

FROM: The President,
Mill Clerks Union (Regd.No.348),
Unit: J.K.Cotton Mfrs.Ltd. ,
10/243, Khalasi Lines,
KANPUR.

331

Sept. 27, 1960.

TO, The General Secretary,
All India Trade Union Congress,
Parel, Bombay.

Dear Sir,

Re: Recommendations of the Central Wage Board for
the Cotton Textile industry, as applicable to
Clerical staff.

It shall be much obliged if you could kindly furnish the following information to us in respect of Bombay/Ahmedabad Mills :-

- 1. SENIOR CLERKS:
 - i) Is there any minimum educational qualification prescribed for this category of Clerks?
 - ii) Whether the promotion to the post of Senior Clerks is solely on the discretion of the management, or the seniority and Educational qualifications of the clerks also count?
 - iii) What is the percentage of senior clkerks on the total clerical strength?
 - iv) What are the grades fixed for the Senior Clerks and Stenos. etc.?
- 2. JUNIOR CLERKS.
 - i) What are the categories of clerks who have been classified as Juniors - nature of work done by them.?
 - ii) Whether any minimum educational qualification is also prescribed?
 - iii) What is the percentage of such clerks on the total clerical strength?
- 3. SEMI-CLERKS.
 - i) What is the nature of work performed by Semi Clerms?
 - ii) Whether the Semi-Clerks have been promoted from among the operatives, or some clerks have also been degraded and made Semi?
 - iii) Is there any educational qualification also prescribed for this category?
 - iv) What amount of writing job, if any, is expected from Semi-Clerks?

Needless to mention that your early reply in the matter shall much oblige.

Yours faithfully,

Ram Piare Misra
(Ram Piare Misra)
PRESIDENT.

From

G.Samuel, M.A.,
President, Salem District Textile Workers'
Union, Komarapalayam, via Bhavani,
Salem Dt.,

To

The Textile Commissioner,
Wittet Road, Ballard Estate,
Bombay.

Sir,

Sub:- Reeling of yarn outside the mill
premises by M/s Sundaram Spinning
Mills, Komarapalayam.

Ref:- Your No.Pol. II/(9) (44)/60, dated 5-9-60.

2. Your letter to Dy.Secretary to the
Government of Madras, No.Cy/1 (4)
(59) 3518, dated 30th April, 1959.

With reference to a letter of the Madras Govern-
ment No.166254 J1/58-4, dated 23-3-59 you have replied
that requests for permission to send the yarn outside
mill premises will not be permitted in your letter cited
second above.

But the Sunderam Spinning Mills, have been ac-
corded such permission obviously by some mistake.

Therefore, I request you to kindly cancel the
permission as early as possible.

Yours faithfully,

G. Samuel,

Dated:- 23-9-60.

*Copy to: The Secretary, A. I. T. W. C.
With request to take further steps in the matter*

29 SEP 1960

331

Salem,
17-9-60.

To

The Secretary,
All India Trade Union Congress,
New Delhi.

Dear Comrade,

I am sending you a copy of the latest reply of the Textile Commissioner, Bombay and a copy of my letter in reply thereof. I am also sending you a Memo of the Government of Madras refusing to refer the dispute for adjudication and advising us to take up the matter with the Textile Commissioner, Bombay.

The Textile Commissioner advises us to take up the matter with the Labour Department and ~~the State~~ and the State Government advises us to take up the matter with the Textile Commissioner. This is a serious matter and I request you to take necessary steps urgently to have this permission of the Textile Commissioner cancelled.

I am prepared to proceed to Bombay, if you feel it is necessary or somebody in Bombay may be deputed to attend to this.

Sincerely Yours,

G. Samuel.

President, Salem Dist. Textile Workers' Union,
Kumrapalayam.

file

From

G. Samuel, M.A.,
President, Salem District Textile Workers' Union,
Komarapalayam, via Bhavani,
Salem District.

To:
The Textile Commissioner,
Bombay.

Dear Sir,

Ref :- Your letter No.Pol.II/(A)(44)/60, dated
5th September, 1960.

With reference to your letter dated 5th September,
1960, I make the following representations.

1. The issue relates, as you have said, to the transfer of services of Sundaram Mills, Labour and to the resultant loss of benefits to them under the various Labour Laws. But I wish to point out that this situation is created by your grant of permission to the Sundaram Spinning Mills, to get the yarn reeled outside the premises through independent contractors.
2. We have tried to settle the issues by direct negotiations with the Mills, but failed to reach any agreement. Their justification is that they have sold the reels to others in consonance with the permission of the Textile Commissioner and transferred the workers to the purchasers of the reels and that they have nothing to do with the workers now.
3. We have taken up the issue with the Labour Department and requested reference of the dispute to the Industrial Tribunal or Labour Court. I have enclosed herewith an extract of the reply of the Government. It can be seen that the Madras Government has advised this Union, to take up the above issue with the Textile Commissioner.
4. If the Textile Commissioner had given permission of the management to have they yarn reeled outside the mills premises in their own reeling establishments for want of space inside the mills premises, then there can be no objection because the workers will continue to be the employees of the mills and entitled to all the benefits under the various labour laws. But if the Textile Commissioner has given permission to get the yarn reeled in reeling establishments which do not belong to the mills, but to independent contractors, that situation, where the workers are

denied all the benefits under the various labour laws and the wages under the Textile Wage Board recommendations. We do not know what is the nature of the permission granted. But the Mill management says that the permission granted is the second of the two categories mentioned above.

5. This has created industrial unrest in this area. The workers offered satyagrah for 114 days and 67 men and women courted arrest. If the other mills in this State or elsewhere follow suit and are given such permission there is no doubt that the industrial unrest will take great proportions.

6. I wish to point out that encouraged by this the Sundaram Spinning Mills are resorting to contract system also in the cone winding department. Now cone winding machines are installed in their sister concern Kandasamy Weaving Factory and the cops are supplied to that factory be wound on cones on contract rates. Thereby the workers are denied the occupational wages ~~applicable~~ applicable to mills under the Textile Wage Board recommendations. Similarly they are proposing to do bundling and baling in the Kandasamy Weaving Factory and deny the workers their occupational wages. Therefore, this is a dangerous trend and unless the Textile Commissioner refuses permission to do so, there can be no remedy.

7. Therefore, it is prayed that the Textile Commissioner may kindly cancel the permission granted to Sundaram Spinning Mills, as it is misused and leads to exploitation of the workers, denial of their rights and industrial unrest.

Yours faithfully,

G. Samuel

DEPARTMENT OF INDUSTRIES, LABOUR AND COOPERATION.

Memorandum No.296, dated 5th September, 1960.

Sub:- LABOUR - Disputes - Sundaram Spinning Mills,
Komarapalaym - Certain demands of workers -
Conciliation - Orders - Passed.

- Ref:- i) From the Salem District Textile Workers'
Union, Salem, Memorandum dated 7-6-60.
ii) From the Salem District Trade Union Council,
petition dated 12-6-60.
iii) From the Labour Officer, Salem, Conciliation
Report No.615/60, dated 14-7-60.
iv) From the Commissioner of Labour, letter
No.D.4.23798/60, dated -8-60.

The Government have examined the demands referred
to in the ^{conciliation} ~~condition~~ report of the Labour Officer, Salem
third cited and pass the following orders:-

1. Dismissal-of³⁹/workers:-

2. Re-transfer of reels to the mills:-

It is reported that the Textile Commissioner,
Bombay, is seized of the matter. The Union is therefore
advised to take up the above issue with him.

3. Payment of Wages as per New Mills Award:-

To
Sd. A.Somasundaran.
Deputy Secretary, to Government.
The Secretary, Salem District Textile Workers' Union,
Komarapalayam, Salem.
The President, Salem Trade Union Council, Salem.
The Management, of Sundaram Spinning Mills, Komarapalayam,
Salem.

Copy to the Commissioner of Labour, Madras -5.

Forwarded/By Order.

Sd. G.Muthukrishnan. 8-9-60.
Superintendent.

(True copy).

Copy of letter No.Pol.II/(9)(44)/60/ dated 5th Sept.1960
of the Textile Commissioner, Bombay, to the President, The
Salem Dist. Textile Workers' Union, Komarapalayam, via Bhayani,
Salem Dist.,

-x-x-x-

Sub:- Reeling of yarn outside the mill premises
by M/s. Sundaram Spg.Mills, Komarapalayam.

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Dear Sir,

With reference to your letter dated the 26th,
August, 1960, on the above subject, I am to state that the
points raised by you, relate to the transfer of services of
Sundaram Mills' Labour and the resultant loss of benefits to
them under the various Labour Laws.

2. It is felt that such issues may be more appro-
priately settled by you, or by the employees concerned, by
direct negotiations with the Mills, or by taking up the matter
with the Industrial Court.

Yours faithfully,

Sd.
(T.A. Sequire)
Assistant Director.

/true copy/.

G. Samuel.

131
3rd May, 1960.

Comrade Suboth Mehta,
General Secretary,
Mill Kamdar Union,
Banvadi, Vadva,
BHAVNAGAR.

Dear Comrade,

Thank you for your letter of 26th April.

The Wage Board in recommending increase in wages and specially in categorising the mills into two categories has gone through carefully the cases of all the cotton textile mills regarding their capacity to pay and the employers representatives on the board had agreed to this.

We all know that the balance sheets prepared by the employers do not give the correct picture. At the same time in some cases we are unable to produce tangible proof in support of our contention. So let us leave aside the balance sheets.

The Wage Board has not made any provision for mills which have suffered loses temporarily.

On the contrary, the Board says that the industry as a whole has earned a lot during and immediately after the war. Taking into consideration all that, the board has recommended the increase of Rs. 8 and Rs. 6. On our own, we have not to raise the question of loses by the mills as they might be in loses for a few years now and earned too much earlier. We simply demand the implementation of the Wage Board recommendation.

Turn Over.

2.

If the employers agree in principle to the recommendation of the Wage Board and are prepared to negotiate with you, then this fact of losses may be examined by us at that at that time and if we are satisfied about it, we can have an agreement which suits the situation and is feasible for both the parties. Even in that case, though I do not know the mills you refer and their accounts etc., I think we should demand increase in wages intact, but may agree in the adequate compensation of D.A. at the time of linking it with the cost of of living index. That too only for the period where the losses appear to be genuine. As soon as the mills make profits, our demands should be fully implemented. At this moment, our demand is implementation of Wage Board recommendation and particularly the six points mentioned in our communique sent to you.

When the employers express their willingness to negotiate on the basis of Wage Board report, we will discuss the individual cases.

With greetings,

Yours fraternally,

(K.G. Sriwastava)
Secretary

29 APR 1960

SS. 1.3

Mill Kamdar Union.

(Affiliated to A. I. T. U. C.)

PANVADI, VADVA,

Bhaenagar.

Ref. No.

मिस्त्र कामदार युनियन,

पानवडी, वडवा,

भावनगर.

Date 26/April. 1960.

To,

Sjt. K. G. Srivastava

Secy. A. I. T. U. C.

New Delhi

Dear Comrade,

Vip a vip implementation of
need-base wage increases demand
according to Textile Wage Board
recommendations. The question
arises as to what about the
units which are already
running in losses? (Of course,
losses according to their balance sheets)

What attitude should we take
towards them?

Two textile mills here in
our city are such units

Mill Kamdar Union.

(Affiliated to A. I. T. U. C.)

PANVADI, VADVA,

Bhavnagar.

Ref. No.

મિલ કામદાર યુનિયન,

પાનવાડી, વડવા,

ભાવનગર.

Date _____ 196

They show losses of even
more than 5 to 8 lacs every
year since last 5 years

Need-base increased 6 Rs
would increase their wage bill
by about 1 lakh rupees per
annum.

Pl. advice whether or not
we should believe their balance
sheet figures? Whether or not to
press campaign to fight & struggle
against them or as in a fight
to finish? In short the policy,
the attitudes & tactics in such a
cases _____ Pl. do reply earliest & oblige

DT 26-4-60.

Subodh Mehta
Gen. Secy
Mill Kamdar Union

25 APR 1960

URGENT

Mill Kamdar Union,
Panwadi - Vadva,
BHAVNAGAR.

Dt. 23rd April 1960.

To

Manager
The New Jehangir Vakil Mills Ltd.
Bhavnagar.

Manager,
The Mahalaxmi Mills Ltd.,
Bhavnagar.

Sub:- Implementation of Textile Wage
Board recommendations.

Sir,

Presuming that you are well aware of the fact
that the Textile Wage Board constituted on Dt. 30 ³/₅₇
had submitted its report to the Govt. of India as
early as Dt. 27/11/59 and the same was accepted
by Government of India on Dt. 2nd March 1960

We address you this request:-

You also know,

that it was made public through various nation-wide
news papers as early as Dt. 4th March 1960

(e.g. Times of India)

Paras 105 to 106 of that report -

which has now become applicable to the textile industry
as a whole which includes your mills as well, recommend
Rs. 6/- as minimum need-base wage increase to be given
to all workers from January 1960 onwards, in the mills of
category II.

This need-base wage increase is not condition^{al} to
any sort of rationalization as such and is required to be
paid to all the workers straight way.

Therefore we hereby request you to pay that
wage increase (i.e. Rs. 6 per month) retrospectively

from January 1960 and to raise the wage level accordingly.

We very much wish that you accept and implement this unanimous recommendation earliest.

Any adjustments in categories which are piece-rated and others that may require consideration could be negotiated towards the recommended increment.

However we want to make it very clear at the outset that this need-base increment should not in any case be made conditional to rationalization proposals.

We also wish that in interest of industrial peace, workers' living conditions and consumers availability, mills should not try to take advantage of technical details of wage structure prevalent now (e.g. cancelling the prevailing scales through notice etc.)

Please also do note that if we do not get any reply from your side within ^{4 days} ~~a week~~, we will be compelled to conclude that your refuse to implement the wage board recommendations

Subodh Mehta

(Subodh Mehta)
General Secretary,
Mill Kamdar Union.

Copies to:-

- (i) Mahagujarat Trade Union Congress, Baroda.
- (ii) All India Trade Union Congress, New Delhi.
- (iii) Labour Commissioner, Bombay.
- (iv) A. L. C. Bombay Govt. Rajkot.
- (v) Labour Minister, Government of India, New Delhi.

20 APR 1960

THE COIMBATORE DISTRICT MILL WORKERS' UNION

REGD NO. 84

(AFFILIATED TO A. I. T. U. C. & W. F. T. U.)

THIYAGIKAL NILAYAM.

10/21, RANGA KONAR ROAD,

COIMBATORE.

Ref -

Date 18-4-1960.

To

Com. K.G.Srivatsava,
Secretary,
All India Trade Union Congress,
NEW DELHI.

Dear comrade,

The Tripartite talks held at Madras on the 15th and 16th instants, regarding implementation of the Wage Board recommendations in the Madras State have broken down, yielding no results. The stand of the Managements was that rationalisation should be regarded as essential part of the recommendations and that before discussing and finalising rationalisation schemes, no wage increases could be implemented at all. The Unions unanimously (AITUC, INTUC, HMS etc.) took the stand that a flat rate increase in basic wages of Rs.8/- per month must be granted from 1st January 1960 unconditionally before anything else could be talked about.

The position at present therefore regarding Madras State is that the ~~Madras~~ workers will have to be prepared for action. There have been preliminary discussions on this already. In Coimbatore itself Our Union had talks with HMS Union and the position at present is that the HMS Union is prepared to stand with the AITUC unions on a State-wide scale for joint action. As far as the INTUC is concerned, their leadership has told us that they would be in a position to inform us of their stand regarding joint action only on the 30th instant, i.e., after their All India Conference etc. in Delhi is over. We are therefore waiting till the 30th. If the INTUC comes in, well and good; if not, at least we in Coimbatore district are preparing to go ahead together with the HMS and I think that B&C also (Anthony Pillai) will join us. I shall let you know further details on the 24th when I come there.

Regarding AITUC Conference, comrades here are expressing a doubt that October 31st may turn out to be rainy season. One cannot definitely say that rainy season would be over by that time. So if we go ahead for October 31st, there is always the risk of rain intervening ~~it~~ and spoiling the conference. Comrades here therefore are suggesting that it may be better and safe to hold the Conference in December during Christmas. Please think over this matter seriously.

Please show this letter to Com. Dange.

Fraternally yours,

N.K. Krishnan
(N.K. Krishnan)

President.

Copy to Com. Dange.

Action -
7/5

Yes, Sec

COTTON TEXTILE WORKERS' FEDERATION

Regd. No 3293
249, Bowbazar Street, Cal-12

PRESIDENT—JONAB S. A. FARUQUE M. L. A.
GENL. SECY.—SRI HRISHIKESH BANERJEE

Ref. No.....

Date....2nd..March,.19 60.

To
Janab Abdus Sattar,
Minister of Labour,
Govt. of West Bengal,
Calcutta.

Sir,

Re: Recommendation of Central
Wage Board for Cotton Textile
Industries in India.

Very recently we came to know that unanimous decision made by the Central Wage Board has been placed before the Govt. Also the same report has come to our State for proper action. Already the Bengal Mill Owners' Association is making propaganda with the effect that these recommendation may not be honoured by them. The workers of different factories are waiting for a long period for these recommendation. The management of Textile Mills are now trying to deprive these workers from their legitimate dues. Already the Bengal Mill Owners' Association has filed an appeal before the Hon'ble Supreme Court against the interpretation made by the First Industrial Tribunal. The tactics taken by the Association is nothing but to harass the workers and deprive them from their dues. We are afraid the workers of Textile Industries will not oblige the employers for all these nefarious tactics adopted by them.

For -----2.

COTTON TEXTILE WORKERS' FEDERATION

Regd. No 3293
249, Bowbazar Street, Cal-12

PRESIDENT—JONAB S. A. FARUQUE M. L. A.
GENL. SECY.—SRI HRISHIKESH BANERJEE

Ref. No.....

(2)

Date.....19

For this appeal the workers are already ~~again~~ agitated. We hope and expect that you should arrange a tripartite conference for all these measures taken by the Bengal Mill Owners' Association, so that a peace may be restored in this Industry and the workers are paid their legitimate dues.

Thanking you,

Yours faithfully



(HRISHI BANERJEE)
General Secretary.

/ TRUE COPY /

Labour Minister,
Government of West Bengal,
Writers' Buildings, Calcutta
Date The 4th March, 1960.

Dear Shri Banerjee,

Please refer to your letter dated 2nd March, 1960. From the newspaper reports it is known that the union government has accepted the recommendations of the Cotton Textile Wage Board.

As regards your suggestions to arrange a tripartite conference I like to say that it is very difficult for me to call such a conference before the 18th March, as I have to remain busy for the Budget discussions. However, I am prepared to meet such a conference after the Labour Budget discussion is over. In the meantime let us see the reaction of the Wage Board recommendations both on the employers and the employees in the industry.

Yours faithfully,

Shri Hrishikesh Banerjee,
General Secretary,
Cotton Textile Workers' Federation,
249, Bowbazar Street, Calcutta-12.

Sd/- Abdus Sattar

WEST BENGAL COMMITTEE

All India Trade Union Congress

249, BOWBAZAR STREET, CALCUTTA-12

Dt: 7-3-1960.

ident :

Hemanta Kumar Bose,
M. L. A.To
Com: K. G. Srivastava,
Secretary, AITUC,
4, Ashok Road,
New Delhi.

-Presidents :

Ranen Sen, M. L. A.
ab Md. Elias, M. P.
Sudhir Mukhoti
ab Md. Ismail
Sushil Bose
Anadi Das

Dear Comrade,

ral Secretary :

Indrajit Gupta

etaries :

Manoranjan Roy
Hrishi Banerji
T. N. Siddhanta
Saroj Ghosal
Manindra Bose
Sitaram Sett

asurer :

Sri Nirode Chakravarty

Enclosed please find series of correspondence made by us to our State Minister. Already from the press report we come to know that Govt. of India wants to constitute one National Tribunal for the recommendation made by the Central Wage Board for cotton Textile Industries. The President of the Bengal Mill Owners' Association made a declaration in the press that they are not going to honour the recommendation of the wage Board. Their plea is that the cotton textile Industries in West Bengal have engaged more labour forces than they required. Also they are paying more wages to these labour forces. So far the production is concerned the West Bengal is lagging far behind. These old arguments were placed before the lower Tribunal by them. From our side we gave a fighting reply of this old theory. The Tribunal at last gave an award rejecting the Bengal Mill Owners' argument. That is, the labour here is not less efficient than any other province. Also in the Award it is mentioned that this Industry can bear the load. We are sure the Bengal Mill Owners' Association will not agree to implement these recommendation.

Sri Nanda's proposal for another National Tribunal means the workers should wait for another couple of years. How this position may be accepted. From AITUC Centre the Minister of labour should be approached for these obstacles created by the owners. We should make it clear that this unanimous decision of the wage Board must be implemented by the owners. For neutralisation of D.A. the Tribunal may be constituted. But in the meantime Rs. 6/- from January 60 should be paid to the workers without any comment. Anyway please let us know your reaction.

Have you decided to hold the meeting of the Industrial Committee on Textile ? Please let us know time and place of the said meeting. Please also let me know what you have done with my notes regarding the P.F. Act. Is there any M.P. available who would help us in this matter.

With greetings,

Yours comradely,

SECRETARY

28 MAR 1960

Phone : 34-2044

WEST BENGAL COMMITTEE
All India Trade Union Congress

249, BOWBAZAR STREET, CALCUTTA.12

President :

Hemanta Kumar Bose,
M. L. A.

Vice-Presidents :

Ranen Sen, M. L. A.
Habib Md. Elias, M. P.
Sudhir Mukhoti
Habib Md. Ismail
Sushil Bose
Anadi Das

General Secretary :

Indrajit Gupta

Secretaries :

Manoranjan Roy
Hrishi Banerji
T. N. Siddhanta
Saroj Ghosal
Manindra Bose
Sitaram Sett

Treasurer :

Sri Nirode Chakravarty

Dt: 25th March, 1960

To
The Editor,
Trade Union Record,
New Delhi.

Dear Comrade,

Please publish the following news in the next issue of the Trade Union Record.

On 23rd March '60 a joint conference was arranged by the State Labour Minister with the representatives of Bengal Mill Owners' Association and with 4 Central T.U. Organisation at Writers' Building. At this invitation the Bengal Mill Owners' Association was absent. This Association represents 2/3rd factories of this State. On behalf of the Govt. Sri A. Sattar - Minister Labour, Sri S.K. Banerji, Jt. Secretary, Labour and Sri S. Bhattacharya Labour Commissioner. This conference was arranged to discuss the recommendation of the Wage Board regarding Cotton Textile Industry. The Association only verbally informed the Govt. that this industry will not be able to bear any burden of wage increased as decided by the Board. No documents on that effect have been submitted by the Association. The Trade Unionist asked the reaction of the Govt. And Sri Sattar replied that in his budget speech on 18th March '60, he made a categorical statement on behalf of the Govt. on the floor of the Assembly. But he said in absence of any law regarding this implementation of wage Board recommendation, the Govt. is now facing difficulties. The representatives of the AITUC made a proposal that employers should pay the minimum of Rs. 7/- and Rs. 5/- average immediately and the Govt. should ask the employers to fulfill this item first. Regarding other recommendations negotiation may begin. Labour Minister made a suggestion that Govt. would write letters to the different management, asking to state their difficulties. The replies of the employers would be sent to the Central T.U.s and on that basis a tripartite conference may be arranged.

A letter has been placed before the union Labour Minister by the Bengal Mill Owners' Association. In this said letter it was mentioned by the Association that total wages would be increased for Rs. 24/ per worker per month. This has been calculated on the basis of 395 cost of living index which is now prevailing here. After 75% of neutralisation the amount would be Rs. 24/- according to Bengal Mill Owners' Association. So the stand is taken by the Association is non-implementation of the Wage Board.

Lastly Sri S. K. Banerji, Jt. Secretary, Labour informed that a meeting was arranged by the Chief Minister Dr. Roy with the representative of Bengal Mill Owners' Association on 29th March, 1960. But the Association has refused to meet Dr. Roy.

WEST BENGAL COMMITTEE

All India Trade Union Congress

249, BOWBAZAR STREET, CALCUTTA-12

Ref.

(2)

Date 195 .

In every factory the workers are demanding unitedly to implement the recommendation of Wage Board. Meetings and processions are organised.

.....
H. Banerjee
—
✓

29 MAR 1960

TAMILNAD TRADE UNION CONGRESS

(TAMILNAD COMMITTEE OF A.I.T.U.C.)

6/157, BROADWAY,
MADRAS-1.

Ref:

331

Dated 26.3.1960

Dear Comrade K.G.S.,

A meeting of the ten representatives was held on 19th & 20th March
More than 50 representatives from all Central Union Meetings
at Dindigul. I am enclosing the Resolutions adopted in that
Meeting on Tenage Board Recommendations.

Com M.N. Krishnan, R. Umanath Reddy, V. Karmegam
and K.N. Chinnayan will be attending the Ten. rep. meeting
called by ATUC at Bombay on 14th & 15th April.

Yours fraternally

J.R. Easwaran

श्री सादूल टैक्सटाइल्स मज़दूर यूनियन

श्री गंगानगर (राजस्थान)

Shree Sadul Textiles Mazdoor Union

SRI GANGANAGAR (Rajasthan)

Serial No. 1367/60

Date 20.3.60

सेवा में

331

श्रीमान लबर मिनिस्टर

भारत सरकार

नई दिल्ली

विषय - प्रस्ताव शिमा समा

श्रीमानजी,

दिनांक ६-३-६० को गंगानगर में सादूल टैक्सटाइल्स

मिल मजदूर इन्कॉर्पोरेशन की राक भाग राधा श्री शम्भू लाल अर्थात्

पुनर्गठन की अध्यक्षता में एक ~~अनुसूचित~~ ~~हुड~~ जिसे निम्न -
लिखित प्रस्ताव ~~पर~~ ~~स्वी~~ ~~संगीत~~ से पास हुए :-

श्री सादूल टैक्सटाइल्स मिल मजदूर पुनर्गठन मात
सरकार से मांग करती है कि

(१) सेंट्रल टैक्सटाइल्स वेज बोर्ड की रिपोर्ट को नीचे लिखी
ताम्रियों के साथ फायुन बी डायल में लागू किया जाए -

(२) सादूल टैक्सटाइल्स मिल के गंगानगर में पुनर्गठन की
में शामिल किया जाए

(३) नूरे गंगानगर में कोल्ट डायल लिमिटेड इन्डक्स मुकद
नहीं हुआ है इस वजह से नजदीकी सेंट्रल दिल्ली के आधार पर
मोस्ट प्रोफ लिमिटेड इन्डक्स मान कर सेंट्रल भत्ता मुकद
किया जाए -

नं० 1375/60 ग/२०६० मवरीप

प्रधान, लबर मिनिस्टर (३) श्रीमान लबर मिनिस्टर (३)
भारत सरकार (३) श्री मुख्य मंत्री, राजस्थान (४) श्री मंत्री, राजस्थान

(४) श्री आचार्य राजस्थान (६), लबर आफिस बिकानेर (६), लुधियाने (६)
सादूल टैक्सटाइल्स मिल, (६) श्री डायल लिमिटेड में पुनर्गठन काग्रेस नई दिल्ली

TELEGRAMS: "FEDCOTMILL"

TEL. NO. 255307 (2 LINES)

THE INDIAN COTTON MILLS' FEDERATION.

ELPHINSTONE BUILDING, VEER NARIMAN ROAD,
POST BOX NO. 95, BOMBAY NO. 1.

No. 36/2264

331
1st April, 1960

M. K. Pandhe, Esq.,
All-India Trade Union Congress,
4, Ashok Road,
New Delhi.

Dear Sir,

Sub: Report of the Central Wage Board
for the Cotton Textile Industry.

As desired in your letter dated 26th March, 1960, addressed to Mr. R.G. Ghokale, Labour Officer, Millowners' Association, Bombay, which has been passed on to this office for disposal, I have to-day sent by separate post 2 copies of the booklet published by the Federation on the recommendations of the Textile Wage Board. I am also sending herewith the text of the press-statement issued by the Federation in Mar ch, 1959. Please acknowledge.

Yours faithfully,

C. R. Ashok Kumar

^ Hon. Secretary

Encl: One.
Cvr/vrg.

FOREWORD

The Central Wage Board for the Cotton Textile Industry, whose report was published on 3rd March 1960, has recommended for the cotton mill workers increase in wages amounting to about 14 per cent now, rising to 16 per cent two years hence.

No progressive employer would cavil at giving higher wages to his workers but in the wider interest of the country a wage increase should be in consonance with the well established principles of wages being related to productivity on the one hand and the industry's capacity to pay on the other.

The industry would have been happy if the Wage Board's proposals had been as explicit and binding about productivity as about the wage increase. A mere increase in the pay-packet will accentuate inflation which has already assumed menacing proportions in our country.

This publication is intended to show how the proposed increase in textile wages has countrywide implications requiring serious consideration by all those who are concerned with an orderly development of the country's economy.

Krishnaraj M. D. Thackeray.

Vice Chairman.

The Indian Cotton Mills' Federation,
10 Veer Nariman Road,
Bombay 1.
10th March 1960.

Handwritten signature:
K. D. Thackeray

REPORT OF THE CENTRAL WAGE BOARD FOR THE COTTON TEXTILE INDUSTRY.

An Analysis.

The Report of the Central Wage Board for the Cotton Textile Industry and the Government's resolution on it released on 3rd March 1960 came as a surprise to the industry. A summary of the Wage Board's recommendations and the text of the Government's resolution will be found in the Annexure to this pamphlet.

2. The Wage Board's report is unanimous and none would have been happier than the industry to implement it if the recommendations had not been vitiated by several defects of a fundamental character. According to its terms of reference the Board was required to "work out a wage structure based on the principles of fair wages as set forth in the Report of the Committee on Fair Wages." The Committee on Fair Wages had stipulated that the upper limit to fair wages is set by the capacity of the industry to pay. They had further prescribed that the wage fixing machinery should relate a fair wage to a fair load of work and in case of doubt whether the existing work-load is reasonable or not, should institute proper time and motion studies on a scientific basis. Not only has the Wage Board ignored these very important principles, but by recommending flat average increases of Rs. 8 and Rs. 6 per month for different areas, has failed to work out "a wage structure" as it was required to do.

3. The Wage Board furthermore has proceeded on the firm belief that the resolution on wage policy of the 15th Indian Labour Conference was binding on all wage fixing authorities and must, therefore, be implemented. This consideration being uppermost in the minds of the Board's members, they appear to have ignored other weighty considerations, which are important in evolving a wage structure. The fact that the resolution on wage policy had no

other validity than that of a recommendation was made abundantly clear by the Union Ministry of Finance and later by the Finance Minister himself. Writing to the Central Pay Commission, the Ministry declared: "The Government desire to make it clear that the recommendations of the Labour Conference should not be regarded as decisions of Government and have not been formally ratified by the Central Government." During the Parliamentary debate on the Pay Commission's Report, the Finance Minister stated in the most explicit terms on February 15, 1960, that the Labour Conference's recommendations had not been accepted by the Government and could not, therefore, be binding on it.

4. It is unfortunate that the Textile Wage Board happened to submit its report a little prior to the Pay Commission's Report which was candid and illuminating on the subject under discussion. Stating its views on wage policy, the Commission observed: "A minimum wage pitched above the level of per capita income, and intended for very wide application is obviously one beyond the country's capacity; in ignoring the vital need for savings and investment, such a wage gives no thought to the future." Such a categorical statement from a responsible body like the Pay Commission would in all probability have influenced the Board's thinking a good deal, if only it had become available to the Board before it formulated its own proposals.

5. We submit it is not proper to sanction a wage increase at the present juncture when neither the industry nor the country is able to sustain its impact. The increase in the wages by Rs. 8 per worker covers two thirds of the total labour force, the remaining one third receiving Rs. 6 per month, with the provision for a further flat rise of Rs. 2 per month for every worker from January 1, 1962. This increase is in itself of staggering proportions, but the industry's liability is much heavier than these amounts indicate. Taking into account the consequent increase in the employers' contribution to the workers' provident fund, health insurance, gratuity etc., which on an average amount

to about 22.5 per cent of the total emoluments of the workers the actual increase with immediate effect will be Rs. 9.80 per worker per month in centres classified as A and Rs. 7.35 in the remaining centres. These amounts will grow to Rs. 12.25 and Rs. 9.80 respectively from January 1, 1962. Certain increases in the emoluments of clerks and other employees have also been recommended and taking all these together, the addition to the total annual wage bill will be around Rs. 9 crores immediately and Rs. 11.25 crores two years hence.

6. The Wage Board has also laid down certain principles for increasing the dearness allowance payable to workers in certain centres. The magnitude of the additional payment entailed by the proposals will depend on how the proposed National Tribunal will interpret them. But according to certain tentative calculations made by us, the incidence, it appears, will be in the neighbourhood of Rs. 5 crores per annum and will affect mills in Madras State, Bengal State, Rajasthan State, and a few other centres employing about 1,80,000 workers. Taking wages and dearness allowance together, the addition to the wage bill will total Rs. 14 crores, which figure will grow to Rs. 16 $\frac{1}{4}$ crores after two years. In other words, the increase in the wage bill will be about 14 per cent. now, rising to 16 per cent. in January 1962.

7. The situation will be particularly bad in the above mentioned centres where the mills will have to pay both increased wages and dearness allowance, the rise in wage cost amounting to as much as 40 per cent in some cases, and scores of mills in such centres will have no alternative but to close down. Again, mills in which the standard of productivity is low, will find it increasingly difficult to remain in production, with a flat increase in emoluments taking no account of the degree of rationalisation attained. Many cotton mills came into existence in the mofussils and employed large complements of labour because wages were low. They were, however, deprived of the latter advantage with the introduction of dear food allowance, burdening them

with the serious problem of redundant labour. A uniform flat increase in wages will render such moribund units especially vulnerable, and many of them may have to close down sooner or later. In that event, unemployment in the industry will assume serious proportions—a development that should be viewed with great concern by all right-thinking persons.

8. There appears to be a feeling in certain uninformed quarters that the cotton mill industry is blessed with abounding prosperity. How unfounded such a belief is, has been demonstrated by a study published by the Reserve Bank of India. The fact that mill profits are among the lowest in the organised industrial sector will be seen from the following tables taken from an article in the August 1959 issue of the Bulletin of the Reserve Bank of India:

Extracts from Table 5—Gross profits as percentage of gross sales.

| Industry | 1951-55 (average) | 1956 | 1957 |
|------------------------|----------------------|------|------|
| Cotton Textiles | 6.5 | 8.5 | 3.1 |
| Other textiles | 8.8 | 16.0 | 11.9 |
| Iron & Steel | 20.6 | 22.9 | 18.0 |
| Engineering | 8.6 | 9.2 | 8.1 |
| Mineral oils | — | 28.9 | 22.7 |
| Cement | 20.3 | 18.2 | 15.5 |
| Sugar | 10.4 | 9.6 | 8.6 |
| Paper | 18.3 | 13.9 | 13.0 |
| Matches | 7.6 | 7.0 | 5.2 |
| Coal | 9.0 | 7.2 | 9.1 |
| Electricity generation | 33.2 | 25.6 | 24.4 |
| Shipping | 11.2 | 18.9 | 19.1 |
| Tea plantations | 26.8 | 23.7 | 12.0 |

Extracts from Table 6—Gross profits as percentage of total capital employed.*

| Industry | 1951-55 (average) | 1956 | 1957 |
|---------------------------|----------------------|------|------|
| Cotton textiles .. | 8.2 | 9.7 | 3.4 |
| Other textiles .. | 5.1 | 8.1 | 6.7 |
| Iron & Steel .. | 15.1 | 11.7 | 6.8 |
| Engineering .. | 7.3 | 9.6 | 8.6 |
| Mineral Oils .. | — | 20.9 | 16.3 |
| Cement .. | 13.8 | 10.3 | 8.0 |
| Sugar .. | 9.8 | 9.0 | 9.5 |
| Paper .. | 12.2 | 10.4 | 9.4 |
| Matches .. | 14.1 | 12.6 | 10.6 |
| Coal .. | 8.3 | 6.2 | 8.5 |
| Electricity generation .. | 7.9 | 6.3 | 6.9 |
| Shipping .. | 5.1 | 8.2 | 7.8 |
| Tea plantations .. | 16.9 | 14.7 | 7.4 |

*Total net assets.

Extracts from Table 7 — Profits after tax as percentage of net worth†

| Industry | 1951-55 (average) | 1956 | 1957 |
|---------------------------|----------------------|------|------|
| Cotton textiles .. | 5.6 | 7.8 | — |
| Other textiles .. | 3.7 | 9.6 | 7.5 |
| Iron & Steel .. | 17.6 | 14.6 | 11.2 |
| Engineering .. | 6.4 | 9.7 | 8.3 |
| Mineral oils .. | — | 28.8 | 16.7 |
| Cement .. | 11.0 | 10.8 | 7.7 |
| Sugar .. | 10.0 | 9.0 | 9.4 |
| Paper .. | 10.6 | 6.1 | 7.2 |
| Matches .. | 11.0 | 8.0 | 3.5 |
| Coal .. | 6.5 | 3.0 | 5.6 |
| Electricity generation .. | 7.3 | 6.7 | 7.9 |
| Shipping .. | 5.1 | 10.9 | 11.6 |
| Tea plantations .. | 14.3 | 11.4 | 3.9 |

†Paid-up capital plus all reserves (other than taxation and depreciation reserves) and balance of profits.

9. The figures published by the Reserve Bank (which relate to bigger mills and hence present a better picture than what it really is) are up to 1957, but the condition of the cotton mill industry in the subsequent years is no better. Because of low profits the industry cannot put together from its own resources, the huge finance required for rehabilitation and modernisation of its worn out machinery. On the other hand, it cannot attract finance from outside, as capital naturally flows in directions where the yields are higher. The industry is thus caught in a vicious circle; it cannot attract finance due to its low profitability, and it cannot improve its profitability unless it finds the necessary money for modernisation and rehabilitation. It is surprising that when the industry is thus suffering from stagnation and loss of dynamism through low profitability, some quarters should accuse it of profiteering. Serious consideration requires to be given to this problem of improving the profitability of the industry in order to bring it on par with that of other major industries so as to impart to it, the necessary vigour and vitality. As it is, the wage bill of the industry amounts to over Rs. 100 crores a year, and it pays nearly an equal amount in the shape of direct and indirect levies, contributing some 11 to 12 per cent. of the total revenue collected by the Central Government. The Industry groaning under these heavy burdens should not have been asked to shoulder an increase of 14 to 16 per cent. in its wage bill, which would diminish the possibilities of any improvement in its working.

10. The recent crisis in the industry has amply demonstrated its vulnerability. The crisis, it will be recalled, was precipitated by the sharp increase in the excise duty on mill cloth from September 1956. According to the information furnished in Parliament on August 3, 1959, as many as 39 units had gone out of production as on June 30 of that year. This is hardly a welcome development in a period of expanding economy. The mills have remained partly closed on account of the unserviceability of their machinery and partly as a result of their inability to cope with the mounting demands on the industry. We appre-

hend that many more will follow suit with the heavier mill-stone now tied round their necks in the shape of an enlarged wage bill.

11. The present wage structure of the industry is the result of a careful and prolonged examination by competent tribunals of the capacity of mills in each centre to pay. It is true that in fixing standardised wages, the tribunals might have taken into account the capacity of an average unit of the centre and this might create an anomaly in respect of units doing better than the average ones. But this discrepancy was rectified by the institution of the system of annual bonuses under which mills making better profits are required to pay bonus commensurate with their higher capacity to pay. Thus, a judicious balance had been struck in prescribing the level of wages so that both the well-to-do units and those that do not do so well were made to pay according to their capacity in the real sense of that term. Any attempt to disturb this delicate balance is fraught with grave consequences.

12. The cotton mill industry is straining every nerve to earn a sizeable amount of foreign exchange by means of exports of cotton manufactures, the earning in 1959 being around Rs. 70 crores. The importance of earning external resources on this scale should not be underestimated. The hope of maintaining and increasing our exports can be realised only if the Indian industry does not lag behind its formidable and resourceful competitors both in the matter of the quality and prices of its products. It would be idle to expect such results without giving the utmost importance to such questions as costs and prices and the rehabilitation and modernisation of mill machinery. Part of the reason for the formidable character of the Japanese industry, is that its wage costs are low; our costs in fact are some 50 per cent. higher than theirs while the Hong Kong industry, another leading competitor pays its workers lower wages than Japan.

13. Besides these exporters, India has to contend with other powerful competitors like China and Pakistan which, in addition to sharing the advantage with this country of

producing their own cotton, score over it heavily on account of the newness of their equipment, tax concessions and export incentives on a truly generous scale. Moreover, in her drive for exports, China is untrammelled by such considerations as profit and loss of each transaction.

14. The industry should, therefore, be permitted to go ahead with the major tasks that confront it without hampering it with new burdens and distractions. It has been widely recognised that its immediate problem is to rehabilitate and modernise its machinery—an essential reform that has fallen into dangerously heavy arrears. The industry's progress towards modernisation has, however, been seriously limited by financial difficulties, as its profit margin is of the lowest among all organised industries in the country. It has been estimated that even for a modest programme of rehabilitation and modernisation, its needs amount to Rs. 40 crores per year for the next 10 years, and on current working, the industry is not in a position to find even 50 per cent. of this amount either by way of finance from its own resources or to service the loans that may be raised. An additional burden of Rs. 14 to Rs. 16 crores will greatly retard the process of rehabilitation and modernisation. The consequences of this development are so serious and yet so obvious that they need not be discussed at length here.

Effects on the Nation's economy.

15. Moreover, the effect of the wage increase may not be confined to the cotton mill industry alone, but may be felt over a wide area of the national economy. The cotton mill industry is a large and widespread enterprise, with its units situated in many parts of the country. An increase in the emoluments of its workers unrelated to any increase in productivity, despite the fact that they are already among the highest may provoke a spate of demands for wage increase all over the country, thus adding to the inflationary pressure.

16. In this connection, we would like to refer to the recent observations of the Governor of the Reserve Bank of India. Speaking in Calcutta on February 8, 1960, Mr. H. V. R. Iengar said: "The crux of the Indian economic problem today is how to balance the development of the economy at an appropriately rapid rate with the maintenance of the stability of the currency. This is a difficult enough problem in the most advanced countries; in India the problem is vastly more complex. During the Second Five-Year Plan, there has been an almost continuous rise in the cost of living which has obscured the real gains that have simultaneously taken place in productive capacity and output. Although some degree of price increase is perhaps unavoidable during a period of rapid development, the situation that is developing is causing concern."

Conclusion.

17. We yield to none in our desire that the standard of living of the textile workers of India should be raised to the level of the textile workers of the U.K. and the U.S.A. High wage rates have been made possible in those countries by the installation of modern machines in the mills and by the willingness of workers to mind a very much larger number of machinery units than what an Indian worker does. The leeway to be made up between those countries and ourselves in the modernisation of machines on the one hand and standards of working on the other is so great, that there is ample scope to increase our workers' earnings far beyond those recommended by the Wage Board, if only our industry and labour strive and reach the standards of those countries. All those who are interested in the well-being of the country should bend their energies towards canalizing the efforts of the industry and the labour to bring about progress in this direction.

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ANNEXURE

SUMMARY OF MAIN RECOMMENDATIONS MADE BY THE CENTRAL WAGE BOARD FOR THE COTTON TEXTILE INDUSTRY

1. The decisions of the Board are unanimous and must be taken as an integral whole and any attempt to isolate them would be contrary to the scheme of recommendations.

2. For the good of the industry, of labour, and of the consumer, certain desirable minimum standards in workloads should be achieved throughout the industry as soon as possible.

3. For a period of 5 years from 1st January 1960, no claim for further revision of minimum wages should be made by either the employers or the workmen.

4. In the interests of all concerned, it is necessary that the process of rationalisation should continue and progress everywhere in the industry. The rationalisation of several occupations in Bombay, Ahmedabad and Coimbatore should be adopted as useful guides for the progressive rationalisation by mills which have not reached that standard of rationalisation, within the next 5 years.

5. As a result of rationalisation, there should be no retrenchment or loss of earnings of the existing employees. There should also be an equitable sharing of the gains of rationalisation as between the community, the employer and the worker, and there should be a proper assessment of workloads.

6. In order to avoid disputes arising out of rationalisation, there should be machinery at Regional and National levels to settle questions of rationalisation.

7. Time has come for the active participation of the Government concerned for the speeding up of the process of rationalisation.

8. For the purposes of wages, the industry should be divided into two categories, mills in Bombay City and Island (including Kurla), Ahmedabad, Baroda, Billimora, Navsari, Nadiad, Surat, Phagwara, Hissar, Delhi, Modinagar, Calcutta City, the whole of Madras State and Bangalore, coming in the 1st category, and mills in other centres in category II.

9. An increase at the average rate of Rs. 8/- per month per worker shall be given to all workers in mills in Category I from 1st January 1960, and a further flat increase of Rs. 2/- per month per worker shall be given to them from 1st January 1962.

10. An increase at the average rate of Rs. 6/- per month per worker shall be given to all workers in mills of category II from 1st January 1960, and a further flat increase of Rs. 2/- per month shall be given to them from 1st January, 1962.

11. The increases in the basic wage are subject to the condition that the said sums of Rs. 8/- and Rs. 6/- shall ensure not less than Rs. 7/- and Rs. 5/-, respectively, to the lowest paid, and that the increase of Rs. 2/- from 1st January 1962 shall be flat for all.

12. The dearness allowance should be linked to the cost of living index in all centres, and if any centre has no such cost of living index, the index of the nearest centre should be taken for that purpose.

13. In certain places, there is only a consolidated wage or a fixed dearness allowance. In both cases the total wages are comparatively lower. The dearness allowance in these places should be made adequate and linked to the cost of living index by a suitable machinery.

14. The dearness allowance in Madras State should be increased so as to give full neutralisation for the rise in the cost of living to the workers on minimum basic wage with 1938-39 as the base.

15. The dearness allowance should be consolidated with the basic wage at an index which will yield an amount equal to three-fourths of the average dearness allowance of the first 6 months of 1959, and the remaining 25% dearness allowance shall continue as dearness allowance and shall have a flexible character, and shall rise and fall according to the future cost of living; and the difference between the point at which the current index is merged shall be compensated according to existing method and at the existing scale.

16. The amount of gratuity, wherever calculated in terms of basic wages, shall be paid in terms of the existing basic wage upto 31st December 1959; but from 1st January 1960 the basic for such purpose will be that basic wage plus the increases given but excluding the dearness allowance consolidated.

17. The consequential adjustments in the emoluments of the rest of the workmen should be worked out by the employers and the workmen in accordance with the tenor of the Report subject to the terms of para 106 of the Report.

18. The scales of pay of Junior and Semi-clerks shall be as follows:

- | | |
|--|--|
| 1. Junior clerks of mills in Category I | } Rs. 75-5-105-7½-150-EB-10-200-12½-250. |
| 2. Junior clerks of mills in Category II | } Rs. 60-5-90-6-120-EB-7½-150-10-200. |
| 3. Semi-clerks of mills of Category I | } Rs. 50-3-80-EB-5-125. |
| 4. Semi-clerks of mill of Category II | } Rs. 40-3-70-EB-5-105. |

19. A Junior clerk whose basic pay is already higher than the start of the new basic, shall first be fixed in the new scale in accordance with his present basic wage; if he falls within two stages of the new scale, he shall be given the higher stage, and he shall then be given two increments in the new scale.

20. A Junior clerk whose present basic wage is less than the minimum of new scale, shall first be brought up to the minimum of the new scale, and he shall then be given one increment for each year of service with a maximum of two increments.

21. The semi-clerk shall also be fixed in the same manner as the junior clerk in the new scale.

22. Any semi-clerk or junior clerk already in receipt of a higher scale or higher total emoluments than those recommended, shall retain the excess as special pay.

23. The pay scales of other clerks, stenographers, etc., shall be suitably fixed by the employers in consultation with the employees having regard to their respective duties and responsibilities in such a way that their emoluments are advanced to keep in step with the advances in the wages of the junior clerks.

24. The efficiency bar must be sparingly applied and only in cases of distinct fall in efficiency.

25. It is not feasible to consolidate the dearness allowance with basic wage of clerks, because of their time scales. The clerks shall receive monthly the amount of dearness allowance which is merged in the basic wage of the operatives, as a special higher cost allowance, plus the dearness allowance of the operative plus:

For basic wage upto and including

| | | | |
|-----------------|----|----|-------------------------|
| Rs. 100/- | .. | .. | Rs. 7 $\frac{1}{2}$ /- |
| Between 101-200 | .. | .. | Rs. 15/- |
| Between 201-300 | .. | .. | Rs. 22 $\frac{1}{2}$ /- |
| Beyond 301 | .. | .. | Rs. 25/- |

26. The semi-clerks shall receive monthly the amount of dearness allowance which is merged with the basic wage of the operatives as a special higher cost allowance, plus the dearness allowance of the operatives.

27. The special high cost allowance shall be treated as an addition to basic wage and new entrants shall also be eligible for it. The special high cost allowance shall count for Provident Fund, and leave and holidays with pay, but not for gratuity where gratuity is expressed in terms of the basic wage.

28. There shall be no grade of a clerk below the grade of semi-clerk. Barring the semi-clerk, the lowest paid in the clerical staff should be deemed to be the Junior clerk and he must be fixed in the prescribed scale of the Junior Clerk.

29. The recommendations relating to Junior Clerks and Semi-clerks shall take effect from 1st January, 1960.

30. There shall be no discrimination between men and women doing the same work.

31. By the introduction of the Board's recommendations no existing amenities or benefits shall be affected, and higher emoluments wherever they are being paid, shall not be reduced.

32. In the present state of the industry it is not possible for financial considerations to go beyond what has been recommended but, nevertheless, the recommendations will on full implementation constitute a fresh landmark in the progress of the industry and in the improvement of the condition of service of the workers, who will find in the recommendations not only a present rise in earnings, but also fresh scope and initiative for the exercise of higher skills and consequent improvement of their standards. The Board regrets that even after a century's existence the industry is unable to pay a need-based wage, and considers that the stage has been reached when both the employers and the

workmen should foregather to lift the industry as a whole to a higher level, each making his contribution in his own way. The employers must adjust themselves to the changing climate of their responsibilities; and the workmen for their part must have a broader view of their duties in our social set up; and both must accept the inevitability of changes by rationalisation and modernisation if the industry is to flourish.

33. The Government should take timely steps for the implementation of the recommendations herein contained so that they might become effective from 1st January, 1960.

34. The Central and State Governments should take steps to maintain correct cost of living indices of the several centres. It would also be an advantage if statistical information as to the state of the industry, including information on prices, productivity and income in it could be suitably maintained by the Government of India so that the information may be readily available whenever required.

35. The recommendations of the Wage Board would apply to all clerical and manual workers in the composite and spinning mill sector of the industry.

TEXT OF CENTRAL GOVERNMENT'S RESOLUTION ON THE REPORT OF THE WAGE BOARD FOR THE COTTON TEXTILE INDUSTRY

"After careful consideration, Government has decided to request the employers and workers and State Governments to take immediate steps to implement the unanimous recommendations of the Wage Board. Since the recommendations represent agreed conclusions between the representatives of employers and workers, Government expect that the parties concerned will show a spirit of accommodation in interpreting the recommendations and difficulties, if any, will be solved by direct discussions between them and, if necessary, with the assistance of the State Government concerned.

The Board have drawn pointed attention to the importance of speedy rationalisation and stressed that the process of rationalisation and modernisation should be enforced, if necessary even with the assistance of Government's intervention. It may be recalled here that several textile units have varying labour strength for similar units of machinery and plant in the country. The working conditions of different textile units also vary in degree. It is, therefore, very necessary that the work-loads and the working conditions should be rationalised as early as possible within the framework of the recommendations of the Indian Labour Conference. The Industry, labour unions and the Government have, therefore, to bring about the process of rationalisation with a determined effort.

The Board have recommended that dearness allowance should be linked to the cost of living index in all centres, and if any centre has no such cost of living index, the index of the nearest centre should be taken for such linking. The Board have also recommended that where there is only a consolidated wage or a fixed dearness allowance, it should be made adequate and linked to the cost of living index by a suitable machinery. For facilitating the implementation of these recommendations in an expeditious manner, Govern-

ment have decided to appoint a National Tribunal which will go into the issues raised, if any, by either of the parties.

There have been certain increases in the wages which have taken place in different textile units since the industry made their submission to the Wage Board. All such increments or increases, excepting the increase awarded by an Industrial Tribunal or by any other statutory body, that have been so given by the textile units, will be considered as part of any increase that might take place as a result of the implementation of the Wage Board's recommendations in different aspects.

There have been certain textile units which are at present closed down or which had been or are under enquiry under Section 15 of the Industries (Development and Regulation) Act. Government will consider separately the application of the Wage Board's recommendations to such units.

Government hope that having regard to the need for building up a healthy industry and the necessity to maintain industrial peace which will assist in rehabilitation and modernisation of the industry, the industry and the employees will take necessary steps to implement the recommendations. Should, however, an occasion arise in which there is any serious difference of opinion in regard to interpretation of recommendations, or where there is any major difficulty in implementing the recommendations, Government may, if necessary, refer the matter to a suitable machinery.

The Government of India wish to express their appreciation of the Board's work in dealing with the complex question of wages in the cotton textile industry and connected matters and reaching unanimous conclusions."

THE INDIAN COTTON MILLS' FEDERATION,
B O M B A Y - 1

5th March, 1960

PRESS NOTE.

Wage Increase to Textile Workers.

The Committee of the Indian Cotton Mills' Federation has given careful consideration to the recommendations of the Textile Wage Board for a wage increase to the cotton mill workers and views with grave concern the enormous burden which their implementation will impose on the industry. Not only the marginal and uneconomic units numbering some 150 in the industry, but many others will find it extremely difficult to pay the increased wages, the total incidence of which is estimated to amount to Rs. 9 crores per annum and Rs.11.25 crores two years hence, in addition to whatever amount that may have to be paid by way of increased dearness allowance in certain areas. About 40 mills have already gone out of production and the imposition of new financial obligations on the scale proposed by the Wage Board will cause considerable hardship to the industry and many more units will find it difficult to continue working.

The Wage Board's recommendation for a flat wage increase without relating it to productivity has created a serious problem for the industry. The Committee of the Federation feels that the matter calls for detailed and anxious consideration by individual member Associations and a careful study of the impact of the proposed wage increase on the financial position of the mills in their respective areas. The Committee of the Federation will meet again on 19th March, 1960, to review the position in the light of the studies made by each Millowners' Association.

Ensure Prompt Implementation

Centre's Directive

Recommendations Of Wage Boards : Textile & Cement

By A Staff Reporter

The West Bengal Government has been asked by the Union Labour Minister Shri Gulzarilal Nanda to ensure that the recommendations recently made by the National Wage Boards for Textiles and Cement are promptly implemented by the industries concerned.

The Union Labour Minister has pointed out that the success of the Wage Board approach to the question of wages depended entirely on their ability to persuade managements to honour their obligations in this regard. He considers it to be a special task for the State Implementation Machinery and expects all concerned in the Government to make special arrangements, if necessary, to address itself to this work promptly and efficiently.

Commenting on the directive of the Union Labour Minister, a spokesman of the State Government told newsmen on Tuesday that under no pretext the industry should hesitate to give effect to the recommendations of the National Wage Board which are tripartite bodies with representatives of the management, labour and Government. The Textile and Cement Wage Boards had considered the pros and cons of all aspects of the industry before making their recommendations for increment in the wages rates. He hoped that the units of these industries in this State would take necessary steps in this regard without delay.

TEXTILE WAGE BOARD REPORT

Heavy Burden, Says Industrialist

AHMEDABAD, April 2.—Mr. Rasikhan Nagri, outgoing president of the Ahmedabad Millowners Association, said here today that the recommendations of the Textile Wage Board would result in "a heavy burden" on the industry.

Addressing the annual general meeting of the association, Mr. Nagri estimated that if the industry implemented the recommendations of the wage board, in Ahmedabad alone the burden would be of the order of Rs.1.58 crores from January this year and Rs. 1.94 crores after two years. The total burden on the entire textile industry, Mr. Nagri said, would amount to Rs. 14 crores per year.

Mr. Nagri said the board had apparently been guided in its decisions by the conclusions arrived at the fifteenth session of the Indian Labour Conference, and the board had given a flat increase in wages.

Millowners' President, Vice-President

AHMEDABAD, April 2.—The annual general meeting of the Ahmedabad Millowners' Association this morning elected Mr. Jai Krishna Harivalabhadra Patel and Mr. Arvind Naxotam as president and vice-president respectively of the association for the ensuing year.

Mr. Madanmohan Mangaldas was among the members of the new executive elected by the association.

—PTI.

Recommendation Of Textile Wage Board

Steps Taken By W. Bengal Govt. For Implementation

(By A Staff Reporter)

The West Bengal Labour Minister, Janab Abdus Sattar, told the State Assembly on Thursday that the Government of India had accepted the recommendations of the Cotton Textile Wage Board and requested the employers and workers and State Governments to take steps to implement the same.

Janab Sattar was making a statement on the position regarding implementation of the Board's recommendations. Dr. Hanen Sen (CFI) made an allegation in the House on Wednesday that the recommendations were not yet implemented in this State.

The Labour Minister said that the State Government had these recommendations under study and it shared the same anxiety as of the Government of India to ensure early implementation of the recommendations, specially because these represented agreed conclusion of the representatives of the employers and the workers in the Board. These recommendations, he said, did not have the force of law but he would take it that it made it all the more their responsibility to ensure their prompt implementation. He had had discussions separately with the parties concerned and he proposed to have a joint discussion soon with a view to resolving any difficulty that might yet remain in the way of full implementation of these recommendations.

RATIONALISATION

The Wage Board appointed by the Government of India had recommended immediate increases in wages to a certain extent, speeding up of the process of rationalisation and modernisation with the assistance of Government, if necessary, merger of D.A. with basic wages and linking up of the D.A. with the cost of living index etc. In making these recommendations, so far as this region was concerned, the Board took into consideration the Second Omnibus Tribunal Award on Cotton Textile in West Bengal. The wage structure evolved by the said Tribunal had been modified by the Board on the basis of certain principles.

SPIRIT OF ACCOMODATION

Janab Sattar added that the Wage Board approach to the question of wage fixation was part of the policy adopted by the Government of India under the Second Five Year Plan and the success of this policy would depend on the voluntary discharge of obligations implied in this approach by the parties concerned. The Government of India also stated that in view of the agreed conclusions reached between representatives of workers and employers on the Board all parties concerned were expected to show a spirit of accommodation in implementing the recommendations and difficulties by direct discussion, if necessary with the assistance of the State Governments.

The recommendations of the Board were submitted on Decem-

Higher Wage Will Cripple Textile Mills In Kanpur

"The Times of India" News Service
KANPUR, March 6: The Union Government's decision on the Textile Wage Board's recommendations has evoked mixed reaction in industrial and trade union circles at Kanpur.

The industry believes that any further enhancement in the wage of mill operatives will adversely affect cotton mills in backward areas. Implementation of the Board's recommendations is expected to cost an additional Rs. 40 lakhs to Kanpur mills.

According to Mr. Sita Ram Jaipuria, a mill-owner, the percentage of labour charges was already high at Kanpur compared to the mills in Bihar and West Bengal. Mills situated in backward areas, particularly those manufacturing coarse and medium varieties, would be severely affected by an enhanced wage bill, for most of them did not possess processing plants like the mills in Ahmedabad and Bombay. Rationalisation would become all the more difficult if units manufacturing coarse and medium cloth were to change over to production of finer varieties in view of the growing consumer preference for finer fabrics.

Seven of the ten mills at Kanpur are not working on a rationalised basis. Mr. Jaipuria said it would take an unduly long time to switch over to complete rationalised working.

In Mr. Jaipuria's opinion, it was unfair to impose the increased wage burden at Kanpur when the annual working days here aggregated 295 as against 310 at Ahmedabad and Bombay.

While textile workers welcomed the prospect of a wage increase, trade union leaders were not happy that Kanpur had been placed in the second category for the purpose of calculation of wage increase. Mr. Arjun Arora, I.N.T.U.C. leader, remarked that it was strange that Kanpur had been placed in Category II while Modinagar was included in the first category.

Mr. Ram Asrey, General Secretary, U.P. Trade Union Congress, urged workers to make a concerted demand for the immediate implementation of the Board's recommendations. He said that though a wage raise was welcome to workmen, coming in the last year of the second Five-Year Plan, the recommendations were disappointing as they were not only heavily loaded in favour of rationalisation and modernisation, but also because they seemed to ignore the unanimous wage policy decisions taken by the 15th Indian Labour Conference.

According to Mr. Ram Asrey, the proposed merger of 75 per cent. of the dearness allowance with the basic wage would be more unfavourable to the Kanpur worker than to his counterpart in Bombay as the neutralisation of the rise in the cost of living in Bombay was 90 per cent. whereas it was only 54 per cent. in Kanpur. The T.U.C. leader appealed to the U.P. Government to call a tripartite conference to consider the rationalisation proposals.

Heavy Burden On Textile Mills

WAGE BODY REPORT CRITICISED

"The Times of India" News Service

BOMBAY, March 6: The recommendations of the Textile Wage Board for a flat wage increase without linking it with productivity has created a serious problem for the cotton textile industry, according to the committee of the Indian Cotton Mills' Federation.

The committee, which met here yesterday, viewed with "grave concern the enormous burden" which the implementation of the Wage Board's recommendations would impose on the industry.

In a press note, the committee said: "Not only about 150 marginal and uneconomic units in the industry but many others will find it extremely difficult to pay the increased wages, the total incidence of which is estimated to amount to Rs. 9 crores per annum and Rs. 11.25 crores two years hence, in addition to whatever amount that may have to be paid by way of increased dearness allowance in certain areas. About 40 mills have already gone out of production and the imposition of new financial obligations on the scale proposed by the Wage Board will cause considerable hardship to the industry and many more units will find it difficult to continue."

"The committee feels that the matter calls for detailed and anxious consideration by individual member associations and a careful study of the impact of the proposed wage increase on the financial position of the mills in their respective areas."

MAXIMUM WAGES FOR WORKERS

Union Minister's Plea

BOMBAY, March 6: Mr. Gulzarilal Nanda, Union Labour Minister, yesterday suggested that employers should pay the maximum possible wages to their employees so that the latter would extend their fullest co-operation in developing industry and the country as a whole.

Mr. Nanda was speaking at a function to celebrate the 12 years of wage boards for the cotton and silk textile and sugar industries.

The Labour Minister said that employers should not consider wages as a liability or a drain on their resources but as a necessary contribution to the national assets.

He said that the Government should not be afraid of the cost of wages, but should be guided by the principle of "fairness" and "equity". He said that the Government should not be afraid of the cost of wages, but should be guided by the principle of "fairness" and "equity".

INDORE TEXTILE MILL AFFAIRS

Mismanagement Alleged

INDORE, March 6: Mr. Ram-singhphai Verma, M.P. and President of the Madhya Pradesh branch of the I.N.T.U.C. alleged yesterday that the financial deterioration of the Kalyan-mal Textile Mill of Indore was due to "mismanagement".

The Union Government ordered an inquiry into the working of the mill in 1958 when, he said, the Government had to recover from the mill Rs. 5,64,000 toward provident fund dues and Rs. 1,31,000 toward insurance.

Mr. Verma said the mill had now to pay Rs. 12,25,000 toward provident fund dues and Rs. 3,50,000 toward insurance.—P.T.I.

Co-operative Bank

Bonus Award

"The Times of India" News Service
AHMEDABAD, March 6: A majority of Ahmedabad's 62 textile mills are expected to accept by Tuesday next the award of the Industrial Court on the bonus for 1958 to the workers, if the current negotiations between the representatives of labour and managements succeed.

A spokesman of the workers held out high hopes tonight about an amicable settlement.

INDIA MAKES

ANOTHER MILESTONE

Higher Wages Will Affect U.P.'s Textile Industry

MR. SRIVASTAVA CRITICISES BOARD'S PROPOSALS

"The Times of India" News Service

KANPUR, March 17.

THE outgoing President of the Upper India Chamber of Commerce, Mr. J. K. Srivastava, said here yesterday that the upward revision of wages in accordance with the Textile Wage Board's recommendations would have "very serious repercussions" on the textile industry of U.P.

Presiding over the Chamber's 72nd general meeting, Mr. Srivastava expressed the view that the Wage Board's proposals had ignored the most important principle in granting wage increases, i.e. the industry's capacity to pay. During the last three years, the coarse and medium mills in the country, specially upcountry mills, "have not only not made profits and have not paid even a modest return on capital employed, but have incurred heavy losses."

A study of industrial profits in India, he said, showed that in 1951 the index of profits before tax which stood at 166.3 in the case of the cotton textile industry, declined sharply in 1957 to 28.6, whereas in the case of engineering industry it was 117.7 in 1951 and it increased to 355.5 in 1957.

"The rate of deterioration," Mr. Srivastava said, "is phenomenal in the case of the upcountry textile industry and as such there is no justification for any further burden."

He said large sums were required for modernisation and rehabilitation of the industry. Any move at this juncture towards higher cost would cripple the industry's capacity to plough back capital required for this endeavour.

IMPACT ON EXPORTS

Criticising the Wage Board proposals, Mr. Srivastava said it had overlooked the impact of its recommendations on exports. Indian textiles, he said, would now be priced out of export markets at a time when the Government of India was anxious that exports should be stepped up. In the next place, there was the effect on employment situation—the marginal and sub-marginal units will have to close down, while mills now closed would be prevented from reopening.

The Chamber President suggested that wage increases must be linked with the number of men per 1,000 spindles and 100 looms employed by individual units and if the Wage Board recommendations were not dropped the basis should be not merely the wages in different areas but also the number of men employed.

Mr. Srivastava further suggested that a scale should be evolved for different categories. Any increase in wages without proportionate increase in work-load would further increase the per man-hour cost. Production had declined whereas the need of the hour was higher output to meet the growing demand of both domestic markets and exports.

COTTON IMPORTS HAILED

Turning to the position regarding cotton availability, Mr. Srivastava congratulated the Government for taking prompt action in augmenting cotton supplies by higher imports. He said, however, that the future remained uncertain and the non-availability and high prices of raw cotton had particularly hit units engaged in production of coarse and medium counts, which were unable to use imported cotton.

Referring to taxation, Mr. Srivastava said the dampening effect of taxation policy on domestic savings and capital formation had been in evidence for several years in the past. It was very necessary for the Government to examine the present structure of taxation and to attempt to order it to remove the restraints on investment.

CITY NOTES

Cost Threat To Cotton Mills

The cotton mill industry which has only lately been showing signs of a general recovery is again worried about its cost structure. The sharp rise in cotton prices has been followed by the acceptance of the Wage Board's recommendations which will push up the wage bill by about 40 per cent. for the present and about 18 per cent. from January 1, 1962.

Basic Approach

The fact that the Wage Board's personnel included two representatives of the industry and its report was unanimous, has made the problem somewhat difficult. It is, however, pointed out that the Board has based its recommendations on the assumption that the wage policy resolution passed at the 15th session of the Indian Labour Conference is binding on it. The fact that this resolution wage policy has no other validity than that of a recommendation has been made abundantly clear by the Union Ministry of Finance and also by the Finance Minister. In fact, it is felt that if the Wage Board's report had followed the Pay Commission's award, the approach and the outcome might have been different.

Wage Bill Rise

It is estimated that taking into account the various increases recommended by the Board, the immediate addition to the wage bill will be of the order of Rs. 7 crores and Rs. 11.25 crores two years hence. The Wage Board has also laid down certain principles regarding dearness allowance payable to workers in some centres. The actual amount of additional burden will depend on how the wage-fixing authority interprets the Board's principles, but certain tentative estimates show the incidence at Rs. 5.01 crores per annum. The overall result will be an increase of Rs. 14 crores for the present and Rs. 16.14 crores two years hence.

Marginal Units

It is feared that the situation will be particularly serious in centres where the mills have to pay both increased wages and dearness allowance. In some cases, the increase in wage costs may amount to as much as 40 per cent. Marginal mills may be faced with no alternative other than to close down. Mills with comparatively low standards of productivity may also find it increasingly difficult to remain in production.

Annual Bonus

Sources close to the industry point out that the current wage structure is the result of careful and prolonged scrutiny, by competent tribunals, of the financial capacity of mills in each centre. It is true that this capacity is judged on the basis of average units, but any anomalies that this system might normally create have been rectified by the system of annual bonuses under which mill-making larger profits are obliged to pay bonuses commensurate with their higher capacity to pay.

Export Earnings

It is significant that in 1959, the cotton mill industry accounted for foreign exchange earnings to the tune of Rs. 70 crores. Any hope that this performance can be maintained and improved upon in the coming years presupposes that export prices will not be allowed to soar, particularly because Japan has a wage cost structure 30 per cent. lower than that of India while Hong Kong has a lower wage structure than even Japan. India has also to face competition from China and Pakistan which, apart from sharing the advantage with India of producing their own raw cotton, have the benefit of comparatively modern equipment, tax concessions and various export incentives.

Modernisation Task

It has been estimated that even with a modest programme of rehabilitation and modernisation the Indian cotton mill industry will need Rs. 40 crores per year for the next ten years. The industry is not in a position to raise even 50 per cent. of this amount and in this context the additional wage burden of Rs. 14 to Rs. 16 crores can only have the effect of further retarding the process of modernisation.

SEVERAL TEXTILE UNITS MAY CLOSE Sequel To Wage Increase

"The Times of India" News Service BOMBAY, March 17: The fear that the increase in the wage bill of the cotton mill workers in the country as a result of the recommendations of the Textile Wage Board will make it difficult for several mills to continue working has been expressed by the Indian Cotton Mills' Federation, Bombay.

In a booklet analysing the various implications of the wage increase, the Federation points out that a rise in the basic wage at the rate Rs. 5 and Rs. 6 per month in different areas, a sharp rise in the quantum of the dearness allowance payable to workers in certain centres and a further increase in the basic wage from 21st July 1962 at the flat rate of Rs. 2 per month per worker will saddle the industry with an additional burden of approximately Rs. 14 crores per annum immediately and Rs. 16.25 crores per annum two years hence. The industry, whose wage rates even without this increase rank among the highest in the country, is not in a position to assume such a heavy additional liability, especially so soon after its emergence from a serious crisis, it is added.

The Federation also draws attention to the adverse effects that will be produced on the national economy by a net increase in wages without a corresponding rise in productivity.

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Faces Crisis

D. N. Bhattacharjee On Wage Board Recommendations

By A Staff Reporter

Presiding at the annual general meeting of the Bengal Millowners' Association, on Thursday, Sri D. N. Bhattacharjee made a general review of the textile industry of West Bengal with special reference to the recommendation made by the Central Wage Board and other measures affecting the economy of the industry.

The cotton textile industry, he said, was just emerging from a serious depression but it did not get sufficient time to recover from the effects of the economic crisis; rather a fresh burden was imposed on it which the industry was unable to bear under the prevailing conditions.

Sri Bhattacharjee also reviewed the Third Plan project and said that it would not be easy to find the estimated sum of Rs. 9,950 crores to finance the Third Plan, as envisaged, and the people should be prepared for considerable hardship and higher taxation. The fiscal policy of the Government should be reoriented to ensure that the savings of individuals fructify in their hands, for it was individual savings that could stimulate broad-based development, even of the corporate sector. He also said that large-scale industrial development should not be ignored or neglected in the Third Plan, as otherwise the consumers' interest would be at stake. The success of the plan would depend to a great extent on the stability of food prices, holding of the price-line, effective utilisation of available resources and stoppage of wasteful expenditure.

PRODUCTION COSTS

Turning to the cotton textile industry Sri Bhattacharjee said, "After nearly three years of acute suffering, the worst since the last war, the cotton mill industry of India began to turn the corner during the year 1959. The huge accumulation of stocks gradually came down and the industry was just heaving a sigh of relief when fresh problems started to rear their heads in the shape of rise in the costs of cotton, coal and electric power, and freight charges. Apart from high production costs, speculative buying by a section of the trade in expectation of higher exports in 1960 and consequent shortage of supply for domestic consumption in the near future resulted in considerable rise in cloth prices for a short spell. Official measures like rationing and quality control of Indian cotton have failed to check rising price trends or to ensure adequate supplies to mills. Wage costs have already tended to go up all over the country either as a result of a rise in dearness allowances or in basic wages or in both. It cannot be said, therefore, that there is no justification for a rise in the price of cotton textiles, though the industry itself would dislike it very much. The industry is only too eager to bring down the prices of its products with a view to stimulating consumption, especially at a time when consumer resistance is increasingly felt. It is, however, impossible to bring about any reduction in prices unless and until the production costs could be brought down. Nobody is more conscious than we are about the ill-effects of a rise in the price of cotton textiles which might entail stiff consumer resistance, as was experienced in the recent past. It is a well-known fact that higher costs were primarily responsible for the decline in India's exports, as also in the off-take of cloth and yarn in the home market sometime back. The industry has, therefore, been caught in the horns of a dilemma, faced as it is with the problem of higher production cost and a demand for lowering of prices of its finished products."

CLOTH EXPORTS

Referring to the export Sri Bhattacharjee said that there was an upward trend in cloth export during 1959, in keeping with the general improvement in world cotton textile trade. It was also partly attributable to the export promotion effort of the Government of India which gave incentives to exporting mills in various forms. The estimate of total export of cloth from India during 1959 was of the order of 750 million yards, which compared favourably with 581 million yards in 1958. U.K., Sudan and British East Africa purchased substantial large quantities of mill-made cloth from India in 1959. An agreement between India and the U.K. had fixed the ceiling on cloth exports to Britain for retention in the home market at 175 million square yards. But for the unfavourable factors the export figure for the year 1959 might have easily reached 1,000 million yards. The Government of India issued permission for the installation of 13,500 automatic looms, out of which 6,000 looms were covered under the Export Promotion Scheme and the remaining 7,500 were to be allowed to be installed during the years 1959, 1960 and 1961 at the rate of 2,500 looms per annum.

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TEXTILES IN THIRD PLAN

"The total annual requirement of cloth by the end of the Third Plan period will be of the order of 9,600 million yards, as visualised by the Indian Cotton Mills Federation in its memorandum to Government. The Federation suggests that the target for the production of mill-made cloth should be raised from 5,200 million yards to 6,300 million yards, leaving the rest of the requirements to be produced by the handlooms, cottage powerlooms and ambar charkha cloth. The target suggested by the Federation seems to be eminently reasonable, if not modest, and we would commend it to the attention of the Planners who are busy giving the finishing touches to the Third Five-Year Plan."

He then dealt with the question of supply of cotton and said, "The Textile Commissioner issued a note to the mills regarding supplies of cotton, Indian and foreign, and made a strong plea for stepping up production to meet the enlarged demands for export and the normal demand for increased internal consumption. He pointed out that the production had to be stepped up as soon as possible as an antidote to the speculative tendencies which had entered the cloth market. The industry is perfectly willing to play its part in stepping up production to the maximum possible extent, but a favourable climate should be created for the purpose."

'A FURTHER BURDEN'

Continuing the President strongly criticised the recommendations of the Central Wage Board and said the West Bengal mills would suffer if the recommendations were implemented. He said that the Board had made recommendations about wages, dearness allowance, consolidation of dearness allowance with the basic wage, and rationalisation. "The cotton textile industry is just emerging from a serious depression which continued for over three years and took a toll of several mills, which had to close down due to losses. Instead of giving the industry some time to recover from the effects of the economic crisis, a further burden is sought to be imposed on it which is entirely unbearable under prevailing conditions. The industry in West Bengal would be one of the worst sufferers, if the recommendations are implemented, because the Government states in its resolution that the increments or increases awarded by any other statutory body would not be considered as a part of the increases that might take place as a result of the implementation of the Wage Board's recommendations. Moreover, West Bengal is among the few centres where there will be an increase of dearness allowance, on top of the average increase of Rs. 8/- or Rs. 6/- to workers of mills in category one or category two, with effect from 1st January, 1960, and a further flat increase of Rs. 2/- from 1st January, 1962. A competent omnibus Tribunal in West Bengal awarded an increase of Rs. 10.50 nP. per worker as recently as in June 1958 which accounted for about 21 per cent increase in the workers' emoluments during the pendency of the Central Wage Board. At the time when this increase was given the Tribunal took into account the industry's capacity to pay, and also all other relevant considerations."

into account the zonal peculiarities, nor has it discussed the capacity of the industry to pay in any particular area. The need for rehabilitation and modernisation of the industry has also not received adequate attention of the Board. It is true that the Government has referred in its resolution to the importance of speedy rationalisation and modernisation, and also to the question of fixing the workloads. Strangely enough, however, the Government has not considered it necessary to link the increase in wages to the workers' productivity. It would be entirely erroneous to say that the industry is not agreeable to increase the emoluments of the workers, but the question is whether the industry is in a position to bear the additional burden sought to be imposed upon it by the Wage Board. As it is the ratio of wages to the total cost in West Bengal is more than the wage ratio in mills in Bombay and Ahmedabad, despite the lower earning of individual workers in this zone. Owing to lower workload and productivity, the number of workers employed in the mills in this zone is proportionately much higher. The number of paid holidays and leave with wages is also much more in this centre than in other advanced centres of the industry. In fact, the West Bengal mills have to pay 25 days' extra wages in a year on this account alone which works out to nearly 8 per cent of the wage bill. The liability sought to be imposed on the textile industry in West Bengal by the recommendations of the Board is likely to cause the closure of a number of mills on account of their inability to bear any additional financial burden. It is true that the Board had two employers' representatives on it, but both of them are connected with fairly flourishing textile mills, and are obviously not conversant with the zonal peculiarities of the up-country mills, particularly mills producing medium and coarse varieties of cloth in grey qualities only, owing to lack of processing equipment."

MODERNISATION ISSUE

The question of modernisation and renovation of machinery, he said, had a special significance to the West Bengal Mills which were gradually losing their hold on the market owing to their inadequate and obsolete equipment. In this age of competition, reduction of cost, improvement of quality and diversification of production were the three essentials for enabling individual units to hold their own in the market, both domestic and foreign. "The West Bengal mills, generally speaking, are ill-equipped for producing varieties of goods according to market conditions and consumer demands. It is, therefore, of the utmost urgency that the industry in West Bengal should put its own house in order by acquiring an adaptability to the changing tastes and requirements of the people by producing the types and qualities of goods wanted by them at reasonable prices. As mills on grey qualities predominate in this State, they should set up printing or finishing plant, either individually or on a co-operative basis. At present Government issued licence for the import of dyeing, bleaching, and finishing machinery only to mills exporting cloth or yarn. It would urge that Government should, at least for the time being, grant licence for import of processing and finishing machines unconditionally to the mills with a view to modernisation and rehabilitation of their productive plant. The National Industrial Development Corporation set up a Working Group to suggest measures for early and thorough modernisation of the cotton textile industry in India. The Group is expected to examine the extent of finances necessary, the portion of foreign exchange required, the extent of finances which will be forthcoming from the industry itself, and how the balance of the needs may be met from public or private financing agencies. The difficulties in the way of rehabilitation and modernisation of the mills cannot be minimised. Among others, lack of finance, unhelpful attitude of labour and scarcity of foreign exchange are the main stumbling blocks. Still, the industry cannot hope to flourish or even to hold its own in a competitive market without well-planned rehabilitation and modernisation."

NEW OFFICE-BEARERS

The Office-Bearers and members of the Executive Committee of the Bengal Millowners' Association for the current year were elected on Thursday. They are: President—Shri M. L. Shah (Mohini Mills Ltd.) Vice-Presidents—Shri R. L. Rampooria (Rampooria Cotton Mills Ltd.) and Shri Pratap Singh (Orissa Textile Mills Ltd.)

Committee Members: Shri D. N. Bhattacharjee (Bengal Luxmi Cotton Mills Ltd.), Dr. N. Dutt (Banerwar Cotton Mills Ltd.), Shri A. K. Mitter (Basanti Cotton Mills Ltd.), Shri T. P. Chakravarti

Resolution on the Recommendations of

TEXTILE WAGE BOARD.

" The meeting of the representatives of the Textile workers' Unions of Tamilnad, including Pondicherry, affiliated to the All India Trade Union Congress, carefully considered the report of the Central Wage Board for the Textile Industry.

The meeting welcomes the approach adopted by the Board to the problem of wages in this Premier National Industry, which has grown to its present stature on the basis of the immense sacrifices by the people in general and the workers of the industry in particular. The Board had taken the unanimous resolution of the Tri-partite 15th Indian Labour Conference on norms for fixation of minimum wages as its guiding principle.

The meeting regrets that nevertheless, the Board has not found it possible to recommend a wage adequate to fill the gap between the minimum wage prevalent in the industry today and the need-based minimum wage that would be required on the basis of the resolution of the 15th Indian Labour Conference.

The meeting welcomes the fact that the Board has recommended that full neutralisation against rising cost of living should be provided for at least the lowest paid workers in the industry in Madras State, where it has been denied to them all these years despite the repeated and continuous demands of the workers and the organised Trade Union movement. Such protection becomes all the more important in view of the ~~xxx~~ proved fact that the existing minimum wage in the industry, even with the increase recommended falls far short of the need-based minimum wage.

The meeting calls upon the employers in the textile mills of the State, who have been denying the workers during the last four years any wage increase on the pretext that the Wage Board was enquiring into the whole structure of wages in the industry, to immediately accept and implement the recommendations of the Board viz. (1) An average wage increase of Rs.8/- with a minimum of Rs.7/- to the lowest category of workers and (2) D.A. that would protect ~~the~~ fully the lowest wage against the rise in cost of living, over the 1939 cost of living index. and (3) raise the minimum pay of clerks to Rs.75/- per month and Rs.50/- for semi-clerks; and enter into negotiations for detailed fixing of scales of pay and increments to different categorising of workers and staff with retrospective effect from 1st January 1960. This becomes all the more imperative in view of the fact that the report of the Board on which the employers were also represented is a unanimous one, without a minute of dissent by anyone, and ~~is~~ the Govt. of India has accepted the report and asked for its implementation:

In view, however, of the obstructive and dilatory attitude of the mill owners of the State, this meeting calls upon the Staff and workers of textile mills of Tamilnad to immediately rally for a united campaign and direct action if ~~it~~ it becomes necessary for the objective of getting the Board's recommendations implemented.

It calls upon all Trade Unions of the Staff and workers of the textile mills irrespective of their affiliations, to immediately devise measures for a united movement for the full implementation of the Board's recommendations"

SS-42

(Call for Union resolution)

Resolution on the Statement of the South Indian Millowners' Association on the implementation of the Textile Wage Board Report.

This meeting of the representatives of the textile unions of Tamilnad affiliated to the All India Trade Union Congress, carefully considered the lengthy resolution adopted by the General Body of the South India Millowners' Association held on March, 14, 1960 on the Report of the Wage Board.

The resolution states that it cannot even state whether or not the millowners of South India will be able to implement the recommendations of the Central Wage Board for the Textile Industry until it gets clarification from the State Govt. or the Govt. of India on certain interpretation that it has chosen to put on the recommendations of the Wage Board.

The meeting is firmly of opinion that the interpretation to the recommendations of the Board put by the S.I.M.O.A. is absolutely perverse and that the entire attitude as revealed by the resolution is one of following dilatory and obstructivist tactics with a view to continue to deny the workers their legitimate dues.

The resolution of the Association quotes para 100 of the Report of the Wage Board, which states that the decisions of the Board must be taken as an integral whole and any attempt to isolate them and apply them would be contrary to the scheme of recommendations.

But this is exactly what the Association does. It isolates part of the recommendations and thereby defeats the scheme of recommendations.

The Association's resolution then seeks the authority of para 103 of the Board's report wherein the Board has expressed its agreement on the subject of Rationalisation with the observations of Joshi Committee and states that unless the recommendations with regard to rationalisation are first settled, the specific and clear recommendations of wage increase from 1st January 1960 cannot be implemented.

The Association conveniently skips para 101 of the Report which states; "The first and foremost industry requirement of a happy and prosperous industry is peace to which we have already referred; and it is the first recommendation of the Board that for a period of five years beginning from Jan. 1, 1960 no further claim for the revision of the minimum wages be made by either the employers or the workmen, and having regard to the tenor of the recommendations, taken together, it is estimated that within the period of five years certain minimum standards in working conditions and workloads will have been attained." (emphasis ours)

What these minimum standards to be attained in the course of the next 5 years are, is made clear in the succeeding sentence:

"Agreements are already in existence and Awards have been given on workloads, conditions of work and allocations of the gains of rationalisation, concerning the rationalisation of several occupations, in Bombay, Ahmedabad and Coimbatore and there should be adopted as useful guides for the Progressive rationalisation of mills which have not reached that standards of rationalisation within the course of five years commencing from 1st Jan. 1960" (Emphasis ours)

It is clear as daylight that the Board has laid down the workloads and conditions of work as postulated in the Coimbatore Agreement as the minimum desirable standard to be achieved in this region, and even in the case of mills that have not achieved that standard the Board wants it to be progressively reached before Jan 1, 1965.

Having clearly indicated the minimum desirable standard to be attained in the course of 5 years in the mills that have not yet done so, the Board goes on to state:

"Apart from the less rationalised mills, and having regard to the fact that rationalisation must be a continuous process in the industry, it is the view of the Board that in the interests of the all concerned, it is necessary that the progress of rationalisation should continue and progress everywhere in the industry".

It is with regard to this "continuing process of rationalisation" that the Board in paras 102 and 103 of its report lays down certain basic conditions for any scheme that may be proposed, including the sharing of the gains of such rationalisation.

This has no relevance whatever to the wages recommended from 1st Jan. 1960. In view of all this it is idle to contend that the wage increase recommended to take effect from 1st Jan. 1960 is conditional upon some new workload to be determined through some machinery at some future date. from page 4, It is futile to suggest that the members of the Board were so very devoid of common sense as to categorically recommend that the wage increase should take effect from 1st Jan. 1960 and at the same time draw a contradictory condition that this was conditional upon the making of new workloads at some future date.

In regard to dearness allowance, the Board had added that in the case of Madras State the D.A. now paid neutralises less than what would be justified if the rise in the cost of living with 1936-39 as the base and recommended that the dearness allowance should be increased so as to give full neutralisation for the rise in the cost of living to the worker on the minimum wage with 1939 as the base.

The Association's resolution itself states that the existing basic maximum wage was fixed with reference to the cost of living in 1939, in Madras city.

Obviously, the Board has accepted the reasonableness of the demand that this minimum wage must be maintained and in order to do so it had recommended that the D.A. should be raised to maintain this minimum wage in real terms.

The Association, however, seeks to put the interpretation on this recommendation that what is intended is that the minimum wage prevalent in the industry in 1939, when the worker was sweated, should be maintained.

From this it also jumps to the conclusion that the D.A. must be revived so as to fully neutralise the mini rise in the cost of living the lowest wage prevalent in 1939.

It is known that the lowest wage prevalent in the industry in Tamilnad in 1939 was Rs.11/- for an unskilled worker. A rate of D.A. of 11 n.P. for every point of rise over the 1939 cost of living index would fully protect this wage.

Do the Millowners contend that the Board has recommended that the D.A. must be lowered from the existing 18 3/4 n.P. per point ~~or~~ to 11 n.P. per point? Do they contend that the existing D.A. gives ~~not~~ only full protection, but actually over protects the worker by over 170%?

This meeting does not desire to go into the details of the so called interpretation of the Mill owners association. What has been stated above is enough to show the ~~poverty~~ ^{poverty} of their whole approach, which make a mockery of the recommendations of the Board and in fact would make out, that its members were absolute ~~dumb~~ ^{dumb}, devoid of any intelligence whatever.

The meeting warns the workers and the staff of the textile mills against these dilatory and obstructionist tactics of the mill-owners and calls upon them to unitedly struggle to defeat their machinations. It calls upon the Govt. of India and the State Govt. not to give any quarter to such tactics, designed to defeat the very purpose of the recommendations of the Wage Board.

55.4.3
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(To be published as Gazette of India Extraordinary dated the 3rd March, 1960, in Part I Section 1).

GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT.

RESOLUTION

New Delhi, the 2nd March, 1960.

No.WB-8(78). By their Resolution No.WB-1(3), dated the 30th March, 1957, the Government of India appointed a Central Wage Board for the Cotton Textile Industry with the following composition and terms of reference:

I. Composition

| | | |
|-------------------------------------|----|---|
| Chairman | .. | Shri F. Jeejeebhoy. |
| Independent Members | .. | Shri Asoka Mehta . Prof. M.V. Mathur . |
| Members representing.. employers | | Shri Arvind N. Mafatlal. Shri Bharat Ram |
| Members representing.. workers | | Shri G. Ramanujam . Shri S.R. Vasavada. |

II. Terms of reference

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

explanation

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

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

explanation

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

2. The Board's unanimous report was received by Government on the 1st December, 1959. A summary of the main recommendations of the Wage Board is appended.

3. After careful consideration, Government has decided to request the employers and workers and State Governments to take immediate steps to implement the unanimous recommendations of the Wage Board. Since the recommendations represent agreed conclusions between the representatives of employers and workers, Government expect that the parties concerned will show a spirit of accommodation in interpreting the recommendations and difficulties, if any, will be solved by direct discussions between them and, if necessary, with the assistance of the State Government concerned.

4. The Board have drawn pointed attention to the importance of speedy rationalisation and stressed that the process of rationalisation and modernisation should be enforced, if necessary, even with the assistance of Government's intervention. It may be recalled here that several textile units have varying labour strength for similar units of machinery and plant in the country. The working conditions of different textile units also vary in degree. It is, therefore, very necessary that the work-loads and the working conditions should be rationalised as early as possible within the framework of the recommendations of the Indian Labour Conference. The Industry, labour unions and the Government have, therefore, to bring about the process of rationalisation with a determined effort.

5. The Board have recommended that dearness allowance should be linked to the cost of living index in all centres, and if any centre has no such cost of living index, the index of the nearest centre should be taken for such linking. The Board have also recommended that where there is only a consolidated wage or a fixed dearness allowance, it should be made adequate and linked to the cost of living index by a suitable machinery. For facilitating the implementation of these recommendations in an expeditious manner, Government have decided to appoint a National Tribunal which will go into the issues raised, if any, by either of the parties.

6. There have been certain increases in the wages which have taken place in different textile units since the Industry made their submission to the Wage Board. All such increments or increases, excepting the increase awarded by an Industrial tribunal or any other statutory body, that have been so given by the textile units, will be considered a part of any increase that might take place as a result of the implementation of the Wage Board's recommendations in different aspects.

7. There have been certain textile units which are at present closed down or which had been or are under enquiry under Section 15 of the Industries (Development and Regulation) Act. Government will consider separately the application of the Wage Board's recommendations to such units.

8. Government hope that having regard to the need for building up a healthy industry and the necessity to maintain industrial peace which will assist in rehabilitation and modernisation of the industry, the industry and the employees will take necessary steps to implement the recommendations. Should, however, an occasion arise in which there is any serious difference of opinion in regard to interpretation of recommendations, or where there is any major difficulty in implementing the recommendations, Government may, if necessary, refer the matter to a suitable machinery.

9. The Government of India wish to express their appreciation of the Board's work in dealing with the complex question of wages in the cotton textile industry and connected matters and reaching unanimous conclusions.

ORDER

Ordered that the Resolution be published in the Gazette of India.

Ordered also that a copy of the Resolution be communicated to:-

- i) All State Governments and Union Territories;
- ii) All Ministries of the Government of India, Planning Commission and the Cabinet Secretariat;
- iii) All India Organisation of Employers and Workers.

Sd/- (P.M. Menon)
SECRETARY.

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5. The Board have recommended that dearness allowance should be linked to the cost of living index in all centres, and if any centre has no such cost of living index, the index of the nearest centre should be taken for such linking. The Board have also recommended that where there is only a consolidated wage or a fixed dearness allowance, it should be made adequate and linked to the cost of living index by a suitable machinery. For facilitating the implementation of these recommendations in an expeditious manner, Government have decided to appoint a National Tribunal which will go into the issues raised, if any, by either of the parties.

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APPENDIX

SUMMARY OF MAIN RECOMMENDATIONS OF THE CENTRAL WAGE BOARD
FOR COTTON TEXTILE INDUSTRY

1. The decisions of the Board are unanimous and must be taken as an integral whole and any attempt to isolate them would be contrary to the scheme of recommendations.
2. For the good of the industry, of labour, and of the consumer, certain desirable minimum standards in workloads should be achieved throughout the industry as soon as possible.
3. For a period of 5 years from 1st January 1960, no claim for further revision of minimum wages should be made by either the employers or the workmen.
4. In the interests of all concerned, it is necessary that the process of rationalisation should continue and progress everywhere in the industry. The rationalisation of several occupations in Bombay, Ahmedabad and Coimbatore should be adopted as useful guides for the progressive rationalisation by mills which have not reached that standard of rationalisation within the next 5 years.
5. As a result of rationalisation, there should be no retrenchment or loss of earnings of the existing employees, there should also be an equitable sharing of the gains of rationalisation as between the community, the employer and the worker and there should be a proper assessment of workloads.
6. In order to avoid disputes arising out of rationalisation, there should be machinery at Regional and National level to settle questions of rationalisation.
7. Time has come for the active participation of the Government concerned for the speeding up of the process of rationalisation.
8. For the purposes of wages, the industry should be divided into two categories; mills in Bombay City and Island (including Kurla), Ahmedabad, Baroda, Billimora, Navasri, Nadiad, Surat, Phagwara, Hissar, Delhi, Modinagar, Calcutta City, the whole of Madras State and Bangalore coming in the 1st Category and mills in other centres in category II.
9. An increase at the average rate of Rs. 8/- per month per worker shall be given to all workers in mills in Category I from 1st January 1960 and a further flat increase of Rs. 2/- per month per worker shall be given to them from 1st January 1962.
10. An increase at the average rate of Rs. 6/- per month per worker shall be given to all workers in mills of category II from 1st January 1960, and a further flat increase of Rs. 2/- per month shall be given to them from 1st January 1962.
11. The increase in the basic wage are subject to the condition that the said sums of Rs. 8/- and Rs. 6/- shall ensure not less than Rs. 7/- and Rs. 5/- respectively to the lowest paid, and that the increase of Rs. 2/- from 1st January 1962 shall be flat for all.
12. The dearness allowance should be linked to the cost of living index in all centres, and if any centre has no such cost of living index, the index of the nearest centre should be taken for that purpose.
13. In certain places, there is only a consolidated wage or a fixed dearness allowance. In both cases the total wages are comparatively lower. The dearness allowance in these places should be made adequate and linked to the cost of living index by a suitable machinery.
14. The dearness allowance in Madras State should be increased so as to give full neutralisation for the rise in the cost of living to the workers on minimum basic wage with 1936-39 as the base.
15. The dearness allowance should be consolidated with the basic wage at an index which will yield an amount equal to three-fourths of the average dearness allowance of the first 6 months of 1959 and the remaining 25% dearness allowance shall continue as dearness allowance and shall have a flexible character, and shall rise and fall according to the future cost of living; and the difference between the point at which the current index is merged shall be compensated according to existing method and at the existing scale.

16. The amount of gratuity, wherever calculated in terms of basic wages, shall be paid in terms of the existing basic wage upto 31st December, 1959; but from 1st January, 1960 the basic for such purpose will be that basic wage plus the increases given but excluding the dearness allowance consolidated.

17. The consequential adjustments in the emoluments of the rest of the workmen should be worked out by the employers and the workmen in accordance with the tenor of the Report subject to the terms of para 106 of the Report.

18. The scales of pay of Junior and Semi-clerks shall be as follows:—

| | | |
|---|---|--|
| 1. Junior clerks of mills in Category I. | } | Rs. 75—5—105—7½—150—E.B.—10—290—12½—250. |
| 2. Junior clerks of mills in Category II. | | Rs. 60—5—90—6—120—E.B.—7½—150—10—200. |
| 3. Semi-clerks of mills of Category I | | Rs. 50—3—80—E.B.—5—125. |
| 4. Semi-clerks of mills of Category II. | } | Rs. 40—3—70—E.B.—5—105. |

19. A Junior clerk whose basic pay is already higher than the start of the new basic shall first be fixed in the new scale in accordance with his present basic wage; if he falls within two stages of the new scales, he shall be given the higher stage, and he shall then be given two increments in the new scale.

20. A Junior clerk whose present basic wage is less than the minimum of new scale shall first be brought up to the minimum of the new scale, and he shall then be given one increment for each year of service with a maximum of two increments.

21. The Semi-clerk shall also be fixed in the same manner as the junior clerk in the new scale.

22. Any semi-clerk or Junior Clerk already in receipt of a higher scale or higher total emoluments than those recommended, shall retain the excess as special pay.

23. The pay scales of other clerks, stenographers, etc., shall be suitably fixed by the employers in consultation with the employees having regard to their respective duties and responsibilities in such a way that their emoluments are advanced to keep in step with the advances in the wages of the Junior clerks.

24. The efficiency bar must be sparingly applied and only in cases of distinct fall in efficiency.

25. It is not feasible to consolidate the dearness allowance with basic wage of clerks, because of their time scales. The clerks shall receive monthly the amount of dearness allowance which is merged in the basic wage of the operatives, as a special higher cost allowance, plus the dearness allowance of the operatives plus

| | | |
|--|-------|-----------|
| For basic wage up to and including Rs. 100/- | | Rs. 7½/- |
| Between 101—200 | | Rs. 15/- |
| Between 201—300 | | Rs. 22½/4 |
| Beyond 301 | | Rs. 25/- |

26. The semi-clerks shall receive monthly the amount of dearness allowance which is merged with the basic wage of the operatives as a special higher cost allowance, plus the dearness allowance of the operatives.

27. The special high cost allowance shall be treated as an addition to basic wage and new entrants shall also be eligible for it. The special high cost allowance shall count for Provident Fund, and leave and holidays with pay, but not for gratuity where gratuity is expressed in terms of the basic wage.

28. There shall be no grade of a clerk below the grade of semi-clerk. Barring the semi-clerk, the lowest paid in the clerical staff should be deemed to be the Junior clerk and he must be fixed in the prescribed scale of the Junior clerk.

29. The recommendations relating to Junior clerks and semi-clerks shall take effect from 1st January, 1960.

30. There shall be no discrimination between men and women doing the same work.

31. By the introduction of Board's recommendations no existing amenities or benefits shall be affected and higher emoluments wherever they are being paid shall not be reduced.

32. In the present state of the industry it is not possible for financial considerations to go beyond what has been recommended but nevertheless the recommendations will on full implementation constitute a fresh landmark in the progress of the industry and in the improvement of the condition of service of the workers, who will find in the recommendations not only a present rise in earnings, but also fresh scope and initiative for the exercise of higher skills and consequent improvement of their standards. The Board regrets that even after a century's existence the industry is unable to pay a need based wage and considers that the stage has been reached when both the employers and the workmen should foregather to lift the industry as a whole to a higher level, each making his contribution in his own way. The employers must adjust themselves to the changing climate of their responsibilities; and the workmen for their part must have a broader view of their duties in our social set up; and both must accept the inevitability of changes by rationalisation and modernisation if the industry is to flourish.

33. The Government should take timely steps for the implementation of the recommendations herein contained so that they might become effective from 1st January, 1960.

34. The Central and State Governments should take steps to maintain correct cost of living indices of the several centres. It would also be an advantage if statistical information as to the state of the industry, including information on prices, productivity and income in it could be suitably maintained by the Government of India so that the information may be readily available whenever required.

35. The recommendations of the Wage Board would apply to all clerical and manual workers in the composite and spinning mill sector of the industry.

P. M. MENON, Secy.

(31)

EXPEDITION TO GANGSTANG --

RESEARCH IN SOIL AND GLACIAL VEGETATION

CALCUTTA, SEPTEMBER 5: Further details of the proposed scientific expedition sponsored by Indian Geographic Society to Gangstang Glacier in the Punjab are now available here.

The party which will consist of ten including Geographer, Meteorologist, Mountaineer and an Anthropologist will proceed for the location of their expedition during the third week of this month.

The Expedition will conduct research work for three weeks in the glacier area - 15 thousand feet above sea level - situated some sixty miles North West of Manali.

They will examine different types of rocks, nature of soil, geological character, nature of the glacier and vegetation. The samples of rocks, vegetation etc. will then be examined in the laboratory to help proper geophysical survey of the glacier. The expedition may also try to scale the Gangstang peak, 20 thousand feet high, if the atmosphere remains favourable.

The expedition, the first scientific one by the Geographical Society, has been assured provision of scientific and other implements and outfits by the Geography Department of the Calcutta University, Geographical Survey of India, Himalayan Club and Himalayan Mountaineering Institute. Both the West Bengal Government and the Central Government have assured help in financing the expedition which will cost roughly 25 thousand rupees. --(IPA)--

BIHAR'S FIRST CASE OF TEXTILE WAGE BOARD IMPLEMENTATION --

DIRECT AGREEMENT BETWEEN MANAGEMENT AND UNION

PATNA, SEPTEMBER 5: The first case of the Textile Wage Board recommendations, to be implemented in Bihar, came up last week.

After prolonged negotiations, an agreement was signed last week between the Bihar Cotton Mills Ltd., Phulwarisharif, Patna, and the Phulwarisharif Suti Mill Mazdoor Union for the implementation of the recommendations of the Wage Board for Cotton Textile industry.

According to the terms of the agreement over 800 workmen will get a flat increment of Rupees six per month with effect from January 1, 1960. The management further agreed to give another increment of Rupees two per month with effect from January 1, 1962.

The agreement was signed, on behalf of the management, by Sri Kishori Lal Dhandhani, Director, Managing Agent, the Bihar Cotton Mills Ltd. and the Factory Manager Sri Aiyar and on behalf of the workmen by Sri K. Gopalan, Vice President, Phulwarisharif Suti Mill Mazdoor Union and Sri Hazari Lal, General Secretary of the Union. Negotiations were held in the presence of Sri Ratan Roy, General Secretary A.I.T.U.C. Bihar Committee and he signed the agreement as a witness.

The question of linking Dearness Allowance with the cost of living index and consolidation of D.A. with basic wage was also considered and it was agreed that those points should be settled after ascertaining the position at other centres. The Union agreed to cooperate with the management in introducing rationalisation as recommended by the wage Board. The management will prepare a scheme after collecting statistics from other textile centres and submit it to the Union. The actual work-load will be introduced only by mutual agreement.

Workmen are.....

TEXTILE WAGE BOARD AGREEMENT.....2

Workmen are satisfied by the agreement. Commenting on the outcome of the agreement a spokesman of the Union told IPA that under the existing conditions the agreement was a big achievement. It was perhaps the first instance, in which a settlement had been arrived on the implementation of the recommendations of the Wage Board with the intervention of a State Government, he added.

He deplored the role of the Bihar Government, which, despite repeated requests, refused to take positive steps to get the recommendations implemented. Disappointed by the apathetic attitude of the Labour Department of the State Government, he added, the management and the Union had decided the issue by mutual negotiations. --(IPA)--

IRREGULARITIES IN GOVERNMENT APPOINTMENTS IN RAJASTHAN --

STATE PUBLIC SERVICE COMMISSION CITES NUMEROUS INSTANCES

JAIPUR, SEPTEMBER 5: Numerous cases of the Executive by-passing and ignoring the decisions of the State Public Service Commission are cited in the 8th annual report of the Commission laid on the table of the Rajasthan Legislature.

The Report relates to the period from 1st April 1957 to 31st March 1958 and had been presented to the Governor in December 1958. It came before the Legislature only recently.

The Report has listed in all 176 cases in which the appointing authorities either inordinately delayed the appointments advised by the PSC or did not carry out them at all.

The number of such cases has been going up every year. From a mere three in 1952-1953, it rose to 15 in 1953-1954, 23 in 1955-1956, 28 in 1956-1957 and more than a hundred in the year under review.

A number of cases are cited in the Report where heads of departments made temporary appointments on their own without consulting the PSC and then for months and years failed to get their concurrence. Strange reasons have been advanced by the authorities to explain away their neglect in this respect. For instance, in one case relating to the Medical Department, the explanation given for the delay of more than two years in getting the concurrence of the PSC on an appointment was that the clerk dealing with the subject was ill and admitted to the hospital.

Such irregularities and flagrant violation of statutory laws amounting to disrespect to the Public Service Commission has caused concern and criticism in many quarters here. It is expected that the Government will have to face severe criticism in the Legislature when it discusses the Report sometime in the middle of this month. --(IPA)--

GENERAL STRIKE LIKELY IN TEXTILE INDUSTRY -- MILLOWNERS'

POUND-OF-FLESH -- INTUC LEADERSHIP'S APPROACH

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MARCH, APRIL 25: A general strike in the textile industry in Madras is considered almost a certainty, according to well-informed observers here.

The efforts of the Madras Labour Minister to resolve the dispute between the workers and the managements over the implementation of the Textile Wage Board recommendations have proved abortive. The tripartite meeting consisting of the representatives of workers, employers and the Government held on April 15 and 16 in Madras failed to reach any agreement.

The trade unions affiliated to all the central trade union organisations -- the INTUC, the AITUC and the Hind Mazdoor Sabha -- are meeting on April 30 to decide on their next course of action.

While.....

While the ATTUC and the HMS unions seem to have made-up their minds about going on strike and want to take an early decision about it, the INTUC unions are still hesitant on such a drastic step.

The meeting of the Unions is reported to have been fixed for April 30 in order to accommodate the INTUC unions which wanted to consult their all-India leadership before committing themselves to the strike decision.

It is, however, regarded here as doubtful that the INTUC leadership will give permission to its union for resorting to the strike action though it is also anxious for early and full implementation of the Wage Board recommendations.

Meanwhile, the millowners are insisting that there can be no increase of wages or the Dearness Allowance so long as the unions do not enter into agreements with them on rationalisation. Only after such agreement or rationalisation are reached and put into effect, they say, can other recommendations be considered. The millowners are reported to have also threatened that if the Government were to take any steps to enforce the decision without due regard to their interests, they will have to resort to court action to protect themselves.

The workers on the other hand point out that the Wage Board recommendations regarding rationalisation are to be implemented over a period of five years while the wages and Dearness Allowance have to be raised with effect from January 1, 1960. They have demanded that the Wage Board recommendations should be given statutory sanction and enforced by the Government without delay. --(IPA)--

COMPULSORY PRIMARY EDUCATION IN ANDHRA --

NOVEL METHODS TO BE TRIED

HYDERABAD, APRIL 25: Two novel methods are being considered for trial by Government of Andhra Pradesh in the field of primary education.

As an experimental measure, evening classes for children belonging to the primary class age group are being tried in four villages of West Godavari District.

In implementing the scheme of compulsory primary education in the villages, it was realised that the parents of poor children were reluctant to send their children to school as they put them to such services as shepherding cattle, taking food to the fields as a farm-servant in the house of landlords, with a view to supplement their earnings. As such, evening classes are being tried as an alternative so that such children can attend and learn the three 'Rs'.

The second novel scheme is what are called 'mobile schools'. With a view to see that children are not made to walk for more than a mile to reach the school, the mobile school scheme is being considered. According to this scheme, in sparsely populated areas, it is the teacher who would be going round the villages and conduct schools for three days in a week in a village by turns.

Free mid-day meals, supply of writing materials and clothing are some other facilities which the Government proposes to introduce in order to attract children to the schools. --(IPA)--

APPENDIX

SUMMARY OF MAIN RECOMMENDATIONS
OF THE CENTRAL WAGE BOARD FOR COTTON TEXTILE
INDUSTRY.

1. The decisions of the Board are unanimous and must be taken as an integral whole and any attempt to isolate them would be contrary to the scheme of recommendations.
2. For the good of the industry, of labour, and of the consumer, certain desirable minimum standards in workloads should be achieved throughout the industry as soon as possible.
3. For a period of 5 years from 1st January 1960, no claim for further revision of minimum wages should be made by either the employers or the workmen.
4. In the interests of all concerned, it is necessary that the process of rationalisation should continue and progress everywhere in the industry. The rationalisation of several occupations in Bombay, Ahmedabad and Coimbatore should be adopted as useful guides for the progressive rationalisation by mills which have not reached that standard of rationalisation within the next 5 years.
5. As a result of rationalisation, there should be no retrenchment or loss of earnings of the existing employees, there should also be an equitable sharing of the gains of rationalisation as between the community, the employer and the worker and there should be a proper assessment of workloads.
6. In order to avoid disputes arising out of rationalisation, there should be machinery at Regional and National level to settle questions of rationalisation.
7. Time has come for the active participation of the Government concerned for the speeding up of the process of rationalisation.
8. For the purposes of wages, the industry should be divided into two categories; mills in Bombay City and Island (including Kurla), Ahmedabad, Baroda, Billimora, Navasri, Nadiad, Surat, Phagwara, Hissar, Delhi, Modinagar, Calcutta City, the whole of Madras State and Bangalore coming in the 1st Category and mills in other centres in category II.
9. An increase at the average rate of Rs.8/- per month per worker shall be given to all workers in mills in Category I from 1st January 1960 and a further flat increase of Rs.2/- per month per worker shall be given to them from 1st January 1962.
10. An increase at the average rate of Rs.6/- per month per worker shall be given to all workers in mills of category II from 1st January 1960, and a further flat increase of Rs.2/- per month shall be given to them from 1st January 1962.
11. The increases in the basic wage are subject to the condition that the said sums of Rs.8/- and Rs.6/- shall ensure not less than Rs.7/- and Rs.5/- respectively to the lowest paid, and that the increase of Rs.2/- from 1st January 1962 shall be flat for all.

12. The dearness allowance should be linked to the cost of living index in all centres, and if any centre has no such cost of living index, the index of the nearest centre should be taken for that purpose.

13. In certain places, there is only a consolidated wage or a fixed dearness allowance. In both cases the total wages are comparatively lower. The dearness allowance in these places should be made adequate and linked to the cost of living index by a suitable machinery.

14. The dearness allowance in Madras State should be increased so as to give full neutralisation for the rise in the cost of living to the workers on minimum basic wage with 1936-39 as the base.

15. The dearness allowance should be consolidated with the basic wage at an index which will yield an amount equal to three-fourths of the average dearness allowance of the first 6 months of 1959 and the remaining 25% dearness allowance shall continue as dearness allowance and shall have a flexible character, and shall rise and fall according to the future cost of living; and the difference between the point at which the current index is merged shall be compensated according to existing method and at the existing scale.

16. The amount of gratuity, wherever calculated in terms of basic wages, shall be paid in terms of the existing basic wage upto 31st December, 1959; but from 1st January, 1960 the basic for such purpose will be that basic wage plus the increases given but excluding the dearness allowance consolidated.

17. The consequential adjustments in the emoluments of the rest of the workmen should be worked out by the employers and the workmen in accordance with the tenor of the Report subject to the terms of para 106 of the Report.

18. The scales of pay of Junior and Semi-clerks shall be as follows:-

1. Junior clerks of mills in Category I. $\begin{matrix} \text{Rs. } 75-5-105-7\frac{1}{2}-150-EB- \\ 10-200-12\frac{1}{2}-250 \end{matrix}$
2. Junior clerks of mills in Category II. $\begin{matrix} \text{Rs. } 60-5-90-6-120-EB- \\ 7\frac{1}{2}-150-10-200 \end{matrix}$
3. Semi-clerks of mills of Category I. $\begin{matrix} \text{Rs. } 50-3-80-EB-5-125 \\ \end{matrix}$
4. Semi-clerks of mills of Category II. $\begin{matrix} \text{Rs. } 40-3-70-EB-5-105 \\ \end{matrix}$

19. A Junior clerk whose basic pay is already higher than the start of the new basic shall first be fixed in the new scale in accordance with his present basic wage; if he falls within two stages of the new scales, he shall be given the higher stage, and he shall then be given two increments in the new scale.

20. A Junior clerk whose ^{present} basic wage is less than the minimum of new scale shall first be brought up to the minimum of the new scale, and he shall then be given one increment for each year of service with a maximum of two increments.

21. The Semi-clerk shall also be fixed in the same manner as the junior clerk in the new scale.

22. Any semi-clerk or Junior Clerk already in receipt of a higher scale or higher total emoluments than those recommended, shall retain the excess as special pay.

23. The pay scales of other clerks, stenographers, etc., shall be suitably fixed by the employers in consultation with the employees having regard to their respective duties and responsibilities in such a way that their emoluments are advanced to keep in step with the advances in the wages of the Junior clerks.

24. The efficiency bar must be sparingly applied and only in cases of distinct fall in efficiency.

25. It is not feasible to consolidate the dearness allowance with basic wage of clerks, because of their time scales. The clerks shall receive monthly the amount of dearness allowance which is merged in the basic wage of the operatives, as a special higher cost allowance, plus the dearness allowance of the operatives plus.

| | |
|----------------------------|-----------|
| For basic wage up to | Rs. 7½/- |
| and including Rs.100/- | |
| Between 101-200 | Rs. 15/- |
| Between 201-300 | Rs. 22½/- |
| Beyond 301 | Rs. 25/- |

26. The semi-clerks shall receive monthly the amount of dearness allowance which is merged with the basic wage of the operatives as a special higher cost allowance, plus the dearness allowance of the operatives.

27. The special high cost allowance shall be treated as an addition to basic wage and new entrants shall also be eligible for it. The special high cost allowance shall count for Provident Fund, and leave and holidays with pay, but not for gratuity where gratuity is expressed in terms of the basic wage.

28. There shall be no grade of a clerk below the grade of semi-clerk. Barring the semi-clerk, the lowest paid in the clerical staff should be deemed to be the Junior clerk and he must be fixed in the prescribed scale of the Junior clerk.

29. The recommendations relating to Junior clerks and semi-clerks shall take effect from 1st January, 1960.

30. There shall be no discrimination between men and women doing the same work.

31. By the introduction of Board's recommendations no existing amenities or benefits shall be affected and higher emoluments wherever they are being paid shall not be reduced.

32. In the present state of the industry it is not possible for financial considerations to go beyond what has been recommended but nevertheless the recommendations will on full implementation constitute a fresh landmark in the progress of the industry and in the improvement of the condition of service of the workers, who will find in the recommendations not only a present rise in earnings, but also fresh scope and initiative for the exercise of

higher skills and consequent improvement of their standards. The Board regrets that even after a century's existence the industry is unable to pay a need based wage and considers that the stage has been reached when both the employers and the workmen should foregather to lift the industry as a whole to a higher level, each making his contribution in his own way. The employers must adjust themselves to the changing climate of their responsibilities; and the workmen for their part must have a broader view of their duties in our social set up; and both must accept the inevitability of changes by rationalisation and modernisation if the industry is to flourish.

33. The Government should take timely steps for the implementation of the recommendations herein contained so that they might become effective from 1st January, 1960.

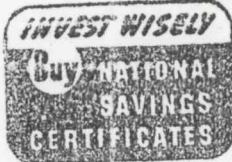
34. The Central and State Governments should take steps to maintain correct cost of living indices of the several centres. It would also be an advantage if statistical information as to the state of the industry, including information on prices, productivity and income in it could be suitably maintained by the Government of India so that the information may be readily available whenever required.

35. The recommendations of the Wage Board would apply to all clerical and manual workers in the composite and spinning mill sector of the industry.

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28 APR 1960

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PLANTATION AGREEMENT = GANESAN = ?

we stand for wage board

LOK SABHA

DEMANDS FOR GRANTS IN RESPECT OF GENERAL BUDGET -
1960-61

Notice of Motions for Reduction

(DISAPPROVAL OF POLICY)

S.No. Name of Member and text of Cut Motion Demand No.

THAT THE DEMAND UNDER THE HEAD COMMUNITY
DEVELOPMENT PROJECTS, NATIONAL EXTENSION SERVICE
AND CO-OPERATION (PAGES 5-46) BE REDUCED TO RE.1.

1233. SHRI AUROBINDO GHOSAL:- 7

 (Need to abolish the Community Development
 Projects and N.E.S. Blocks.)

NEW DELHI,

M.N. KAUL,

March 26, 1960
Chaitra 6, 1882(Saka)

S E C R E T A R Y

SPEECH BY M.A. SUSLOV AT THE 9TH CONGRESS OF THE

ITALIAN COMMUNIST PARTY, JANUARY 31, 1960

(Brief Summary)

M.A. Suslov noted that the Italian Communist Party was consistently fighting for the extension of its influence among the working class, for the consolidation of its union with the working peasantry and for the establishment of ties with the intelligentsia and other middle strata in order to create a democratic majority of the Italian people coming out against the dominance of the monopolies, for peace and the democratic transformation of the country.

To realise the great historic mission of transforming society, he said, it is necessary, above all, to unite the working class and rally all the working people, all freedom-loving democratic forces around it.

M.A. Suslov stressed that the unity of action and co-operation of all detachments of the international labour movement was most vital for the successful solution of the most important task of our time: the conversion of the relaxation of tension into a firm and lasting peace among nations. In the name of this great objective the Central Committee of the CPSU readily welcomes the establishment of contacts with foreign workers' parties.

M.A. Suslov dwelt in detail on the achievements of the Soviet people in communist construction.

The fruits of the development of Soviet industry, science and culture are there for the world to see, M.A. Suslov stressed. Today all may see what infinite opportunities socialism provides for scientific and technical development. There is profound logic in the fact that it was precisely the land of socialism which ushered in the era of man's conquest of the universe. The current successful tests of the new Soviet powerful multi-stage ballistic rockets are paving man's way for flights to the planets of the solar system which are situated much farther away than the Moon. These epoch-making exploits of Soviet science demonstrate with special vividness the peaceful nature of its aspirations and quests. Soviet science is challenging the science of capitalist countries to compete not in the elaboration of new types of death-dealing weapons, but in the conquest of outer space, in unravelling nature's mysteries, in the utilization of the latest discoveries for man's benefit.

"All our successes," M.A. Suslov said, "come from the advantages of socialist society which was built according to the pattern outlined by Marx, Engels and Lenin, a society where the people themselves both build and rule. From its very inception the socialist state has been by nature a more democratic state than any bourgeois state can hope to be."