in capital cities and 5.1 per cent in other urban parts of the country. ~~Analysing the~~ Analysing the unemployed in urban areas, nearly 40 per cent of them are migrants most of whom are coming from rural areas within the State. In fact, their proportion is higher in cities ~~where a large~~ where a large number of migrants are coming from rural areas within and urban areas not only from within the State but also from other States. A further analysis shows that nearly three-fourths of these unemployed persons sought work as 'employees' while the remaining one-fourth sought work on their own account. The tendency to seek work as 'own-account' workers is, however, significantly declining where there is a higher degree of urbanisation. For example, only 14.5 per cent of the unemployed in Calcutta City were seeking work on their 'own-account' as against 24.2 per cent in urban India as a whole. Of those, seeking work as employees in urban areas, 42 per cent were trying to secure non-manual work, 33 per cent were seeking unskilled manual work and the remaining 25 per cent were seeking skilled manual work. Persons seeking administrative, executive and clerical work have constituted a higher proportion of the unemployed in cities than in towns.

Unemployment in urban areas is most acute among the educated persons and its incidence is high among matriculates (15.6 per cent), intermediates (15 per cent), literates below matriculation standard (10.1 per cent) and graduates (9.1 per cent) in order of importance. In cities the problem of unemployment among the educated is still more acute. It is most acute for those who have no technical or professional qualifications, while the position is not so bad with regard to professional degree and certificate holders. Apart from the characteristics of the unemployed mentioned above, it is interesting to note that their attitudes are somewhat different with regard to the manner in which they seek work. It is observed that a larger proportion of the unemployed in cities are registered with Employment Exchanges than in other urban parts. The National Sample Survey has revealed that 33 per cent of the unemployed in Calcutta City had registered at Employment Exchanges as against only 23 per cent in urban parts of the country. The unemployed persons in cities have perhaps more knowledge about the working of Exchanges than their counter-parts in towns. Finally, most of the unemployed belong to the age-group 15-24 and are fresh entrants to the employment market. This is more so with regard to the educated unemployed of whom as many as 80 per cent belong to that age-group and are seeking jobs for the first time.

Rise in Unemployment.- Although the increase in the labour force will, to some extent, be absorbed by expansion of employment opportunities arising from industrialisation, there has begun a race between the growth in urban working population, resulting from migration, and the expanding employment generated by the Plan, with the latter at present lagging behind the former. Since this is going to be a continuous race, there is likely to be an increase of persons affected by unemployment in urban areas. This situation, to a large extent, explains the increasing number of persons seeking work at Employment Exchanges which are mostly located in urban areas. There is some evidence that the increase is caused by a steady shift of the working population from rural areas. Analysing the previous source of livelihood of the unemployed persons registering at Exchanges, it has been found that next to fresh entrants to the employment market (who are the largest single group of the registered unemployed constituting nearly 60 per cent of the total registered), persons coming from agriculture, forestry, fishing and livestock taken together constitute a bulk of those seeking work, forming nearly 11 per cent of the total. Their number increased from 51,660 in January-March, 1958 to 62,770 in April-June, 1958 and 70,220 in July-September, 1958 out of a total registration of 450,000 ~~530,000~~ 530,000 and 650,000 respectively. This suggests that an increasing number of persons who were hitherto deriving their income from agriculture are now seeking non-agricultural and urban employment.

Educated Unemployed.- The number of educated unemployed is also on the increase owing to lack of balance between their supply and demand for them. The number of pupils in recognised institutions has increased, during 1950-51 and 1955-56, from 4.8 to 6.8 millions in the secondary stage, from 220,000 to 290,000 in intermediate and from 200,000 to 340,000 in collegiate courses. It has recently been pointed out by the Chairman of the University Grants Commission that there has been an overwhelming growth in the number of university students who increased from 240,000 to 750,000 during the last decade involving an annual increase of 50,000 students. Almost all the educated unemployed are seeking work in urban areas as the type of employment sought by them falls at present almost solely within the pattern of employment obtaining in these areas. In the hope of better employment, they are also moving from towns to cities and particularly to capital cities for employment in the public sector. Some of them also seem to be moving to university towns so that they can take up further studies while they are at work or while waiting for employment.

Women's entry into the Employment Market.- Among other factors that have contributed to a rise in unemployment, mention may be made of the increasing number of girls coming into the employment market partly owing to a rise in their age at marriage and partly owing to their demand for a higher standard of living which requires them to supplement the earnings of their families.

Position regarding ~~State~~ Jobs.- This may be illustrated on the basis of the Exchange statistics showing the number of persons seeking work in different occupations in relation to the number of vacancies against which they could be considered. The following is the position in selected occupations at all Exchanges at the end of September, 1958:-

No. of persons seeking work at Exchanges in selected occupations in relation to vacancies at the end of September, 1958.

Occupation	No. of persons seeking work (In Live Register)	No. of vacancies	No. of persons seeking work against one vacancy.
<u>Surplus Occupations</u>			
Automobile Mechanic	3,625	143	25.8
Carpenter	7,978	568	14.0
Bus Conductor	2,659	115	23.1
Car and Bus Driver	15,739	1,172	28.8
Clerk	268,743	6,460	41.6
Office Assistant	10,963	875	12.5
Daftry	56,719	298	123.6
Book Binder	1,905	36	52.9
Unskilled worker (office)	249,258	10,983	22.6

Table continued:-

Occupation	No. of persons seeking work (on Live Register).	No. of vacancies.	No. of persons seeking work against one vacancy.
<u>Shortage Occupations</u>			
Turner	2,640	322	8.2
Machinist	2,954	144	6.6
Metal grinder	123	52	2.3
Mechanical Foreman	682	275	2.4
Electric Fitter (Structural).	178	84	2.1
Internal Combustion Engine Mechanic	683	158	4.3
Instrument Mechanic	150	50	3.0
Rivetter	174	81	2.1
Civil Engineer	279	149	1.8
Overseer	2,220	550	4.0
Surveyor	930	254	3.6
Sanitary Inspector	416	84	4.9
Vaccinator	215	44	4.8
Midwife	1,666	213	7.8
Librarian	191	83	2.3
Statistical Computer	186	113	1.6
Typist	17,704	2,331	7.6
Stenographer	2,009	1,011	1.9
Accountant/Auditor	818	178	4.6

In interpreting the above figures, it should be noted that all the unemployed persons seeking work are not registered with the Employment Exchanges and all vacancies are not notified to Exchanges. It should also be remembered that persons who have been registered for a particular occupation can also be considered against vacancies in allied occupations if they are suitable and willing to be considered for such vacancies. To some extent, there may be also over-classification of registration registrants and vacancies in some occupations. Registrants frequently lay claim to a higher standard of competence than is justified. Despite these limitations, the figures given above indicate a broad relationship between the supply of and demand for manpower in different occupations.

Projection of the Labour Force and the Need for Additional Employment.- The Study assumes that the annual rate of population growth will be 1.5, 1.7 and 1.9 per cent during the First, Second and Third Plan period, respectively. At the time of the 1951 Census, the population of India was 357 millions (excluding Jammu and Kashmir) of whom 62 millions were living in urban areas. The urban population (using the same definition as in the 1951 Census) is expected to increase by 38.2 per cent during 1956-61 and 40.2 per cent during 1961-66. The estimated growth of rural and urban population during 1956-61 is tabulated below:-

Estimated growth of Rural and Urban Population
(in million)

Year	Rural Population.	Urban Population.	Total Population.	Percentage of urban Population.
1956	311	73	384	19.0
1961	330	87	417	20.9
1966	353	104	457	22.7

The above estimate would imply an increase of urban population by 14 millions during the Second Plan period and 17 millions during the Third Plan period. Assuming that the rate of natural increase in urban population is the same as the total population, the urban population will increase by 6.2 millions as a result of natural growth and 7.8 millions as result of net migration into urban areas during the Second Plan period, while the corresponding figures will be 8.2 and 8.8 millions respectively during the Third Plan period.

Labour Force Growth and the need for Additional Employment.- According to the National Sample Survey (Report No.14), 36.2 per cent of the urban population constitute the labour force. Assuming that this proportion will remain constant, the urban labour force would increase from 26.4 to 31.5 millions during the Second Plan period and from 31.5 to 37.6 millions during the Third Plan period. This would mean an increase of 5.1 and 6.1 millions in the urban labour force during the Second and the Third Plan periods respectively.

According to the National Sample Survey on Urban Unemployment, (Report No.15) nearly 9.4 per cent of the labour force in urban areas (including cities) were unemployed in September, 1953. Assuming (rather optimistically) that this proportion will remain unaltered the number of unemployed persons will, solely because of the rise in the size of the labour force, increase from 2.48 to 2.96 millions during the Second Plan period and from 2.96 to 3.53 millions during the Third Plan period.

The Educated.- Out of 4.7 million educated persons at the end of the year 1955, 3.2 millions were living in urban areas. It has been assumed for the purpose of the study that the proportion of educated persons in the urban population as a result of India's social policies will increase from 5.5 per cent in 1955 to 7.0 per cent in 1961 and to 8.5 per cent in 1966. It is also assumed that the proportion of the educated population in the labour force will continue to remain much the same as observed in the year 1955. Based on these assumptions, the number of educated persons in the labour force will increase from 2.8 to 4.2 millions during the Second Plan period and from 4.2 to 5.9 millions during the Third Plan period.

From the National Sample Survey (Report No.15), it is observed that 12.5 per cent of the educated labour force in urban areas were unemployed. If this percentage remains constant, the number of ~~unemployed~~ educated unemployed, solely as a result of the increase in the labour force, will rise from 0.35 to 0.525 millions during the Second Plan period and to 0.735 millions by the end of the Third Plan.

Implications for the Third Plan.- An addition of 6.1 millions persons to the urban force is to be expected, of whom 1.7 millions will be matriculates and persons with higher educational qualifications. This conclusion is based on the assumption of an annual growth rate of 1.9 per cent in the total population and of 4.0 percent in the urban population during 1961-66. Educated persons might come to 8.5 per cent of the total urban population.

The next implication is that there will be an addition of 0.57 millions unemployed persons, of whom 0.21 millions will be matriculates or persons with higher educational qualifications, if the proportion of the employed in the labour force continues to remain unmodified in respect of the total and the educated population in urban areas. The Study suggests that in order to maintain the present proportion of the employed in the labour force, it will be necessary that the Third Plan should create 5.5 million jobs including 1.5 million jobs for the educated.

Increase in Registered Unemployment.- In the absence of unemployment surveys, employment exchange statistics are the only source of limited information regarding the number of unemployed persons. The total number of persons on the Live Registers of Exchanges in March 1956 was 704,638, of which 221,500 were educated persons; these numbers had increased by 449,262 and 153,282 to 1,153,900 and 374,782 respectively, by September 1958.

Overall Unemployment.- From the estimates of potential increase in unemployment during the Second Plan period, the number of unemployed persons might be expected to increase from 2.48 millions in 1956 to 2.96 millions in 1961, unless the Plans are adjusted to meet the situation.

Throughout this study, it has been assumed that the Live Registers of Exchanges reflect the situation with regard to urban unemployment because almost all the applicants who are registered at Exchanges are in search of employment in non-agricultural occupations in urban areas. In interpreting the increase in the Live Register as an index of a rise in urban unemployment, the following factors should be taken into account:-

- (a) the increase in the number of Exchanges;
- (b) the increasing proportion of the total unemployed registering at Exchanges; and
- (c) the increasing number of employed persons registering at Exchanges for better employment.

The Study suggests that the following number on live Register should be discounted on account of the above factors: (a) 186,112, (b) 89,000, and (c) 13,400. According to the Study the number of unemployed increased by 0.24 millions from the commencement of the Second Plan in 1956 to 1958. As against this estimate the actual increase is 0.45 millions. After making an allowance of 0.29 millions as given above, there has been an increase of nearly 0.16 millions in registered unemployed during the period. This seems to indicate a much larger increase in the total number of unemployed persons in the labour force than might have been expected, keeping in view that only a portion of the unemployed registers at Exchanges.

The Educated Unemployed.- It was estimated earlier that the number of educated unemployed will increase from 0.35 millions in 1956 to 0.525 millions in 1961. The numbers registered at as against this, the number of registered persons of this type increased from 221,500 in March 1956 to 374,782 in September 1958 resulting in an increase of 153,282. Here again, allowance has to be made for the factors mentioned above and discount the increase in the Live Register to that extent in order to judge the actual increase in unemployment. Assuming that nearly 60 per cent of the increase in the Live Register can be discounted for such factors (nearly 92,000) it will be seen that an increase of 61,000 persons among the educated unemployed registered at Exchanges since March 1956 still remains. Keeping in view that only a portion of the unemployed registers at Exchanges there seems to have been a much larger increase in the number of educated unemployed than was anticipated as above. This may have occurred owing to the rapid growth in the output of educational institutions. Compared to 1950-51, there was an increase of matriculates by 78 per cent, of intermediates by 90 per cent and of graduates by 71 per cent in the year 1955-56 for which the latest figures are available.

Conclusion.- In conclusion, the Study makes the following observations: "An increase in the labour force has been accompanied by an increase of unemployment. Similarly, an increase in the output of the educational institutions has also been accompanied by an increase of unemployment among the educated. This is clearly reflected in the number of persons registered at Exchanges. With an increase in the urban labour force caused by rural-urban migration, the problem of urban unemployment will assume larger proportions, unless additional employment ~~work~~ is generated to cope with the labour force growth. The anticipated increase in the output of educational institutions may be expected to aggravate the problem of unemployment among the educated which is essentially confined to urban areas, until such time that an adequate number of employment opportunities are created to absorb them in suitable jobs. In order to solve urban unemployment, it will be, therefore, necessary to create sufficient employment opportunities not only to meet the labour force growth caused by the increase in population but also the labour force growth in urban areas caused by the migration of rural population. A gradual change in the employment pattern obtaining in rural areas will go a long way to solve the problem."

Employment Exchanges: Working during July 1959.

General employment situation.- According to the Review of work done by the Directorate-General of Resettlement and Employment during the month of July 1959, the employment situation generally remained the same as during the previous month. The total number of registrations effected during the month was 265,326 which was 35,524 more than the figure for June 1959. The number of employers who utilised the services of the employment exchanges also showed a rise from 7,795 in the month of June 1959 to 8,220 in July 1959. Despite an increase in the number of employers, the number of vacancies made available to the exchanges marked a fall of 4,838 and was 36,541 during the month under review. The number of placements secured during July 1959 was 25,827 which was 704 less than in the previous month. Due to heavy registrations which is a seasonal characteristic, observed in the middle of each year, the number of employment seekers on the Live Register recorded an increase of 59,531 and stood 1,347,314 at the end of July 1959.

Widespread shortage continued to persist in respect of experienced stenographers, fast typists, trained teachers, compounders, midwives, nurses and civil overseers. Shortage in respect of civil engineers, draughtsmen, librarians, accountants, Hindi stenographers, physical training instructors, health visitors, electricians, craft instructors, laboratory assistants and cooks was also fairly widespread. A good number of exchanges experienced shortage in respect of skilled fitters (general), turners, welders, moulders, weaving instructors, tailoring instructors, agricultural graduates, boiler attendants and trained dais.

Widespread surpluses continued to exist in respect of clerks, untrained teachers, freshers from schools and colleges, motor drivers, unskilled office workers and unskilled labourers. A fairly large number of exchanges reported an excess of supply in respect of carpenters and chowkidars.

Registrations and placings.- The following table compares registrations and placings during the month of June and July 1959:-

	<u>June 1959</u>	<u>July 1959</u>
Registrations -----	229,802	265,326
Placings -----	26,531	25,827

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Register of unemployed.- A total of 1,347,314 applicants were on the Live Register of the employment exchanges at the end of July 1959, which was 59,531 more than the figure at the close of the previous month. The increase in the Live Register was widespread but was prominent in the State of Uttar Pradesh (14,836), Madras (9,962), Bombay (7,581), Delhi (7,449), Madhya Pradesh (6,592), Rajasthan (6,178) and Punjab (4,137). On the other hand, a decrease was somewhat notable in the State of Kerala (3,172) and West Bengal (1,574). In all 27,497 employed and self-employed persons of whom 768 were women remained on the Live Register at the end of the month under report.

The following table shows the occupation-wise position of the Live Register:-

<u>Occupation.</u>	<u>Number on Live Register as on 31 July 1959.</u>
1. Industrial supervisory -----	12,146
2. Skilled and semi-skilled -----	99,489
3. Clerical -----	354,235
4. Educational -----	84,878
5. Domestic service -----	47,556
6. Unskilled -----	682,626
7. Others -----	66,384
Total.	<u>1,347,314</u>

Employment position of special categories of workers.- The following table shows the employment position of special categories of applicants during the month under report:-

<u>Category.</u>	<u>Registrations.</u>	<u>Placings.</u>	<u>Number on Live Register.</u>
1. Displaced persons -----	4,136	350	44,999
2. Ex-service personnel -----	6,118	923	28,947
3. Scheduled Castes -----	33,672	3,618	153,486
4. Scheduled Tribes -----	3,412	450	21,389
*5. Anglo-Indians -----	227	19	505
*6. Educated applicants -----	181,690	20,480	409,363
7. Women -----	17,794	1,561	103,174

* Figures relate to the quarter April-June 1959.

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Collection of Employment Market Information.- A report of a pilot study on the employment possibilities of a district development programme which was undertaken in Shahjahanpur district in Uttar Pradesh was issued.

The first meeting of the Working Group on Employment was held on 19 July 1959 when the Group discussed as to what material should be got ready with a view to helping the sub-committees appointed by the Central Committee on Employment in their deliberations.

A meeting of the Committee of Direction of the All-India Survey of the pattern of graduate employment was held on 16 July 1959 when they reviewed the progress made and finalised the questionnaire and the sample design.

Youth Employment Service and Employment Counselling.-Work was done in drafting the second part of the Report of the Survey of Employment Pattern of Delhi University Alumni. Preparations were made for the third Training Course in Vocational Guidance for Employment Officers which is being conducted from 5 August 1959.

Occupational Information.- The Occupational Information Officers, Bombay and Uttar Pradesh States were given training in the technique of collection of data under the Ford Foundation Project of assessing educational and Technical requirements and of occupations.

Central Coordination Section: Damodar Valley Corporation.- Out of 4,955 workers declared surplus in the DVC upto the end of July 1959, 4,119 workers have been secured alternative employment. A total of 199 surplus workers are awaiting offers of appointment from different employers. Alternative employment is yet to be secured for 409 surplus workers.

Hirakud Dam.- Out of 6,416 workers declared surplus upto the end of July 1959, 724 workers have been secured alternative employment. There are still 149 surplus workers for whom alternative employment is yet to be found.

Bhakra Nangal Project.- The Bhakra Nangal Project authorities have reported that they are releasing about 5,500 workers during August-December 1959. The meeting of the State Coordinating Committee, Punjab, met on the 1 August 1959 at Chandigarh and local absorption of these surplus workers has been arranged to some extent.

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Central Tractor Organisation.- Recruiting Team of the Mangal Fertilisers is visiting Delhi on 10 August 1959, to interview and select the surplus workers of the Central Tractor Organisation. Surplus clerical staff of the Central Tractor Organisation is being absorbed through the Special Cell as and when reported to the Directorate General of Resettlement and Employment.

Adjustment of retrenched employees of Central Government establishments.- Only one Central Government surplus employee was reported to the Special Cell during July 1959. Eleven surplus employees were, however, found alternative employment. Twentytwo candidates are still borne on the Register of the Special Cell.

Opening of additional Employment Exchanges.- Three new employment exchanges have been sanctioned during the month under report, bringing the total number of exchanges sanctioned so far under the Plan to 110. Of these 110 exchanges, 101 have started functioning. The total number of employment exchanges functioning at the end of July 1959 was 236, including one special exchange for the handicapped at Bombay and four University Employment Bureaus at Delhi, Trivandrum, Aligarh and Banaras.

(Review of the Work done by the Directorate General of Resettlement and Employment during the Month of July 1959; issued by the Directorate General of Resettlement and Employment, Ministry of Labour and Employment, Government of India, New Delhi).

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Pilot Projects to Study Employment Opportunities:
Union Government's Decision.

At a press interview at Calcutta on 24 October 1959, Shri Gulzarilal Nanda, Union Minister for Labour and Employment, stated that the Union Government has decided to set up a pilot project in each State to study how employment opportunities can be expanded in a particular area and under specific conditions. He added that the Congress Planning Sub-Committee had first suggested an unconventional method under which greater emphasis would be placed on the quantitative growth of employment opportunities rather than a qualitative improvement in workers' wages and amenities.

The Union Government's decision followed an examination of the problem by the Central Committee on Employment, which recommended that the question be studied in detail and concerted action adopted to intensify and expand employment opportunities in the specified areas under study. On the basis of this recommendation a pilot project had been started in Shahjahanpur in Uttar Pradesh.

Shri Nanda hoped that from these studies something ~~would~~ would emerge which might be incorporated in the country's third Plan. The aim was to create sufficient employment, opportunities so as to assimilate the additions to the labour force.

The Minister thought the second Plan's revised target of providing employment for 6.5 million people would be fulfilled although only about 3.25 million had found employment up to this time. The target would be achieved because many of the projects would be completed in the Plan's later phases, he said.

(The Statesman, 26 October 1959).

83. Vocational Training.

India - October 1959.

Labour Ministry's Training Scheme: Working during July 1959.

According to the Review of Work done by the Directorate General of Resettlement and Employment during July 1959, the number of craftsmen trainees on the roll of various training institutes and centres on 31 July 1959 was 22,402. There were 22,284 trainees in Engineering trades and 118 in non-engineering trades.

Training of Displaced Persons.- The total number of displaced persons undergoing training in engineering and non-engineering trades at the end of July 1959 was 2,200 of whom 2,129 were undergoing training in engineering trades and 71 in non-engineering trades.

Training of Supervisors and Instructors.- A total of 407 supervisors instructors were receiving training at the Central Training Institute for Instructors, Koni-Bilaspur and Central Training Institute at Aundh at the end of the month.

Training of Women Craft Instructors.- Under the scheme for the training of women craft instructors, at the Industrial Training Institute for Women, New Delhi, 32 women instructor trainees were receiving training at the end of the month under review.

National Apprenticeship Training Scheme.- A total of 480 apprentice trainees were undergoing ~~under the~~ training under the National Apprenticeship Training Scheme at the end of the month under review.

Evening Classes for Industrial Workers' Scheme.- A total of 530 persons were undergoing training under the Evening Classes for Industrial Workers' Scheme at the end of month under review.

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The following table gives the total number of training institutes and centres and the number of persons (including displaced persons) undergoing training as on 31 July 1959:-

<u>Number of Training Institutes and Centres.</u>	<u>Number of Seats Available.</u>	<u>Number of Persons Undergoing Training.</u>
133	32,202	24,602

Store and Equipment.- T.C.M. Equipment worth approximately 1,978.82 rupees was reported as received at the training centres and institutes concerned during July 1959, raising the total value of the aid received upto 31 July 1959 to 2,939,400 rupees.

Russian equipment worth approximately 155,138.10 rupees was reported to have been received at the various training centres and institutes during the month of July 1959. Total amount of aid so far received under this aid comes to 1,057,027.90 rupees approximately.

Supply orders amounting to 128.50 rupees have been placed on various firms during the month of July 1959 for central Training Institute, Aundh/Bombay and Koni-Bilaspur.

(Review of Work done by the Directorate General of Resettlement and Employment during July 1959; issued by the Directorate General of Resettlement and Employment, Ministry of Labour and Employment, Government of India, New Delhi).

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Training Students in Skilled Jobs: Scheme for Industrial
Estates in Universities.

Following discussions between the Chairman of the University Grants Commission and the Commerce and Industry Minister, a new and significant experiment in university education will be started soon.

It is understood that a decision has been taken to establish industrial estates in or near 10 Indian universities to train students in skilled jobs and to enable them to pay part of their college expenses.

Each industrial estate will be a training and production centre and will comprise four or five small industry units. According to present plans, wholtime workers will be employed on one regular shift while student-trainees will work on another half-shift on stipends of 2 rupees to 2.50 rupees a day (of three to four hours). It is envisaged that student-trainees will work only three days a week and thus a weekly half-shift will require two batches of students.

Essentially, the object of the scheme is to prepare students for skilled jobs to meet the requirements of India's growing industries. It is also hoped that in this way the students can be weaned away from their fixation - white collar jobs - and that they can partly finance their university education without loss of face.

The University Grants Commission, it is understood, has written to the universities asking them if they would like to have such estates and whether they can give the required assurances. The universities will have to find an acre of land for each estate and about 150 students who will work eight months in the year.

The Commission will contribute 100,000 rupees towards the building costs of each estate while the National Small Industries Corporation will be responsible for providing the equipment, experts, raw materials and other technical requirements.

It is envisaged that once a student-trainee proves his worth and gains the required experience, he will be paid on a piece-meal basis depending upon his turnover.

The industrial estates will be under the control of the Vice-Chancellors who may constitute advisory committees to help them to supervise their work. The small industry units to be set up in each estate will be selected by a committee of representatives of the university, the University Grants Commission and the Commerce and Industry Ministry.

(The Statesman, 1 October 1959).

CHAPTER 9. SOCIAL SECURITY.

INDIA - OCTOBER 1959.

92. Legislation.

Kerala Employees' State Insurance (Medical Benefit) Rules,
1959.

The Government of Kerala gazetted on 6 October 1959 the text of the Kerala Employees' State Insurance (Medical Benefit) Rules, 1959, made in exercise of the powers conferred under the Employees' State Insurance Act, 1948. The rules deal inter alia with the establishment of State Insurance dispensaries, and provision of medical benefit where there are no State Insurance dispensaries, procedure for obtaining medical benefit, conditions of service of full-time insurance medical officers, provisions relating to medical benefit to families, provisions relating to investigations, disputes, appeals, etc.

(Notification No. L8-16324/59/L & LAD,
dated 18 August 1959;
Kerala Gazette No. 39 dated 6 October 1959,
Part I, Sec. IV, pp. 1-26).

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Assam Employees' Insurance Courts Rules, 1959.

The Government of Assam gazetted on 7 October 1959 the text of the Assam Employees' Insurance Courts Rules, 1959, made in exercise of the powers conferred under the Employees' State Insurance Act, 1948. The rules deal inter alia with constitution of employees' insurance courts, conditions of service of judges, other officers and staff, procedure to followed in proceedings before such courts and the execution of orders made by such courts, the fees payable in respect of applications made to the courts, the costs incidental to the proceedings in such courts and the form in which applications should be made to it.

(Notification No. GIR 544/58 dated
30 September 1959;
Assam Gazette, Part IIA, 7 October 1959,
pp. 3673-3690).

Assam Tea Plantations Provident Fund Scheme 1959.

The Government of Assam published on 7 October 1959 the Assam Tea Plantations Provident Fund Scheme, 1959, made in exercise of the powers conferred under the Assam Tea Plantations Provident Fund Scheme Act, 1955, and the in supersession of the scheme published in Notification No. GLR 267/55 dated 5 August 1955.

The Scheme which applies to all tea plantations in Assam as defined in the Act deals inter alia with composition of the board of trustees and executive committee, powers of the executive committee and investment committee, procedure at meetings of board of trustees and executive committee, rates of contribution to the Fund, procedure of collection of contributions, withdrawals from the Fund, advances from the Fund, investment of moneys belonging to the Fund, powers of inspectors and penalty for failure to pay contribution.

(Notification No. GLR 572/58 dated 30 September 1959; the Assam Gazette, Part IIA, 7 October 1959, pp. 3700-3710).

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CHAPTER 11. OCCUPATIONAL SAFETY AND HEALTH.

INDIA - OCTOBER 1959.

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

Madhya Pradesh Boiler Attendants' Rules, 1958.

The Government of Madhya Pradesh published on 11 September 1959 the Madhya Pradesh Boiler Attendants' Rules, 1958, ~~made~~ made in exercise of the powers conferred under the Indian Boilers Act, 1923, and in supersession of all the rules previously made on the subject by the Governments of the former States of Madhya Pradesh, Madhya Bharat, Vindhya Pradesh, Bhopal and of the State of Rajasthan in relation to Sironj region. The rules require that the owner of a boiler shall not use it or permit it to be used unless it is placed under the direct and immediate charge of a fit and proper person possessing a certificate of competency as an attendant. Other provisions of the rules deal inter alia with the constitution of the Board of Examiners, the mode of examination, age and training of candidates, examination subjects, grant of certificate of competency to candidates passing the examination, penalties and forms.

(Madhya Pradesh Gazette, Part IVc,
11 September 1959, pp.711-723).

Uttar Pradesh Economizer Rules, 1959.

The Government of Uttar Pradesh published on 10 October 1959 the Uttar Pradesh Economizer Rules, 1959, made in exercise of the powers conferred under the Indian Boilers Act, 1923. The rules deal inter alia with procedure for registration of economizers, investigation of accidents to an economizer or feedpipe and procedure for appeals.

(Notification No. 3083(LL)/XXXVI-B-313(LL)-58,
dated 29 September 1959;
Government Gazette of Uttar Pradesh,
Part IA, 10 October 1959, pp. 1939-1943).

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CHAPTER 12. INDUSTRIAL COMMITTEES.

INDIA - OCTOBER 1959.

121. Special Information.

Ninth Session of Industrial Committee on Plantations,
Calcutta, 23 and 24 October 1959: Formation of National
Wage Board suggested.

The ninth session of the Industrial Committee on Plantations was held at Calcutta on 23 and 24 October 1959. The Union Labour Minister presided. The meeting, *inter alia*, recommended to the Government that a National Wage Board be set up for the plantation industry.

Agenda.- The meeting ~~was~~ had before it the following agenda:

- (1) Action taken on the decisions of the Eighth Session of the Industrial Committee on Plantations. (2) Appointment of a Wage Board for the Plantations Industry. (3) Housing for Plantation Workers. (4) Application of the Code of Discipline to the Plantations Industry. (5) Employment position in the Plantations Industry. (6) Norms of Wage Fixation for the Plantations Workers.

Appointment of Wage Board.- A paper prepared by the West Bengal Government which formed the basis of discussion for this item, traces the background of this question. The paper points out that the question of Wage Board figured in the recent Charter of Demands submitted by the Unions of tea garden labour, some of which gave notice of a general strike with effect from 10 August 1959. Further that, in the opinion of the Unions, a tripartite Wage Board is the most suitable machinery for the fixation of wages for plantation workers. It says that fixation of wages for tea garden labour in West Bengal has so far been done mostly on the basis of the recommendations of the Minimum Wage Committees.

Since a Wage Board is more broad-based than a Minimum Wage Committee and the Unions of Plantation Workers in West Bengal have recently been expressing themselves more in favour of the Wage Board than the Minimum Wage Committee method of fixation of wages, the paper suggests that the question of constitution of a National Wage Board for Plantation workers may be considered. One such Committee might be formed for North East India and another for South ~~India~~ West India. The two Boards would function in co-ordination on a common basis so that such wage variations, as may be found necessary, might be reduced to the minimum based strictly on difference in conditions. All the four Central Trade Union Organisations would be represented on the Wage Board to be constituted for North East India.

Housing.- The memorandum on housing analyses the progress made in the implementation of the housing programme. It points out that the Plantations Labour Act, 1951, which inter alia, makes it obligatory on every employer to provide and maintain necessary housing accommodation for all workers and their families residing in plantations, was brought into force on 1 April 1954, but from that date, only such sections of the Act came into force as could be given effect to without the framing of rules. Important provisions of the Act, including Section 15 relating to housing facilities, came into force from various dates during the period September 1955 to March 1957, when the State Governments concerned promulgated their rules under the Act. The State Rules which are based on the Central Model Rules generally provide for construction of houses for 8 per cent of resident workers every year. Discussing procedural matters by which loans for housing might be obtained, the memorandum says that the Indian Tea Planters' Association has estimated that the industry is required to spend about 70 million rupees annually on labour housing but feels that the financial conditions of the industry is such that it cannot continue to bear this heavy burden. The Association has, therefore, suggested that in view of the adverse economic condition of the industry, employers, particularly the common tea producers, may be given some relief by the suspension of the provisions of the Plantations Labour Act for construction of houses during the next three years, or if this is not practicable, by the annual obligation to construct houses being reduced from 8 per cent to 4 per cent of the resident population. The United Planters' Association of Southern India has also represented that with the growing financial burdens on the plantation industry in the form of increased taxation, wage and bonus commitments, provident fund and gratuity liabilities and unstable and uneconomic prices etc., there is a case for revising the phased housing programme. The Association desires that Government should consider this problem as early as possible but that in the meantime,

the Plantations Labour Rules may be amended so as to provide that where necessary, the State Governments will have authority to relax the requirement to build houses for a certain fixed percentage of workers every year as provided in the West-Bengal and the Assam Rules which contain the following proviso:-

"Provided that for satisfactory reasons to be recorded in writing by the employer and on the advice of the Housing Board, the State Government may relax the requirement to build for a certain fixed percentage of workers."

The U.P.A.S.I. has further pointed out that the Plantations Labour Rules of State Governments which generally provide for construction of houses for at least 8 per cent of resident workers every year do not specify the limit upto which the housing programmes should be carried on except in the case of Kerala Rules. The Rules therefore give the impression that estates will have to build at the specified rate ad infinitum irrespective of actual requirements.

The memorandum suggests that the Committee review the position and consider what further steps might be taken so that the loan assistance available under the Plantation Labour Housing Scheme may be utilised fully and whether statutory provisions regarding construction of houses may be relaxed and Plantations Labour Rules amended as suggested by employers.

Code of Discipline.- The memorandum of this item lists various points for discussion submitted by the employers with a view to modify the Code of Discipline to suit the peculiar circumstances of the industry.

Employment position.- The note prepared by the West Bengal Government on the employment position in the industry draws attention to the fact that the unions had recently submitted a charter of demands, some of them even giving notice of strike, and this charter included the question of employment of dependants of tea garden workers.

The workers, it is pointed out, complain that minimum wages are fixed on the assumption that members of a family including employable children would be given employment and would thus be able to contribute to the total pool of the family income. But this basis of family employment does not exist.

The West Bengal Government has suggested that the Plantations Committee should go into the question of how far the tea gardens are responsible for providing employment to wives and children of workers in the present conditions of employment in tea gardens and to what extent they have been able to discharge their obligations in this respect and whether there is any basis for the complaints that the employers have been systematically carrying out reduction in labour strength.

Norms for Wage fixation.- The Indian Tea Planters' Association in a memorandum to the Industrial Committee on Plantations has urged the evolution of a separate norm for the plantation industry so that the wage fixing authority would take it for granted that in plantations employment would be on a family basis and that earnings of wives and ~~children~~ employable children should be taken into account in fixing-minimum wages.

The ITPA arguing in favour of a different form for wage fixation in plantations, says that even the ILO and the Government of India have recognised that conditions of living and work in plantations are quite different from those obtaining in other industrial undertakings. The ILC (Indian Labour Conference) in making its recommendations about the norm did not keep this distinction in view. While no doubt the norm ~~is only~~ ~~recommendatory~~ ~~and~~ ~~each~~ ~~wage~~ ~~fixing~~ ~~authority~~ ~~has~~ ~~the~~ ~~discretion~~ ~~to~~ ~~go~~ ~~into~~ ~~it~~ ~~in~~ ~~details~~, unless a different norm was fixed for plantations, the wage fixing authority might not go into the question of how many consumption units should be taken into account but accept the ILC norm.

The tea planters argue that there are some fundamental differences between plantation labour and other industrial labour. In other industrial undertakings employment of women in particular jobs only is allowed whereas in plantations employment is on a family basis and a woman worker is more important in plantations in the principal job of plucking leaves than the male worker who is generally found not so competent in that job. Moreover a considerable proportion of workers employed in plantations are family workers in some regions.

It has been found that the family workers employed come to 50 per cent or so of the total number of workers employed.

In an industry where so many workers are employed it would be unfair to ignore their incomes for determining minimum wages.

The tea planters also point out that the Minimum Wage Committee has after surveys come to the conclusion that in Assam and West Bengal an average worker had to maintain only 1-1/2 consumption units including himself or he had only half - a dependant on him. If the ILC specified norm were to be applied to the plantation industry then the burden on the industry would become unbearable.

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Labour Minister's address.- Presiding over the session Shri Gulzarilal Nanda, Union Minister for Labour and Employment, said that in spite of some revision of wage rates, dissatisfaction over the remuneration of plantation workers continued and the demand for a wage Board had meanwhile grown in intensity. In fixing wages, he added, the choice lay between a wage board and a tribunal.

Shri Nanda said that by dispensing with the Wage Board, the industry could not avoid facing the demand for an examination of the wage position through a tribunal. He said that there was some misapprehension regarding the scope and effect of a wage board. In the case of a large industry, spread over several parts of the country, a wage board was regarded as a more suitable instrument because of its tripartite character and the association of independent people with it.

On the question of payment of bonus to plantation workers in the northern areas for 1957 and 1958, the Minister said the matter was placed before a sub-committee but "no settlement was yet in sight".

Shri Nanda described as unsatisfactory the progress of housing for plantation workers and said that it had been uneven.

Shri Nanda analysed certain broad considerations which should govern the committee's decisions. Any increase in payments to workers on account of housing and other welfare measures would add to the industry's costs. If these costs were allowed to rise beyond the point which was compatible with the economic operation of a considerable section of the industry with ordinary efficiency, production and employment would be adversely affected and the workers would be the worst sufferers.

The Labour Minister said that the number of people seeking employment in the tea gardens appeared to be increasing and the surplus labour had to be induced to move to other places to seek employment.

Decisions: Wage Board for plantations.- The Committee accepted the recommendation of its sub-committee that there should be one wage board for the plantation industry, with two sections - one for the south and the other for the northern and north-eastern region.

The proposed wage board would have a chairman drawn from the judiciary and two independent members, besides an equal number of representatives of employers and workers. The terms of reference would be more or less on the same lines as those adopted for the wage boards already set up.

Bonus.- The Committee agreed to follow the Delhi agreement in regard to payment of bonus to tea-garden workers in North India for 1957 and 1958, subject to any modifications that may be mutually agreed upon.

The Delhi agreement, signed by employers and workers in January 1956, laid down a formula for payment of bonus to workers for 1953 and 1954. Bonus was paid at rates specified for different regions in the formula. The same formula was adopted for payment of bonus for 1955 and 1956.

As regards bonus for 1957 and 1958, it was decided to appoint a sub-committee of the Industrial Committee with an equal number of representatives of employers' and workers' organisations to determine the quantum of bonus. The sub-committee, which has had several meetings, has now decided to follow the formula set out in the Delhi agreement.

Discipline Code.- The Committee agreed that various means of settlement of disputes prescribed in the code of discipline should be fully utilised by both employers and workers.

As already provided in the code, there should be no go-slow or strike without notice. In the case of plantations, it was agreed that a notice of at least seven days should be given in the event of a union deciding to go on strike after exhausting all methods of settlement provided in the code.

Housing.- The Committee also agreed that a central agency should be set up to examine the difficulties experienced by plantation-owners in implementing the housing programmes and suggest measures which would facilitate construction of houses by employers. It was decided that the difficulties pointed out by the employers in the matter of furnishing security in getting loans from the Government for the construction of houses for workers should be examined by the Centre at a high level.

As regards exemption of some tea gardens from the provisions relating to housing in the Plantations Labour Act, it was agreed that the case of each garden seeking such exemption should be thoroughly examined and decided on its merit.

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Employment situation.- The Committee discussed the employment situation in plantations. It was agreed that each of the States, which has plantations, should set up a committee to collect data for the purpose of assessing the employment position and also determining the number of workers an acre, who could be profitably employed.

Pending the findings of these committees, the employers told the meeting that on their part they would ensure that the work load was not intensified and that vacancies in tea gardens were filled by resident workers.

(Memoranda of the Ninth Session
of the Industrial Committee on
Plantations, received in this Office;
The Statesman, 5 and 24 October, 1959;
The Hindustan Times, 26 and 27
October 1959).

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LIST OF PRINCIPAL LAWS FROMULGATED DURING THE
PERIOD COVERED BY THE REPORT FOR OCTOBER 1959.

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

Madhya Pradesh Land Revenue Code, 1959 (Act No. 25 of 1959).
(Madhya Pradesh Gazette, Extraordinary, 21 September 1959,
pp. 1335-1432).

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

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(Madhya Pradesh Act No. 21 of 1959). (Madhya Pradesh
Gazette, Extraordinary, 7 October 1959, pp. 1817-1818).

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CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

- *(a) "Report of the Committee of the Bengal Chamber of Commerce and Industry for the year 1958, Vol. I". pp.329.
- *(b) "Proceedings of the 26th Annual Meeting held in New Delhi on the 21st July 1959" of the All-India Organisation of Industrial Employers. pp.20. (One copy sent to Geneva vide this Office Minute No.F.6/1898/59 dated 5 October 1959).

CHAPTER 3. ECONOMIC QUESTIONS.

- *(a) Received from the Department of Economic Affairs, Ministry of ~~External Affairs~~ Finance, Government of India, New Delhi:-
 - i) National Sample Survey No.8 - Report on Preliminary Survey of Urban Unemployment, pp.102.
 - ii) N.S.S. No. 11 - Report on the Sample Survey of Manufacturing Industries, 1949 and 1950, pp.36.
 - iii) N.S.S. No.14 - Report on Some Characteristics of the Economically Active Population. pp.224.
- (b) The Indian Money Market: By S.R.K. Rao; Chaitanya Publishing House, Allahabad; Rs.7.50.
- (c) The Economy of Andhra Pradesh: By V.V. Ramanadham; Rehabilitation and Development of Basti District: By The National Council of Applied Economic Research; Asia Publishing House, Bombay. Rs.20 and Rs.10, respectively.
- (d) The Steel Plants in India: Ed. by B.J. Golcha, Sadar Bazar, Nagpur; Rs.3/-.
- (e) Stability of the Indian Rupee: By B.R. Shenoy; Harold Laski Institute of Political Science, Ahmedabad.

* Publications received in this Office.

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

- (a) Joint Farming X-Rayed: By Charan Singh; Bharatiya Vidya Bhawan, Bombay; Rs. 17.50.
- (b) Principles of Agricultural Economics: By B.N.Pai; Theory of Marketing in Underdeveloped Countries: By J.N. Chaturvedi; Kitab Mahal, Delhi; Rs.18/- and Rs.7.50, respectively.
- (c) Seminar on Co-operative Farming. (The Indian Society of Agricultural Economics, Bombay-1, Rs.6/-).

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

- * (a) "13th Biennial Report, 1953-1957, including a resume of the 11th and 12th Biennial Periods 1947-1953" of the National Council of Women in India; pp.161.
- (b) Basic Statistics of Rajasthan: Directorate of Economics and Statistics, Jaipur; Rs.1/-.

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* Publications received in this Office.