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# INTERNATIONAL LABOUR OFFICE INDIA BRANCH

Industrial and Labour Development in February 1958.

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

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### CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

#### INDIA - FEBRUARY 1958.

#### 11. Political Situation and Administrative Action.

## Steady Increase in Industrial Production: President's Address to Parliament.

On 10 February 1958, the President Shri Rajendra Prasad, inaugurated the budget meeting of Parliament at a combined session of the Lok Sabha and the Rajya Sabha.

President's address. In the course of his address the President reviewed the progress of the Government's plans and policios. He declared that India did not intend to acquire, manufacture or use atomic weapons though the country did have the capacity to produce them.

The President said that the country's economy has been under considerable stress since the beginning of the second Plan period and manystringent steps, such as heavy restriction of imports, were taken to control, to a great extent, inflationary factors and for completion of the tasks under the Plan. The Government had also endeavoured and succeeded in some measure in obtaining foreign assets by way of loans, arrangements in regard to specific projects, deferred payments for essential capital goods and sewere limitation of allocation of foreign exchange to all but the most essential capital or consumption requirements.

Prices which had been rising in 1956 and the early part of 1957, have not only remained staddy, but registered a slight fall towards the end of last year, which is continuing.

There has also been an appreciable decline in the Balance of Payments deficit. The credit position was considerably easier than it was last year. The resources of the banking system have improved and the increase in their advances has been moderate. The Reserve Bank proposes to watch the situation carefully with a view to keeping down any speculative tendencies.

Food position. The President said that the availability and price of foodgrains very largely governed internal price levels and the external payment position. The damage to crops as a result of draughts in certain parts of the country has been a very disquieting feature.

The Government had at its disposal reserves of food which would be maintained at adequate levels by further imports; and had also imposed a degree of limited but essential controls on the movement of foodgrains. The Government had also regulated the supply of bank credit for foodgrains to prevent hearding and arranged for distribution of large quantities of foodgrains from Government stocks through Fair Price Shops. These measures had appreciably helped to restrain the upward trend in prices.

In 1956-57, even though the harvest was not good, the production of foodgrains almost touched the peak level reached in 1953-54. It was 68.7 million tons which was more than 5 per cent higher than the figure for 1955-56.

The all-India index of agricultural production showed an increase of about 6 per cent over the previous year. The production of commercial crops also recorded a significant increase. This was 18 per cent in regard to cotton, 13 per cent for sugar-cane and 6 per cent for oilseeds. All possible efforts are being made to increase food production at a higher rate than hitherto. It is essential that self-sufficiency in food should be attained.

Industrial production. Referring to industrial production, which had maintained steady improvement, the President said that one wholesome result of the severe restrictions in imports was greater employment in domestic skills and their development. Progress in this direction was essential if productivity and economic growth were not to be retarded.

The President said that the production of coal during 1957 reached a now limit of 43 million tons as against 39 million tons in 1956. Drilling and prospecting have been almost completed in many important new areas and it was expected that several new collieries would be working within a few months.

An agreement had recently been concluded with the Assam Oil Company for the formation of a Rupee Company in which Government will participate to the extent of 33-1/3 per cent for the production of oil from the Naharkatiya oilfields and for transportation of oil therefrom.

Two refineries, one in Assam and the other in Bihar were also to be set up. Prospecting and drilling for oil were taking place in other parts of the country also.

A non-lapsable Shipping Dovelopment Fund, with a view to finding an assured source of rupes finance for the rapid growth of  $I_n$  dian shipping, had been established.

The milti-purpose river valley projects have made considerable progress. Haithon Dam in the Damodar Valley was inaugurated in September last. In the Bhakra Project work was proceeding ahead of schedule. In Nagarjunasagar construction of the dam begain in July last.

Progress in regard to the other multi-purpose projects had also been generally satisfactory.

In the field of heavy industry, much progress had been made. In the public sector, a heavy machine building plant and a number of other projects would be financed out other of a special credit offered by the Government of the USSR. A heavy foundry and forge will be set up with Czechoslovak collaboration.

A fortilizer factory at Nangal was being built with the help of credit terms from the United Kingdom, France and Italy. It was proposed to build another fertilizer plant at Noyveli.

The heavy electrical plant at Bhopal was being taken in hand with British collaboration. Good progress had been made in the construction of the three major steel plants at Rourkela, Bhilai and Durgapur.

Two more reactors. The President then referred to the marked progress made in the field of science and technology. He said that two more reactors and several new plants were under construction. Uranium metal of atomic purity and fuel element for the reactors would be in production before the end of the current year.

The Government had under consideration the construction of the one or more atomic power stations during the current Five Year Plan period.

Community Development and National Extension Service projects have made significant progress. There are now 2,152 Blocks which comprise 276,000 villages and cover 150,000,000 of population. The National Development Council having decided that the Block should be the unit for planning and development and the common agency of all development departments, steps have been taken to integrate Departmental Development Budgets in the Badok Budget. The Block Development Officer was beging placed in operational control of this budget.

The Development Council had also decided on greater decentralisation in regard to administration and the transfer of greater authority to people's organisations at the village block and district levels. The pattern of such devolution would be worked out by the States according to local circumstances. A schome for training village form leaders had been initiated to encourage the adoption of improved agricultural methods.

Wage boards. Tripartite Wage Boards had been set up in the textile and sugar industries. The Government have under consideration the setting up of similar wage boards for other major industries in due course.

Workers' participation in industry. The President said that with a view to securing the progressive participation of workers in industrial management, schemes to this end were being introduced initially in a few selected undertakings.

Social security.— As regards social security, the President said that the Employees' State Insurance Scheme was being extended and the Employees' Provident Fund Act of 1952 had been extended now to cover 19 industries: 6,215 factories and establishments were now covered under the Act. The total amount of contributions collected was about 1,000 million rupees.

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Other points made by the President in his address referred to relations with foreign countries and India's foreign policy. He said that the Government had/at the U.N. in continued efforts to help to ease tensions and to advance the view that on co-existence and respect of each other alone could solutions be found.

The Government would continue to press in the U.N. and olsowhere for the suspension of nuclear explosions, the dangers of which were becoming more and more the concern of scientists and indeed of peoples all over the world.

In conclusion he emphasised that India's endeavours in the atomic field would remain confined to the peaceful use of atomic energy.

(The Statesman, 11 February 1958).

# Labour Disputes in Public Sector: Standing Body to Formulate Policy.

The Government of India has constituted an inter-departmental Standing Committee to formulate and co-ordinate policy regarding adjudication of labour disputes in the public sector.

Apart from Labour, the Ministries represented on the Standing Committee are Finance, Defence, Railways, Transport and Communications, Steel, Mines and Fuel, Commerce and Industry and Home.

The genuine demands of workers in Central undertakings and autonomous companies and corporations, it is felt, should be considered well in time in order not to make it appear as if the Government has taken a decision under duress. The setting up of the Standing Committee is expected to go a long way in expediting such decisions.

When and employing Ministry and the Labour Ministry are of the view that a dispute may ultimately have to be referred to adjudication, the views of the Standing Committee will be obtained before a decision is taken. The general policy in this regard is that adjudication is to be resorted to only where negotiations and conciliation have failed. But if adjudication becomes unavoidable the necessary decision will be taken without delay.

In the case of disputes which are not considered suitable for reference to adjudication both by the employing Ministry and the Labour Ministry, the matter will be brought to the notice of the Standing Committee. The employing Ministry will also be required to bring to the notice of the Committee any labour problem which is likely to lead to industrial wheet or dispute.

(The Statesman, 15 February 1958).

### 12. Activities of External Services

### India - February 1958.

## Heeling

- (a) Shri V.K.R. Menon, Director, attended the eighth session of the Industrial Committee on Plantations held at Shillong on 21 January 1958.
- (b) Shri V.K.R. Menon, attended the Seminar on Iabour Management Co-operation, held at New Delhi on 31 January and 1 February 1958. (A detailed report on the Seminar will be included in the report of this Office for March 1958.
- (c) Shri V.K.R. Menon attended the Eighth All-India Conference of the Indian Institute of Personnel Management held at New Delhi on 7-9 February 1958. (A report of the proceedings of the Conference will be included in the report of this Office for March 1958.).

#### CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

#### INDIA - FEBRUARY 1958.

#### 25. Wage-Earners! Organisations.

Fifth Annual Session of Indian National Mine Workers! Federation, Bhaga (Jharia), 23-25 February 1958:

Appointment of Wage Board demanded.

The fifth annual session of the Indian National Hine Workers' Federation was held at Bhaga near Jharia in Bihar from 23 - 25 February 1958. Shri Michael John, President of the Federation, presided.

The moeting was addressed, among others, by the Union Minister for Labour and Employment and Planning, the Chief Minister of Bihar, Mr. Dennis Edwards, fraternal delegate from the Miners! International Federation and the Revenue Minister of Bihar.

A cheque for 2,000 U.S.dollars was presented to Shri Michael John by Mr. David Burgess, Labour Attache, United States Embassy in India, on behalf of the United Mine Workers' Federation of America for the relief of the families of the miners killed at the recent disasters at Chinakuri and the Central Bhowrah Collieries.

President's address. Shri Michael John, in his presidential address stressed the necessity for "creating ever-increasing safety consciousness in the mining industry". For this purpose it was necessary to raise the present "absurdly low rate of compensation to a level which would act as a deterrent against neglect of safety provisions", he said.

Shri John said higher compensation was desirable also for providing adequate relief to the victim and his family. Education of workers and stricter vigilance by the Mines Department could also help in reducing the hazards of mining. He wanted the labour unions also to play an effective role by insisting on the improvement and better implementation of safety measures.

Shri John said the workers should not be made to suffer for the negligence of employers in regard to statutory obligations regarding conservation and safety.

Shri John urged the Union Government to set up a wage board for the coalmining industry. He wanted the Government to appoint a national tribunal or a wage board to determine the wage scales and other amenities of workers in other classes of mines also.

He deprecated the contract system and demanded its immediate abolition.

Mationalisation urgod. He believed that the mineral resources of the country could not be utilized properly unless the mines were subject to common ownership. In a modern society, only the State could take up this responsibility of owning, developing and working all the mines. In any case it was wrong to allow the mining industry to be run for the profit motive he said.

Dennis Edwards' Address.— Hr. Dennis Edwards a fraternal delegate to the Conference from the Miners International Federation conveyed the fraternal greetings from 29 countries. While conveying his deep sympathy towards those who had lost their lives in the recent mine disasters, he said the Miners' International Federation was going to set up a Technical Committee to advise all countries affiliated to the Federation to devise ways and means to bring down the accident rate in mines as far as possible, and added that a representative was being appointed for the benefit and improving the standard of living of coal miners in Asian countries.

Resolutions. By various resolutions passed at the Conference demands were made for the immediate appointment of a Wage Board so as to create an atmosphere conducive for the higher output that the country needs for the implementation of the Second Fivo Year Plan, achievements of the objects outlined in the sixteen-point Miners' Charter, as adopted at the 37th Session of the Miners' International Federation, nationalisation of coal and other mines without any further delay, setting up of a welfare organisation for iron, manganese, gold and other ore mines, similar to that existing in the coal and mica industries, provision for gratuity, abolition of contract labour system and other recruiting organisations.

By a resolution the Conference urged Government to impose prohibition in mine areas. The resolution impressed upon all the affiliated unions under the Federation to create an atmosphere by which the coalmine workers might be saved from drinking, gambling and other social evils prevailing amongst them.

Office bearers -- Shri Michael John was elected President and Shri Kanti Mehta, General Secretary for the next year.

(The Statesman, 24 February 1958; Amrita Bazar Patrika, 27 February, 1958).

## Chapter 3. Remonie Questions

### 32. Public Finance and Fiscal Policy.

India - February 1958.

Railway Budget for 1958-59 Presented: Surplus of 273.4 Million Rupees: Increased Tempo of Spending on Works.

On 18 February 1958, Shri Jagjiwan Ram, Union Minister for Railways and Transport presented in the Lok Sabha the Railway Budget for 1958-59, dealing, among other things, with the working of the railways during 1957-58, financial results for 1956-57, revised estimates, for 1957-58 and budget estimates for 1958-59.

The table below shows the details of the Railway Budget for 1958-59:-

	(Rupees in Million)					
	Actuals 1956 <b>-</b> 57	Revised Estimate 1957 <del>-</del> 58	Budget Estimate 1958 <b>–</b> 59			
Gross Traffic Receipts	3,475.7	3,844.0	4,074.8			
Ordinary Working Expenses	2,339.4	2,591.6	2,683.5			
Net Miscellaneous Expenditure- Appropriation to Depreciation-	99•2	140.1	169.9			
Reserve Fund	450.0	450.0	<b>4</b> 50 <b>•</b> 0			
Payment to Worked Lines	3.3	3,3	2.2			
Total.	2,891.9	3,185.0	3,305.6			
Net Railway Revenues	583.8	659.0	769.2			
Dividend to General Revenues-	381.6	442.4	495.8			
NET SURPLUS-	202.2	216.6	273.4			

The Railway Budget for 1958-59 makes no changes in the existing fares and freights. This 'status quo', however, is temporary. The Minister announced that the Government's decision on the recommendations of the Freight Structure Committee could be expected in the near future.

The budget estimates the net surplus for 1958-59 at 273.4 million rupees as against the revised estimate of 216.6 million rupees for the current financial year, with gross traffic receipts estimated at 4,074.8 million rupees compared to the revised estimate of 3,844.0 million rupees.

The works, machinery and rolling stock programme for the budget year, Shri Jagjivan Ram said, would be of the order of 2,600 million rupees - 880 million rupees on rolling stock, 50 million rupees on plant and machinery, 290 million rupees on new lines and restoration of dismantled lines, 330 million rupees on track renewals and 1,050 million rupees on open line works, etc.

The Minister said it was proposed to continue with the programme of providing passenger amenities in spite of other pressing demands, consistent with economy in the use of cement, iron and steel. The problem of overcrowding, he admitted, was still far from being solved. He mentioned the difficulties of finance, limited capacity for building coaching stock and shortage of line capacity.

The examination of the Railway Freight Structure Inquiry Committee's recommendations pertaining to the revision of the rates structure, the Minister said, was now in the final stage and decisions thereon were expected to be taken and implemented shortly.

As regards the committee's recommendations in regard to the constitution, jurisdiction and rules of procedure of the Railway Rates Tribunal necessary legislation had already been passed to amend the Indian Railway Act.

Shri Jagjivan Ram said the improvement in the Supply of the materials was being reflected in the increased tempo of expenditure on works. All the works included in the current year's programme had been in full swing with nearly 150,000 labourers.

Budget Estimates. Turning to the budget estimates for 1958-59, Shri Jagjivan Ram said that on the basis of the present trend of passenger traffic, the estimate under this head had been placed at 1,247.3 million rupees, an increase of 38.5 million rupees over the current year's revised estimate. The estimate of other coaching carnings had been fixed at 246.5 million rupees, involving a reduction of 6 million rupees over the revised estimate of the current year. The estimate of goods earnings was placed at 2,505.0 million rupees on the basis of the present 12 1/2 per cent surcharge and the anticipated increase in traffic.

The Minister said it was expected that in the coming year the Railways would be called upon to carry about 12 million tons of additional traffic, raising the total traffic to 145 million tons as against the total Plan provision of 162 million tons. Nost of the additional traffic would be on account of the expansion of the steel industry and the additional coal raisings.

The gross traffic receipts were estimated to be 4,074.8 million rupees for the next year.

The ordinary working expenses for the budget year had been estimated at 2,683.5 million rupees, representing an increase of 91.9 million rupees over the revised estimate of the current year. The increase includes about 44 million rupees mainly on account of the effect of the interim increase in dearness allowance for the full year as against nine months in the current year, annual increments to the staff and increase in staff required to handle larger traffic. There is also an increase of 25 million rupees in repair expenses, the balance representing increase in the coal and other fuel bill.

The Minister said it was proposed to spend about 32.5 million rupees more on a larger programme of open line works chargeable to revenue, and with the heavier capital expenditure on works there would be an increase of about 50 million rupees in dividend payable to General Finance. Taking all these factors into account, the revenue surplus for the budget year was expected to be 273.4 million rupees to be credited to the Development Fund.

New Lines.— Two important new lines had been included in the programme of the budget year. These were the 100-mile Robertsganj-Garhwa Road line on Northern Railway costing 170 million rupees and the 40-mile Euri-Ranchi connection on Eastern Railway costing 59 million rupees.

The construction of the Barabil-Pamposh Gorge siding for the Rourkela project had just been sanctioned at a cost of 11.7 million rupees.

Other important new line capacity works provided for in the budget were 68 milies of doubling between Durg and Kamptee costing 78 million rupees and doubling of the Vizianagram - Gopalapatham section costing 38 million rupees and of the Anuppur-hatni section costing 67 million rupees, all on South-Eastern Railway.

The track renewal programme had been stepped up from 280 million rupees in the revised estimate for the current year to 330 million rupees in the budget year, following the improved availability of rails and sleepers.

As usual, a provision of about 30 million rupees had been made for amenities for railway users. A sum of 110 million rupees had been provided for staff quarters and staff amenities.

The Minister said it had been decided to adopt the 25 k.v. A.C. 50-cycle single-phase system for electrification of not only the mainline sections of Eastern and South-Eastern Railways, but also for the electrification of the suburban areas around Calcutta. The total length of sections included in the budget for electrification under this system was 1,062 millios, with an anticipated cost of about 750 million rupees.

The electrification of these important trunk routes was expected to be completed before the onld of the second Plan period. The total expenditure to be incurred on all the electrification projects during 1958-59 was 162.9 million rupees.

In a reference to accidents to passenger trains, the Minister said the occurence of these in Quick succession had been a matter of grave concern to all. He had recently called a special meeting of railway General Managers to discuss the whole problem with them with a view to initiating effective measures to bring about an improvement. The discussion had confirmed that human failure largely accounted for these accidents. Technical improvements which could help to mitigate the incidents of human element were being progressively effected, but a significant improvement could only be expected if all those engaged in the running of railways were alive to their duty and responsibility.

Production of rolling stock.-Regarding the question of indigenous production of railway equipment, the Minister said that capacity for production of rolling stock in the country had shown a further increase during the current year. Two hundred fiftheight locks, 1,500 coaches and 16,800 wagons are expected to be produced in 1957-58 as compared to 234 locos, 1,236 coaches and 15,985 wagons in the previous year. The import of general service wagons was discontinued quite a long time ago and that of steam locomotives had also now been stopped, except for a few fequired for the narrow gauge lines. The Development Cell in the Railway Board's Office working in collaboration with the Development Wing of the Commerce and Industry Ministry was making continued progress towards development of further manufacturing capacity in the country, which will, in turn, conserve the much-needed foreign exchange. Out of the total provision of 879.5 million rupees for Rolling Stock in the Budget for 1958-59, 601.7 million rupees will be spent in the country and 277.8 million rupees only will be spent on imports from abroad, including customs, freight, handling charges, etc.

Staff Questions. Referring to staff questions, Shri Jagjivan Ram stated that a pension scheme had been introduced for all Raisway servants. Those Failway servants who were in service on 15 November 1957 or demitted service between 1 April 2657 and 15 November 1957 had, however, been given an option to be governed by the existing State Railway Provident Fund Rules or to come over to the Pension Rules. Even after the introduction of the pension system, staff eligible for pension shall continue to subscribe to the State Railway Provident Fund at the existing rate on a compulsory basis. Such staff will, however, not be eligible for any Government Contribution to State Railway Provident Fund.

He also referred to the work of the committee appointed to review the channels of promotion of Class IV staff and connected matters, and said that the Committee had completed their investigations and recently submitted some of their recommendations, pending finalisation of the report which was due by the end of this month.

Regarding medical facilities, there were 81 hospitals and 434 dispensaries at the end of 1956-57 and since then 3 hospitals and 11 dispensaries had been added and a further addition of 9 hospitals and 59 dispensaries were planned for the next three years. The number of beds had consequently increased from 3,543 to 3,936 and would ultimately be 5,230. Special attention had been paid to the expansion of facilities for treatment of T.B. In addition to the 646 T.B. beds reserved for trea at the end of 1956-57, 273 more beas had been sancioned uptil now. It was expected to increase the number of beds to 1,350. A number of chest clinics for providing domicilliary and out-door treatment of T.B. patients and controlling the spread of T.B. had been established. Sanction had also been given for the reimbursement of madical expenses incurred by Railway employees and members of their families in connection with the treatment of T.B. in recognised sanatoria. The Medical Attendance Rules had been reviewed from and certain disabilities attached to Class IV staff hadnow been placed on a par with other categories of staff.

The question of improved housing and other amenities for Railway staff had always been kept in the forefront. Last year, about 10,000 quasters were built and during 1957-58, 16,000 quarters are expected to be built. Provision had also been made for 15,000 quarters in the Budget for the next year. In all, during the second Plan period 64,500 quarters will have been constructed. In addition to this, improvements to existing quarters such as structural alterations, electrification, provision of water-borne sewage, etc., had been undertaken on a large scale and will continue to be made in the Budget year also.

As for educational facilities, there had been some expansion by way of more classes or higher classes in the existing schools. The railways had been also anxious to participate in the scheme of the Central Education Ministry for converting high schools into multi-purpose schools and so far, the high schools at Kharagpur and Golden Rock, Trichinopoly had been approved for conversion into multi-purpose schools. More schools will be so converted in the future.

The railways had also a proposal to award 1,000 scholarships of 15 rupees to 50 rupees per month for technical education. The first lot of these scholarships was sanctioned in 1956-57. The scholarships will be awarded annually and will be available technildren of certain categories of Class III employees and all categories of Class IV employees. Of these scholarships, 12 1/2 per cent and 5 per cent have been reserved for children of employees belonging to the scheduled castes and scheduled tribes respectively.

The existing facilities for imparting training to the new recruits in the various railway services and arranging refresher and promotion courses for the existing staff had been considerably augmented. Basic training centres had been opened in a number of major workshops and running sheds and further extension in this direction was under consideration. A Signal and Telecommunication school had been set up at Secunderabad for training officers and staff of the Signal Engineering Department.

Labour Relations. The Minister stated that 1957-58 was another year of fruitful co-operation between labour and management. Periodical meetings between the Railway Board and the National Federation of Indian Railwaymen which could not be held for some time past for various reasons, were resumed in July 1957, and agreements reached on a number of points brought up by the Federation. The Ad Noc Tribunal had also resumed its work and was dealing with two out of the five items originally referred to it, agreement between Railway Board and the Federation having been reached in respect of other items.

The differences within the National Federation of Indian Railwaymen seemed to have widened and the All India Railwaymen's Federation was revived. Simultaneously with its formation, the new Federation also passed a resolution calling for a strike on all railways in case the various demands put forward by it were not conceded. The main demand was recognition of the new Federation. Government considered that the interests of railway workers would be best served by having only one Federation of all Railway Unions at the All India level and had, therefore, consistently emphasised the need for unity among railwaymen and appealed to them to have only one Federation. In November last, representatives of the Federations met and it was heartening that they had agreed to implement by 31 July 1958 the Unity Agreement made by them in March 1956. The progress so far made in this direction was satisfactory.

(Text of the Budget Speech and other documents, received in this Office ).

34. Economic Planning, Control and Development.

India - February 1958.

# Loan Agreement with Canada: \$ 25 Million Fund to buy Wheat.

A Press note issued by the Canadian High Commission in Now Delhi announced that an agreement providing for a loan of \$25 million by Canada to India to purchase 400,000 tons of Ganadian wheat was signed at Ottawa on 20 February 1958.

Under the terms of the agrement, the Canadian Government will advance, at the request of the Government of India, funds to the Canadian Westat Board to pay for wheat purchased by India during the current crop year. The \$25 million loan is to be repaid in seven equal annual instalments beginning on March 31, 1961. It will bear interest at 4 1/2 per cent payable annually, beginning 31 March 1959.

Theloan, the Press Note said, was part of the \$35 million which the Canadian Government had decided to make available in the form of credits to Colombo Plan countries to enable them to finance the purchase of wheat and flour from Canada.

Besides this \$35 million loan, the Press Note added, the Canadian Government recently announced its intention of providing \$15 million to finance gifts of wheat and flour to India, Pakistan and Ceylon.

(The Statesman, 21 February 1958 ).

## 36. Wages.

### India - Fobruary 1958.

# Collective Agreement at Assam Oil Company: Payment of Dearness and House Allowances.

A short-term agreement was recently arrived at between the Assam Oil Company Ltd., and the Assam Oil Company Labour Union in respect of !dearness and House! allowances

For details, please see pp.6!-62 of this report.

## Working of the Hinimum Wages Act, 1948, for the Year 1955.

Legislation. The Minimum Wages Act, 1948, as amended by the Minimum Wages (Amendment) Act, 1954, required the appropriate Governments to fix minimum rates in all employments (i.e. both in Parts I and II of the schedule to the Act) by 31 December 1954. Since some of the State Governments could not fix wages before that date in respect of certain employments, particularly in agriculture, it became necessary to extend the time limit for the fixation of wages in those employments. This could be done by an amending Act only. Proposals in this regard were finalised during the year and it was expected that the amending Bill will be introduced in the Parliament soon\*\*.

No meeting of the Central Advisory Board were held during the period under review.

Employments covered. The report gives detailed statistics of employment in the scheduled employments under the Minimum Wages Act, State-wise collected by the States.

The following statement gives the employments added to the schedule to the Minimum Wages Act by State Governments and the number of workers in those employments:-

<sup>\*</sup> Report on the Working of the Minimum Wages Act, 1948 for the year ending 1955 (Labour Bureau, Ministry of Labour and Employment, Government of India), pp. 58.

<sup>\*\*</sup> Since adopted (vide section 36, p.59 of the report of this Office for October-November 1957).

State			d number employed	of	
Ajmer	(1) Cotton Textiles	•••	5,078 1,000 300	to 5,0	00*
Bombay.	(1) Salt Pan Industry		12,867		
:	(3) Employment in any industry in which any process of printing by letter press, litter graphy, photogravure or other similar w	ho- ork or			
	work incidental to such process or book is carried on	•••••	• •		
	pressing manufactory.		••		
Coorg	Cardamom Malais		3,978		
Dolhi	(1) Printing Pressos		6,000	-	
	(2) Foundries		1,700		
	and repair workshops	••••	1,800		
	(4) Other Metal Working Establishments		7,200		
Hyderabad	Cotton Ginning & Fressing		14,442		
Madhya	(1) Cement		4;000		
Pradesh.	(2) Glass		1,080		
	(3) Potteries	• • • •	2,670		
Mysore	Ceramic Industry	•••	2,186		
Orissa	Gudakha Making		56	•	
PEPSU	(1) Iron, Steel & re-rolling	• • • •	••		
	(2) Textile Industry		• •		
	(3) Coment	••••	• •		
	(4) Sugar	••••	ė ė		
	(5) Electrical, mechanical and general engin	eer-	•		
*	ing products	••••	••		
Punjab	Textile Industry		16,000		
Saurachtra	Salt Pan Industry	<b>.</b> - <b>.</b> -	• •		
Travancoro-	(1) Cashewaut Industry	• • • •	50,000		
Cochin.	(2) Coir Industry		500,000		
	(3) Cardamom Plantations	• • • •	10,000		

\* Employment figures vary according to season.

Exemptions - During the year, in the employments under the Contral sphere, the employees of certain light houses under the Bombay Port Trust were exempted from the Act;

The Government of Bombay exempted the workers employed in the oil ghani employment, not run with the aid of power. from the provisions of the Act for a period of three years starting from 20 Decomber 1955. In addition, the workers employed in local authorities, (i) on a part-time basis, (ii) for providing relief to the local population in any area in which a State of famine or scarcity is declared by the Government, (iii) in village Panchayats constituted under Bombay Village Panchayat Act, 1953, the annual income of which is less than 5,000 rupces, and (iv) in firelighting and water supply services, were granted an exemption for a period of three years with effect from the 1 April 1955. The State Government also exempted the employees in the tobacco (including bidi making) manufactories industry, located in certain specified centres in the State, from the provisions of the Act for a period of one year with effect from the 1 July 1955. Employees in the salt pan industry in certain areas of Thena District were also granted an exemption for the period 1 October 1955 to 30 June 1956. In Delhi exemption was granted to disabled employees engaged in all employments covered under the Act for a further period of one year with effect from 23 December 1955. Exemption from Sections 13 and 14 of the Act, granted earlier to the Municipal employees attached to the Maternity and Child Wolfare Centres was further extended.

Procedure for fixing minimum wages. Under the provisions of the Act, the appropriate Governments are authorised to fix minimum wages either on an ad hoc basis or on the advice of the committees appointed under Section 5(1)(a). While some of the States fixed minimum rates of wages in all employments in Part I of the Schedule under Section 5(1)(h), i.e., by notifying the rates in the official Gazette; a number of them adopted both the methods. While the wage rates, etc., fixed by notification were arrived at on an ad hoc basis, the committees appointed under Section 5(1)(a) conducted enquiries into the cost and standard of living of workers; the wago rates prevailing in similar occupations in the locality, the financial capacity of the industry, etc., for purposes of making their recommendations. During the year under review two such committees were appointed only in Bombay Stato.

As regards Central Government undertakings, up to 1953, the rates were fixed according to the method detailed in Section 5(1)(b) of the Act. During 1954, however, a committee was appointed for the first time under Section 5(1)(a) of the Act to hold enquiries to advise the Central Government regarding the fixation of minimum rates of wages in respect of the scheduled employments carried on by or underthe authority of the Central Government. The Committee consisted of an independent Chairman and four representatives each of employers and employees. In a few cases where the procedure for flixing minimum rates of wages under Section 5(1)(a) was likely to be protracted, the Central Government adopted the alternative method detailed in Section 5(1)(b). The minimum rates of wages were fixed in this manner for agricultural employees employed under the Ministry of Defence and the Ministry of Food and Agriculture.

In certain cases, for reasons of expediency, the Central Government delegated their powers to fix minimum wages in respect of employments falling within the Central Sphere to some State Governments.

Fixation of Minimum Wages.— The report gives the minimum wages fixed category-wise and State-wise under the Act upto the end of 1955. The present position as regards the fixation of minimum wages in employments covered by Part I of the Schedule to the Act is that the minimum rates of wages have been fixed in all employments in the different States except in local authorities in Hyderabad and Assam, woollen carpot and shawl weaving establishments in Uttar Pradesh and public motor transport in Hyderabad. Minimum rates of wages for agricultural workers have been fixed in all States except Madras, Madhya Bharat, Saurashtra, Bhopal and Travancore-Cochin. In some of these States wages have been fixed for a part of the State only or for farms above a certain size.

Although under the Act all wages must be paid in cash, the appropriate Governments are authorised to permit payment of minimum wages wholly or partly in mind if, in their opinion, such payment has been customary and its continuance is necessary in the existing circumstances. Such permission has so far been given by a few States in the case of employments in agriculture. The States which have authorised payment of wages wholly or partly in kind in agriculture are: Andhra, Bihar, Bombay, Punjab, West Bongal, Uttar Pradesh, Hyderabad, Mysore, PEPSU, Ajmer, Tripura and Vindhya Pradesh. In all other cases cash payments have been prescribed on the basis of the prevailing practice.

Enforcement. - No special machinery for inspection has been not up by the Central Government for enforcing the Act in the Scheduled employments falling within its jurisdiction. The Chief Labour Commissioner (Central), the Welfare Adviser to the Chief Labour Commissioner (Central), all Regional Labour Commissioners, Conciliation Officers and Labour Inspectors of the Control Government have been declared to be Inspectors under the Act. On the 31st December 1955, there were 6 Regional Labour Commissioners, 15 Conciliation Officers and 52 Labour Inspectors under the control of the Chief Labour Commissioner (Central). These officers are responsible for the enforcement of the Act in their respective jurisdictions; in addition to their other duties. The table below gives information in regard to the number of inspections made by these officers in 1955 and the number of irregularities detected in the course of these inspections.

Region	No.of Inspections made	No.of irregulari- ties detected.
Bombay	144	776
Calcutta	57	350
Dhanbad	· <u>4</u> 83	1,173
Kanpur	236	1,589
Madras	272 ·	2,134
Nagpur	323	2,473
Total.	1,515	8,495

The largest number of irregularities related to non-display of notices, etc., non-maintenance of registers and non-payment of wages. These formed nearly 50 per cent of the total number of irregularities detected. Short payment of wages and the non-grant of weekly paid holiday accounted for about 25 per cent of the irregularities. The rest were irregularities of a miscellaneous nature. Although the number of irregularities detected was considerable, recourse was taken to ponal provisions in a comparatively few cases. The general policy in this regard had been to get the irregularities rectified by persuasion rather than by prosecution. It was only where the employers were found to be unreasonable and adament that prosecutions were filed against them.

The following statement shows the number of inspections rade in the States:-

State	No.	of inspections	made
Bihar		2,017	
Bombay		6,502	
Madras		6,619	
Orissa		737	
Punjab		531	
Uttar Pradesh		14,002	
West Bergal			
Madhya Pradesh		524	•
PEPSU		547	
Rajasthan		507	
Saurashtra		578	
Travancore-Cochin			
Ajmer			
•			
00016		147	
Delhi		1,760	
Tripura		44	

Claims. In the Central sphere undertakings, at the commencement of 1955, 19 cases were pending before the Claims Authorities and 30 fresh cases were filed during the year. Of these, 27 cases were decided. Three cases were dismissed as the notification in question was found to be defective. The total amount directed by the authorities to be paid to the employers as a result of claims preferred in 24 cases for which information was available was 15,841 rupees 12 amas. The total compensation awarded to the employees amounted to 5,345 rupees 12 annas.

Similar information for different States is given below:-

Stato	No. of claims etc. pending from previous year.		No. of claims etc. ed decide during the year.	No. of claims etc. ed pending at the end of the year.	direct Author to be to to description	eted oriti e pai he oyee: resi Laim	by ies id s	pendimperimperimperimperimperimperimperimper	unt alti- osed the loye	of es rs	Authorite the	nt or ensaded l orit: e pa	r tion by the
				·····	Rs.	As.	Ps.	Rs.	As.	Ps.	Rs.	As.	Ps.
Andhra	9	2	10	1	309	Ţ	0		-	,	•		
Bihar	38	28	53	13 14	49,683	0	0				243	10	0
ombay	***	8	6	2	1,181	1	6				483	12	0
adras	8	51	40	19	6,621	10	9	10	0	0	10	0	0
rissa	that data	1	en 68	1									
unjab	20	215	138	97	4,283	7	0	132	0	0	55	0	0
Wost Bengal		5	4	1 :	13,303	10	0						
ladhya Pradesh		12	4	8	1,504	14	2		-				
ljmer	2	32	4	30 8	35,000	0	0				243	0	0

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Conclusion - The Minimum Wages Act, 1948, which was put on the statute book in 1948 marked the first attempt in India to fix minimum wages and regulate the conditions of work over a wide field covering a large number of industries. Problems and difficulties are inherent in such an experiment. Moroover the un-organised nature of the numerous small and scattered units coming within the purview of this Act have added to these difficulties. Considering the administrative and other difficulties encountered by the various State Governments the progress made in the implementation of the Act may be said to be satisfactory. By the end of the year 1955, minimum rates of wages had been fixed in all employments covered by Part I of the Schedule to the Act in the different States, except in local authorities in Hyderabad and Assam, woollen carpet making or showl weaving establishments in Uttar Pradesh and public motor transport in Hyderabad. Hinimum rates of wages for employment in Part II of the Schedule, mamely, for agricultural workers, have been fixed in all States except Madras, Madhya Bharat, Saurashtra, Edhpal and Fravancore-Cochin. In some of these States wages have been fixed for a part of the State only or for farms above a certain size. The implementation of the Act has benefited large number of workers employed in the scheduled employments, both by way of increasing their wages and by creating better working conditions for them. The minimum rates of wages fixed have generally been higher than the prevailing rates of wages and have thus helped in improving the economic condition of the workers. Provisions regulating hours of work, rest intervals and weekly holiday have effected considerable improvement in their working conditions also. Still, there is the apathy of the employers, the ignorance of the workers, the inadequacy of staff for enforcement and certain legal defects in the law itself. All these have been the main handicaps in the working of the Act. These difficulties are receiving the attention of the Government and the proposed amendments seek to cradicate most of the defects associated with the working of the Act.

(For a review of the working of the Minimum Mages Act during 1954, please see section 36, pp. 20-27 of the report of this Office for February 1957).

# West Bengal: Minimum Wages Act, 1948, to be extended to Employment in Bone Mill Industry.

In exercise of the powers conferred under the Hinimum Wages Act 1948, and by a notification dated 2 December 1957, the Government of West Bengal has notified its intention to add to Part I of the schedule to that Act the following employment, namely:

"13. Employment in bone mill industry".

(The Calcutta Gazette, Part I, 12 December 1957, p. 4359).

Kerala: Minimum Wages Act, 1948, extended to Employment in Match Industry and in Shops and Establishments (including Hotels and Rostaurants)

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Kerala has by notification dated 3 December 1957 made the following amendments to Part I of the Schedule to that Act, namely,

"20. Employment in Match Industry".

221. Employment in Shops and Establishments (including hotels and restaurants)".

(Notification No. L1-5079/57-L & LAD (A) and (B) dated 3 December 1957; Kerala Gazette, Part I, 10 December 1957, p.2707).

#### 38. Housing.

#### India - February 1958.

### Slum Clearanco Projects in States: Statement in Parliamont.

The Deputy Minister of Works, Housing and Supply informed the Rajya Sabha that 36 slum clearance projects have been sanctioned for the various States, and the approved cost of the sanctioned schemes and the amount distursed them up to 10 December 1957 was as follows:

Serial No.	States which have sent slum clearance projects	Projects	Approved total cost of the d projects sanctioned	Amount disbursed
			Rs.	Rs.
1. An	dhra Pradesh	2	1,348,100	77,000
	SAM	1	897,600	_
	mbay	3	4,303,100	•
	rala	8	1,333,200	111,300
	dras	10	2,809,480	750,245
T	SOTO	3	421,900	ä
	jasthan	2	528,000	<b>=</b> .
	st Bongal	2	7,104,000	<u> </u>
	AT **	Š	<u> </u>	-
	issa** ••••••	<b>-</b> , .		<b>–</b>
-	tar Pradesh	5	19,600,000	-
	Total.	36	38,345,380	938,545
				······································

<sup>\*\*</sup> Two projects from Bihar and one project from Orissa have been received on 16 and 19 December 1957, respectively and are under technical scrutiny. Slum clearance projects from other States are still awaited.

(Indian Labour Gazette, Vol.XV, No.7, January 1958, pp. 695).

### 39. International Economic Relations.

#### India - February 1958.

## India Signs Trade Agreement with Greece: Most Favoured Nation Treatment for Ships.

A trade agreement between India and Greece was signed at New Delhi on 14 February 1958, providing for maximum possible facilities for the import and export of goods of interest to either countries.

The agreement, which is the first of its kind, is effective immediately and will be valid up to 31 December 1959, subject to revision of schedules for 1959. It can be extended by mutual agreement.

Presently trade between the two countries is of modest proportion and a steady expansion is expected as a result of the latest agreement.

Both India and Greece propose to appoint a Commercial Attache in their respective embassies.

The Greek Government has agreed to treat India on par with the countries in the Organisation for European Economic Co-operation and the Government of India have agreed to treat Greece on partith the countries in the sterling area.

The agreement, according to a Press note by the Commerce and Industry Ministry, also provides for most-favoured nation treatment for ships belonging to either country. This will not, however, apply to any concessions accorded to national ships engaged in the coastal trade of each country.

Among the commodities mentioned in the list of goods available for export from India are: jute goods, linen, vegetable oils, tea, coffee, spices, gums and resins, hides and skins, wool, hemp, leather, cotton piecegoods, shellac, cashewnuts, mica, tobacco, coir products, sports goods, handicrafts, handloom products and fruit products.

Important commodities mentioned in the list of goods available for export from Greece are: preserved fruits, olives, clive oil, honey, wines, saffron, canned vegetables, sulphur, soap, tanning extracts, activated carbons, marbles, emery and corundum, cement other than portland, berytes, agricultural machinery and tools, electric motors, diesel engines, teen and rayon yarns.

India's exports to Greece in 1956-57 were worth 3.74 million rupees as against 2.975 million rupees in 1955-56 and 2.832 million rupees in 1954-55. Of this, jute goods accounted for 2.234 million rupees and raw hemp, coir manufactures and raw hemp lac for the rest.

As against this, India's imports from Greece, which mainly comprised dry fruits, amounted to 0.7 million rupees in 1956-57 as against 1.053 million rupees in 1955-56 and 0.967 million rupees in 1954-55.

(The Hindustan Times, 15 February 1958 ).

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

#### INDIA - FEBRUARY 1958.

#### 41. Agriculture.

### Andhra Pradesh Agricultural Holdings (Census) Bill, 1957.

The Government of Andhra Pradesh published on 18 October 1957, the text of the Andhra Pradesh Agricultural Holdings (Census) Bill, 1957, proposed to be introduced in the Legislative Assembly of the State.

The Statement of Objects and Reasons of the Bill declares that the question of undertaking further measures of Land Reform in the Andhra area has been under the consideration of the Government for some time past. For this purpose, they considered it necessary to have up-to-date information regarding the extent of agricultural lands held under holdings of various sizes and other particulars relating thereto. As the Legislative Assembly was not in session, the Governor of Andhra Pradesh promulgated the Andhra Pradesh Agricultural Holdings (Census) Ordinance, 1957 (Andhra Pradesh Ordinance III of 1957), under which every landholder holding more than 20 acres of land, wet or dry, has been required to furnish a declaration containing details of his holdings in the form set out in the Schedule to the Ordinance. The Bill merely seeks to replace the Ordinance.

(Andhra Pradesh Gazette, Part IVA, Extraordinary, 18 October 1957, pp. 107-112).

#### 42. Co-operation.

#### India - February 1958.

Madras: Annual Report on the Working of Co-operative Societies in the State for the Year ending 30 June 1956.

According to the report on the working of co-operative societies in the State of Madras for the co-operative year ending 30 June 1956, the year was eventful for the co-operative movement in the State. The first Five-Year Plan ended during the year and the second Five-Year Plan covering all aspects of economic activity was finalized beforethe close of the year. The major schemes included in the Plan related to co-operative credit, marketing and processing, co-operative farming, dairying and milk supply, establishment of salvage farms, cattle breeding societies, housing and development of handloom industry. The principle of State Partnership in Co-operative Organisations was generally welcomed by co-operators.

At the conferences held at Hyderabad and Jaipur, schemes relating to development of co-operation and marketing were discussed. As a preliminary step to gain experience a pilot scheme for the development of integrated credit and marketing in two select taluks in six districts was started. As the results were encouraging the scheme was extended to all the districts. Large sized societies at primary level were organised. Processing societies were organised to assist the agriculturists. Three co-operative sugar mills were registored during the year. Special efforts were made for the expansion of co-operative activities of the societies in the national extension service and community project areas. Greater attention was paid to the development of co-operative marketing of agricultural produce by linking credit with marketing. The co-operative stores societies played a useful role in undertaking relief measures in the four cyclone affected districts of Ramanathapuram, Tanjore, Tiruchirappalli and Madurai.

<sup>\*</sup> Report on the Working of Co-operative Societies in the State of Madras for the Co-operative Year Ending 30 June 1956, Printed by the Superintendent, Government Press, Madras, 1957, pp. 5 plus 243, Price Rs.3-55nP.

General progress.— During the year, the co-operative movement in the State recorded striking progress. The number of societies of all types went up to 15,389 by the end of the year from 15,100 at the beginning of the year. The membership in the societies also increased from 2.662 millions at the end of the previous year to 2.880 millions at the end of the previous year to 2.880 millions at the end of the year. The paid-up share capital of the members in all the societies was 92.260 million rupees on 30 June 1956 as against 86.513 million rupees on 30 June 1956. All the societies together commanded a working capital of 726.4 million rupees at the end of the year as against 647.2 million rupees at the end of the previous year.

Co-operative financing agencies.— The general set up of co-operative financing agencies remained unchanged during the year. The State Co-operative Bank at the apex with 16 Central Co-operative Banks and 143 individuals as its members, had a working capital of 85.462 million rupees. It held doposits amounting to 50.627 million rupees of which a sum of 27.022 million rupees was from inside the movement as against 19.617 million rupees in the previous year. The State Co-operative Bank drew in all a sum of 58.944 million rupees during the year from the Reserve Bank of India. It advanced loans to the Central Banks to the extent of 37.988 million rupees. The bank made a net profit of 0.322 million rupees. The transactions of the bank recorded considerable increase over those of the previous year.

Below the State Co-operative Bank were 16 District Central Co-operative Banks with 14,629 members of which 12.410 were co-operatives. Their paid-up share capital Was 9.970 million rupees 1 Their working capital was 141.639 million rupees of which a sum of 85.545 million rupees represented they deposits of members and non-members. During the year, the issued loans to the tune of 149.7 million rupees as against 129.7 million rupees in the previous year. The Reserve Bank of India continued to provide accommodition, both short term and medium term at a concessional rate of 1 1/2 per cent interest to the Central Banks through the State Co-operative Bank, for financing agricultural operations and marketing of crops. The total amounts drawn from the Reserve Bank of India were 57.6 million rupees under short torm and 1.344 million rupees under medium term. The State Co-operative Bank reduced its lending rate to the Central Banks from 2 1/2 per cent to 2 1/4 per cent. The Central Banks in turn extended this benefit to the primary societies which lent to the members at 6 1/4 per cent. The Reserve Bank of India continued to provide medium term loans and sanctioned during the year a sum of 3 million rupees to the Madras State Co-operative Bank on Government guarantee. The Central Coroperative Banks drew the entire medium term loan of 4 million rupees provided to the State Co-operative Bank by the Reserve Bank of India. On the whole, the Central Banks have worked satisfactorily and reduced their overdues under principal from 10.76 per cent to 7.07 per cent and under arrear interest from 0.43 per cont to nil.

Agricultural credit societies .- The number of agricultural credit societies increased from 10,489 to 10,701, the membership rising from 1.012 millions to 1.141 millions. Their share capital rose from 14.076 million rupees to 16.842 million rupees and their working capital from 82.338 million rupees to 95.177 million rupees. They issued from to the extent of 56.8 million rupees of which a sum of 53.409 million rupees being 94 per cent of the total loans issued represented loans issued for productive purposes. The percentage of overdues under principal and arrear interest recorded a decrease from 34.65 per cent to 26.69 per cent and from 48.48 per cent to 43.19 per cent respectively. The rural credit societies continued to engage themselves actively in implementing schemes of agricultural production by undertaking besides supply of credit, distribution of improved seeds, chemical manures, agricultural implements, etc.

Marketing societies - Marketing of produce to the best advantage of the agriculturists is as important as the provision of credit for raising the produce. The State has already made some progress in the development of co-operative marketing of agricultural produce though a good deal more remains to be done. There were 119 primary marketing societies in the State on 30 June 1956, with a membership of 0.149 millions as against 114 societies with a member ship of 0.130 milliona at the end of the previous year. The total paid-up share capital of all the societies amounted to 2.169 million rupees which included a sum of 55,000 rupees invested by the State under the scheme of State participation in the marketing societies selected for development in the pilot project areas. The marketing societies issued loans, during the year, amounting to 12.381 million rupees as against 9.158 million rupees in the previous year. They marketed their members' produce as agents and owners to the value of 22.2 million rupees as against 21.3 million rupees during the previous year. The total value of seeds, manures, etc., distributed by these societies during the year amounted to 5.089 million rupees. The scheme of linking credit with marketing was worked in 25 marketing societies and 349 rural credit societies. The credit societies provided cultivation loans under this solders to the extent of 3.400 million rupees for the cultivation of paddy, groundnut, cotton, chillies, potatoos, etc., over an extent of about 18,000 acres. The value of produce brought for sale to the marketing societies was about 5.1 million rupees. The cultivation loans advanced under this scheme in the previous year amounted only to 2.036 million rupees and the value of produce brought for sale to the marketing societies was about 1.800 million rupees. The marked increase both in the quantum of cultivation loans issued and in the value of produce marketed through the marketing societies is indicative of the realization on the part of the ryots of the benefits of marketing their produce through the co-operative marketing societies. With the extension of the scheme of integrated credit and marketing throughout the State, the arrangements for co-ordinating credit with marketing are being intensified and the co-operative marketing of agricultural produce will receive greater stimulus.

3.2

Under the PilotScheme of Credit and Marketing, 11 primary marketing societies were taken up for intensive development by enlarging their membership, strongthening their paid-up share capital and by linking to them the village credit societies and the agricultural banks functioning in their area. In seven out of these 11 societies the Government invested 55,000 rupees as their share capital. All the 11 societies were provided with departmental staff for managerial work free of cost. As a result of the working of the scheme, the membership and the paid-up share capital of these societies rose from 1,137 and 0,256 million rupees on 1 January 1956 to 18,761 and 0,337 million rupees by 30 June 1956 respectively. These societies issued loans to the tune of 1,168 million rupees and marketed the produce of their members to the value of 0,701 million rupees.

With the extension of the pilot scheme to all districts, 35 societies including two district marketing scheeties have been selected and their activities are being intensified in accordance with their a plant working a plan of work drawn up for each society. Departmental staff have been provided free of cost to the societies for managerial work. The State will participate in the share capital of these societies to the extent of 10,000 rupees in the case of primary marketing societies and 15,000 rupees in the case of district marketing societies. There will be State participation in the management of these societies also, the number of Government nominces being one on the Board of Management of the Pistrict Marketing Societies.

Farming societies. The 30 co-operative farming societies of the tenant farming type already functioning in the State for civilians and ex-servicemen brought under cultivation 8,055 out of 14,727 acres of lands allotted to them. Some of these societies could do practically no cultivation in the absence of irrigation facilities.

Dairying societies. The milk supply unions of which there are 19 and the 586 milk supply societies sold milk to the value of about 14.0 million rupees during the year. These milk co-operatives encourage milk production as a subsidiary occupation among the agriculturists and provide good and wholesome milk to consumers. They continued to be major suppliers of milk to the State hospitals and other public institutions, the total value of their supply amounting to 3.311 million rupees, during the year as against 1.846 million rupees, in the previous year. Besides giving loans for purchase of milch cattle, they provide cattle feed and veterimary aid to the members. They also encourage cattle breeding by maintaining good breeds of stud animals. The Madras Co-operative Milk Supply Union runs two key farm centres sponsored by the Government of India.

The milk-supply co-operative society at Kodaikanal and the Madurai co-operative milk-supply union have been given fifnancial assistance to the extent of 44,780 rupees for the installation of pasteurisation plants. The Kodaikanal Society has secured the machinery and is installingthe plant. The other society is avaiting the assignment of land by the Collector and will set up the plant soon after getting the land. The installation of pasteurization plants will make it possible for the milk co-operatives to preserve the milk for longer hours and, with this facility they will be able to encourage milk production by a larger number of agriculturists even in villages, a little remote from the towns.

Other acitivities aiding agricultural production - Besides providing credit and arranging for the marketing of agricultural produce, the co-operative societies have been playing a valuable role in increasing agricultural production by the distribution of seeds, manures, agricultural implements, etc., and the issue of loans for the purchase and installation of pumpsets, for better irrigation facilities. One hundred an d twenty-three societies distributed agricultural implements to the value of 48,364 rupees. All the District Central Stores and the Tanjore Harketing Federation which functioned as stockists of chemical manures issued 0.082 million ton's of manures for retail distribution. Some of the societies sold iron and steel materials, to the value of 73,959 rupees. Two hundred and twenty-eight multi-purpose co-operative societies hired 200 sprayers and distributed more than 5 tons of pesticides to the ryots. The rural co-operatives dug out 0.166 millions manure pits and manufactured 0.101 million tons of compost manure during the year. The Nilgiris Marketing Society continued to undertake the manufacture of a special variety of manure mixture of Potato Crop. Duringthe year, it prepared 50,794 bags of this manure and sold 52,698 bags worth 1,539 million rupees. Eighteon irrigation societies executed irrigation works valued at 10,901 rupees over an extent of 7,803 acres benefiting 1,864 members. The marketing societies distributed during the year chemical manures and agricultural implements to the value of 4.428 million rupees. They also sold compost manure worth 0.425 million rupees and distributed seeds worth 0.235 million rupees. During the year, 296 pump sets were installed by the members of co-operative societies with special loans to the extent of 0.327 million rupees issued by the societies for the purpose.

Non-agricultural credit societies. There were 895 non-agricultural credit societies with a membership of 0.643 millions and a share capital of 21.756 million rupees. They held deposits amounting to 87.611 million rupees from members and non-members and issued loans to the extent of 131.2 million rupees.

Weavers' co-operative societies.— The weavers' co-operative societies consolidated their position during the year and recorded all-round progress. The number of societies rose from 785 to 842 during the year. Twenty-two thousand six hundred looms were newly admitted into the co-operative fold, bringing the total number of looms in the co-operatives to 0.157 representing nearly 28 per cent of the total number of looms in the State. The production nearly doubled itself, the value of production having gone up from 35.659 million rupees to 64.670 million rupees. The sales also increased from 48.812 million rupees to 58.922 million rupees.

The Madras State Handloom Weavers' Co-operative Society continued to assist the primary weavers' co-operative societies in the State by distributing yarn and marketing their finished goods. It also supplied appliances designed to improve the quality of production. On 30 June 1956, it had 1,002 members on its rolls with a paid-up share capital 0.614 million rupees. During the year, it purchased finished goods on outright basis for 10.736 million rupees and sold goods for 13.961 million rupees as against purchases and sales amounting to 10.410 million rupees and 10.762 million rupees respectively during the previous year. It purchased 10,329 bales of yarn for 10.519 million rupees as against 10,118 bales worth 10.380 million rupees and sold to the primaries 10,746 bales of yarn for 10.911 million rupees.

Jaggery manufacturing societies. The jaggery manufacturing co-operative societies whose number increased from 1,584 to 1,605 during the year provided employment to 0.169 millions of exetoday tappers. About 0.124 millions of licences were issued for tapping sweet juice from palmyra, coconut, date and sago trees for the manufacture of jaggery. The production of jaggery in all the societies was 3.172 million manuads during the year as against 2.676 million manuads in the previous year. Here than 31 per cent of the jaggery produced by the members was sold through the societies.

Employees' societies.— These societies supply the credit requirements of employees of Government, local bodies, commercial firms and other concerns for their domestic and social expenses. They also inculcate the habit of thrift among their members by a system of compulsory savings under which the members are required to contribute every month to a non-withdrawable recurring deposit, the amount of the monthly subscription being fixed with reference to their salary. This compulsory savings scheme has been working satisfactorily. The number of employees' societies in the State increased from 503 to 522 during the year. Of these, 153 societies were exclusively for Government servants, 176 for employees of municipalities and local boards, 135 for employees of business concerns and the remaining 58 were for employees of industrial mills.

They had 0.242 million of members on their rolls and their paid-up share capital amounted to 12.567 million rupees. Their working capital amounted to 56.438 million rupees. The accumulations under thrift deposits of members increased from 15.833 million rupees to 23.350 million rupees. The societies lent 74.139 million rupees and recovered 68.309 million rupees during the year leaving at the end of the year 56.469 million rupees. Some of the societies acted as agents of their members for the purchase in bulk of their domastic requirements. Goods to they alue of 0.419 million rupees were so brought and sold for 0.442 million rupees.

Housing co-operatives .- The co-operative housing societies in the urban and semi-urban areas implemented the State Housing Scheme as well as the Low Income Group Housing Scheme of the Government of India. The entire finance needed for the latter scheme was provided by the Government of India. The number of urban housing societies increased from 175 to 194 during the year. They had 20,166 members on their rolls with a paid-up share capital of 11.318 million rupees. They granted loans to the extent of 6.277 million rupees for the construction of 479 houses. The loans issued under the Low Income Group Housing Scheme amounted to 1.797 million rupees. Through the agency of the housing co-operatives, 6,597 houses have so far been constructed with the funds provided by the State. At the end of the year, 800 houses were under various stages of construction. The loan outstanding against the societies to Government amounted to 29.569 million rupees.

There was an increase in the number of rural housing societies from 29 at the end of the previous year to 76 at the end of the year. The membership and share capital want from 506 and 83,010 rupees on 30 June 1955 to 1,340 and 0.140 million rupees, respectively. The leans advanced by these societies to their members also increased from 0.165 million rupees in the previous year to 0.210 million rupees during the year. The societies constructed 30 houses by the end of the year and 76 houses were under construction.

Industrial housing societies.— Including the Sivakasi Industrial Housing Society started during the year, there are three societies of this type with 161 members and a paid-up share capital of 0.034 million rupees. The Peelamedu and Sivakasi societies have already drawn up schemes for the construction of 194 houses for their members who are industrial workers. The scheme of the Peelamedu society which involves the construction of 144 tenements at a total cost of 0.692 million rupees has since been sanctioned by the Government of India. The loan and subsidy sanctioned for this scheme are 0.209 million rupees and 0.104 million rupees, respectively.

As regards the Sivakasi society, the proposal involves the construction of 50 houses at a cost of 0.138 million rupecs and it is awaiting the sanction of the Government of India. The Koilpatty society is negotiating for the purchase of land and is expected to put up a scheme after the negotiations take shape. The main difficulty with regard to the implementation of this scheme is the inability of the workers to find their share of the contribution to be made for the construction of house.

Promotion of public health and provision of medical aid This is a new line of development in the in rural areas.movement in this State. Encouraged by the results achieved by the Amoor Co-operative Health Service Society in the Tiruchirappali district which was the first of its kind to be founded in this State and further attempts were undertaken in the direction of providing medical aid in rural areas through co-operative health societies. Five societies of this type were started during the year in the Tiruchirappali, Tanjore, Nilgiris, Ramanathapuram and Tirunelveli districts in centres lying in Community Project and Mational Extension Service blocks. Government provide financial assistance to these societies to meet their recurring and non-recurring expenses. The Amoor Mealth Co-operative Society in the Tiruchirappalli district provided medical aid to 3,540 patients, both members and nonmomidtrs and the Sholur Health Co-operative Society in the Nilgiris district treated 700 patients during the year. The other three societies will commence work as soon as they employ doctors. These institutions are becoming popular and an extension of this line of activity will go a long way towards providing medical relief to the villagers near their doors, such rolief being organised by the co-operation and participation of the people themselves to supplement the work of the other agoncies engaged in public health.

Community Projects and Mational Extension Service.— Community development aims at all-round rural betterment by spelling and enthusing the people to bring about, through their joint endavour and with State assistance, improved production in agriculture and industry and to secure increased amenities for themselves in the villages. There were 56 Community Development Blocks and Mational Extension Service areas in the State at the beginning of the year and nine blocks were added during the year.

As a regult of the special efforts taken to intensify the pace of development in these areas, nearly 3,761 out of 4,702 villages in all the blocks have been covered by co-operatives, the percentage of villages covered to the total number of villages being 78.6 per cent.

The major co-operative activity in these areas as in the remaining parts of the State is the supply of credit to the agriculturists. There were 3,149 rural credit societies in the area and they advanced loans to their members to the extent of 19.5 million rupees. Besides, there were milk-supply societies, stores, societies, weavers' societies and other types of co-operative organisations and special attention was paid to the development of these societies by the staff working in these areas as well as by the Extension Officers for Co-operation. The formation of health societies in these areas was a special line of development.

#### 44. Merchant Marine and Fisheries.

India - February 1958.

The Merchant Shipping Bill, 1958: Measure to amend and consolidate the Law relating to Merchant Shipping.

Shri Lal Bahadur Shastri, Union Minister for Transport and Communication introduced in the Lok Sabha on 14 February 1958 a Bill to amend and consolidate the law relating to merchant shipping.

The Statement of Objects and Reasons of the Bill declares that starting with the Bombay Coasting Vessels Act of 1838. a number of Acts relating to merchant shipping were passed by the Indian Legislature from time to time with the result that the law became increasingly difficult to be referred to, and the need for consolidation became very pressing. Several attempts were made to revise these laws in 1867, 1882 and again in 1893 and 1896, but all these attempts failed owing to legal and constitutional difficulties. Two of the principal contributory factors were the thon limited powers of the Indian Legislature to legislate regarding shipping and the fact that part of the British Statute law on the subject, including parts of the Merchant Shipping Act, 1894, which is the principal United Kingdom enactment on the subject, applied to India and any Indian enactment had to be in legal harmony with that law. A fresh attempt was made in 1921-22 to codify the Indian law on merchant shipping by the Statute Law Revision Committee, which decided that only consolidation, and not revision, should be attempted immediately. The result was the Indian Herchant Shipping Act, 1923, which is now on the Statute Book and which consolidated some 21 existing Indian Acts on the subject. This Act has also been amended from time to time, the two major amendments being those made in 1933 and in 1953 so as to take power to implement the provisions of the international conventions with respect to load lines, 1930, and with respect to safety of life at sea, 1948, respectively, which have been ratified by India.

By reason of article 372 of the Constitution, the United Kingdom Acts still continue to be in force in India, but the arrangement is unsatisfactory and the need for a comprehensive Indian law on the subject has become urgent. One of the main deficiencies in the Indian law is that there is no provision dealing with the registration of sea-going ships except the Coasting Vessels Act, 1838, and the Indian Registration of Shipp Act, 1841, under which only sailing vessles are being registered; the other ships being still registered under the United Kingdom Merchant Shipping Act, 1894, and being technically regarded as British ships. Another defect in the Indian law is that it has no extra territorial application as the British Merchant Shipping Acts apply to Indian ships outside India. To meet the immediate requirements of the country soon after independence the Merchant Shipping Laws (Extension to Acceding States and Amendment) Act, 1949, was onacted, by which the British Merchant Shipping Acts 1894 to 1938 were extended to the Acceding States (later known as Part B States) and Indian consular officers were empowered to perform functions in relation to Indian ships outside India and provision was made to enable Government to prescribe the proper national colours for ships registered in India. The Control of Shipping Act, 1947, was another short-term measure which continued the war-time control over Indian shipping and controlled the coastal trade by a system of licensing. This Act, which has been renewed from time to time, is due to expire on the 31st March 1958.

The present Bill revises and consolidates all laws in force in India relating to merchant shipping, whether passed by the British Parliament or the Indian Legislature, and makes provision for the matters discussed in the succeeding paragraphs, which also indicate the principal changes made in the law.

Part II - Administration. This Part groups together all provisions relating to appointment of various officers for the administration of the Act.

Part III - Registration of Ships. This new Part replaces the British law on the subject which applies to India at the present moment and provides for the registration of ships (other than sailing vessels) and for the grant of the status of Indian ships to them. Only ships owned exclusively by companies or to a majority extent by citizens of India can be registered as Indian ships. The provisions regarding national colours for Indian ships contained in the Merchant Shipping Laws (Extension to Acceding States and Amendment) Act, 1949, have been assimilated in this Part.

Part IV - Certificates of Officers. The manning scale for certificated officers prescribed in Part II of the Indian Merchant Shipping Act, 1923, has been slightly modified and provision has been made for the holding of examinations for the grant of certificates of competency to officers of fishing vessels. Provision is also made for the recognition of certificates issued in other countries on a reciprocal basis.

Part V - Seamen and Apprentices - Numerous changes have been made in this Part, which is based on Part II of the Indian Merchant Shipping Act, 1923. The more important changes are:-

- (1) Provisions regarding apprenticeship to sea service have been amplified and made self-contained.
- (2) The term "Lascar or other native seamon" has been discarded and the term "seamen" has been used for all persons ongaged in India.
- (3) It has been made compusiory for all home-trade ships of two hundred tons gross or more and for all foreign-going ships to engage and discharge their crew before shipping masters.
- (4) Provisions have been included relating to seamen discharged or left behind or in distress outside India and for their repattriation by Indian consular officers and also relating to the taking over by the masters of ships of the property of deceased seamen or seamen who have deserted or are left behind outside India.
- (5) All disputes between masters and seamen arising outside India will have to be referred to the proper officers abroad for settlement.
- (6) Provision has been made for the setting up of an adjudication machinery for dealing with disputes between employers and seamon's unions in India.
- (7) Power has been taken to frame comprehensive rules relating to the accommodation of seamen on board ships.
- (8) Afee is to be levied from the owners of ships for providing amenities and for undertaking welfare measures for scamen.
- (9) A number of provisions have been included for the protection of benefit of seamen, like the following:
  - (a) foreign shippwars engaging crow in India or their agents will be required to give suitable undertakings for makin the performance of the agreements entered into by them with their crew;
  - (b) facilities for increased family allotments and for making remittances from foreign ports are provided for;
  - (c) provision is made for the supply to seamen of mess utensils, lines, etc., according to the prescribed scale and of warm clothing and extra rations when employed in cold latitudes;
  - (d) the provision relating to workmen's compensation contained in the articles of agreement is now given statutory recognition;
  - (e) provision is made for payment of compensation in cases of premature discharge;

(f) the owner or master of the ship will be required to notify the next-of-kin in case of death of a seaman and to consult the next-of-kin before disposing of the effects of the deceased.

Part VI - Passenger Ships. The provisions of Parts III and IV of the existing Act have been revised and in making such revision the recommendations of the Deck Passenger Committee which have been implemented in the Space Order and the Unberthed Passenger Ships Rules, 1954, have been taken into account. Provision is made for bunks on long voyages, improved amenities on board ships, etc. A passenger welfare cess is also contemplated, the proceeds of which will be utilised for the provision of welfare measures for passengers. For the purpose of oradicating malpractices in the booking of passages passenger provision is made for the licensing and control of passage brokers.

The provisions relating to pilgrim ships have been revised so as to conform to the new International Sanitary Regulations, 1951. Provision is also made for the advertisement in advance of the provisional dates of sailing and for the acceptance of provisional bookings of passages against deposits.

Part VII - Safety. Part V of the existing Act relating to safety was amended in 1953 to bring it into line with the requirements of the Safety Convention. The further amendments now made relate to the Construction Rules and the International Collision Regulations and certificates for ships making domestic voyages.

Part VIII - Collisions, accidents at sea and limitation of liability. This Part is new and is based on the provisions of the British Acts in force in India.

### Part IX - Navigations and inquiries.

Part IX - Navigation is a reproduction of Part VA of the existing Act without any material change.

Part X - Investigations and inquiries. Part VI of the existing Act has been amplified to provide for the setting up of Marine Boards for holding inquiries abroad and for the rehearing of cases whenever necessary. In addition to other penalties, consure has been added as a penalty which may be imposed by courts.

Bart XI - Wreck and Salvago. - Provision is made for the appointment of agents of receivers of wrecks at outports. Part VII of the existing Act provides for the payment of salvage only in cases where wrecks are delivered to the receiver of wrecks. These provisions have been amplified to provide for payment of salvage for assisting ships or property in danger or for saving life. Government ships including ships of the Indian Navy are given the right to claim salvage for services rendered by them. Provision is made for the determination and apportionment of all salvage claims by magistrates in cases where the claims to not exceed 10,000 rupees and by High Courts in other cases.

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Part XII - Control of Indian Ships and Ships engaged in coasting trade. The Control of Shipping Act, 1947, has been made a Part of this Bill with suitable modifications. The 1947 Act empowers Government to control the movements of all mechanically propelled vessels of over one hundred and fifty tons gross. Power is now taken to prescribe a lower limit wherever necessary by notification. Vessels carrying cargo or passengers from any port in India to any port on the continent of India are required to take out licences from the Director-General of Shipping, but foreign ships of any specified class may be exempted therefrom. Power is also being taken to bring under control ships chartered by citizens of India or companies.

Part XIII - Sailing Vessels - This Part is new and provides for the implementation of such of the recommendations of the Sailing Vessels Committee as have been accepted by the Government. It provides for a uniform system of registration and tonnage measurement of sailing vessels and also for a system of annual inspection and issue of certificates of inspection. Power is also taken to assign a free board based on a simple formula to prevent overloading. In order to discourage fraudulent jettisoning, power is taken to hold inquiries in all cases of jettisoning. Sailing vessels registered outside India will be prohibited from operating in the coastal trade except with the special permission of the Director-General. Separate regulations may also be framed regarding the safety equipment to be carried by sailing vessels, which will be on a lower scale than that applicable to ships.

Part XIV - Penalties and Procedure. The penalty provisions have now been grouped together in a convenient form.

Part XV - Miscellaneous. This Part includes, inter alia, provisions relating to inquiries into cases of death of seamen or passengers occurring on board a ship during a voyage after the ship arrives at a port in India. Power is also being taken to detain foreign ships which have caused damage to Indian property anywhere in the world when such ships arrive in India.

Part XVI - repeals all the existing laws on merchant shipping, including the British Merchant Shipping Act, 1894, and statutes amending or supplementing it, in so far as they extend to and operate as part of the law of India. The Law Commission in its Fifth Report has also recommended the repeal of these British Acts when the law of Indiacomes to be consolidated.

(The Gazetted of India, Extraordinary, Part II, Section 2, 14 February 1958, pp. 3 - 213).

### Pay Scales for Port Employees: Recommendations of Special Officer.

In reply to a question in the Lok Sabha on 22 February 1958, Shri Raj Bahadur, Union Minister for Shipping, laid a statement on the table of the House regarding pay scale and allowances of port employees as recommended by Shri P.C. Choudhury, Officer on Special Duty. The statement said that the recommendations covered Class III and Class IV employees.

As regards Class IV posts, the recommendation was to make the Bombay Port Trust scale of 30-1-35 rupees applicable to posts in all ports. This recommendation has been held over until the 1957 Pay Commission has reported on the pay scale for corresponding Central Government employees.

In the case of posts above the lowest scale, it was stated the categories were to numerous that the Officer on Special Duty did not find it possible to suggest scales of pay for each category. He had selected certain "test" globs in each department and suggested certain pay scales for them. He had recommended that for other posts, pay scales should be evolved by the Port Authorities after a careful study of the workload and other considerations and fitted into the pattern of the scales recommended for the "test"jobs.

The manner of consideration of the report was discussed by the Minister of Transport and Communications with the representatives of the Federation of the Port and Dock Workers in Movember 1957. It was then agreed that the unions should enter into local discussions with the Port administrations at Calcutta, Bombay and Madras.

The Heads of Departments have also been asked to evaluate the jobs attached to the various posts in Class III and Class IV cadres under them and submit tentative proposals regarding the revision or otherwise of the pay scales attached to these posts. The Dopartmental Committee has held ten meetings with the Union and Heads of Departments by \$15\$ February, and is expected to complete its work by the end of March.

In the case of the ports of Cochin, Visakhapatnam and Kandla, the existing pay scales are based on the scales recommended by the 1947 Pay Commission. The Port administrations are, however, examining the recommendations in detail and will submit proposals for rationalization wherever necessary.

(The Hindustan Times, 22 February 1958).

#### CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

#### INDIA - FEBRUARY 1958.

50. General.

## Retaining Allowance and Leave Facilities for Sugar Factory Workers in U.P.

On the recommondations of the State Tripartite Labour Conference (Sugar) held in September 1956, a Committee was constituted by the U.P. Government to investigate and report among other matters, on the question of payment of rataining allowance for the off-season 1956 and grant of leave to the workmen of the pan-sugar factories in the State and also to explore the possibility of an agreement with regard to the payment of retaining allowance for the off-season 1955 and arrears of previous years, if any The Committee succeeded in bringing about an agreement between the parties on the issues relating to retaining allowance and leave and submitted its recommendations accordingly to the State Government. These recommendations have been accepted by the State Government and have been enforced initially for a period of one year, by an order, dated 13 November 1957 issued under section 3 of the U.P. Industrial Disputes Act, 1947. The main provisions of the order are as follows:-

(i) Retaining allowance- The decision of the Supreme Court in the Appeal Nos. 179-204 of 1957 filed against the decision of the Labour Appellate Tribunal in appeals between the workmen and employers of cortain sugar factories in Bihar, if given after considering the merits of the case, will be binding on the sugar factories in U.P. and their workmen. Payment based on this decision will be made after the decision is announced, but will be given effect to, with retrospective effect from 1 September 1955. Meanwhile, the payment of retaining allowance to existing categories, drawing this allowance, at the present rates, will continue.

In case, the appeals now pending before the Supreme Court are allowed to some technical ground, the workmen in U.P. will continue to get the retaining allowance at the rates prescribed in Notification No. 1425(ST)/XVIII-13(ST)50, dated 5 July 1950. This will apply to all those categories which are in receipt of retaining allowance at the present time.

(ii) Leave- All vacuum pan-sugar factories of the State will grant leave to their workmen other than those governed by the U.P. Shops and Commercial Establishment Act, 1948, at the following rates: (a) Permanent Workers - 6 days casual leave and 10 days sick leave in a year; (b) Seasonal workers - sickleave as well as casual leave at the rate of 1/2 day for every month of the crushing season during which a workman is on the rolls of the factory. A period exceeding 15 days in any month will be counted as full month for this purpose.

(Indian Labour Gazette, Vol.XV, No.7, January 1958, pp. 693-694).

#### Labour Conditions in the Shellac Industry.

The Labour Bureau undertook a survey of conditions of labour in the shellac industry in July-August 1957, with a view to bringing up-to-date the data on the industry collected by the Labour Investigation Committee during 1944-45. In May 1956there were 297 shellac factories employing 10,884 persons. Of these 131 units of different size groups and located in different regions were selected for the purpose of the survey and a questionnaire was issued to them in February 1957. In spite of repeated reminders and requests only 23 units responded. Consequently it became necessary to collect the information by field enquiry. Though the peak season of the industry is in summer months, i.e., May-June, the Bureau could conduct the enquiry only in July-August 1957. The total number of units working in the areas visited was 118. Of theso, 23 had furnished information in response to the Eureau's questionnaire. This left a balance of 95 units. Of these, 81 could be covered by field survey and the data could not be collected from the remaining 14 units on account of unavoidable circumstances.

Some of the important characteristics of the shellac industry are: (1) its concentration in certain regions, (ii) seasonal nature, (iii) small size of the factories, and (iv) irregularity in their working. The location of the industry is largely governed by its proximity to the lac growing regions of the country. The main regions are Palamau, Ranchi, Singhbhum and Santhal Parganas of Bihar; Bankura and Purulia districts of West Bengal; Raipur, Bilaspur and Sahdol districts of Madhya Pradesh; and Bhandara district of Bombay. Though enough lac is not grown round about Calcutta and Mirzapur the industry has grown in these places as well. Its development in Calcutta is due to the fact that it is the main business and exporting centre. Mirzapur, it is due more to historical reasons. Though shellac factories are located in certain other States as well, e.g., Orissa (at Sundargarh), their number and production are not significant. Since the manufacture of shellac mainly depends on the availability of lac, the work in the factories is in full swing only when the major crops arrive in the market. There are four lac crops in a year, viz., Baisakhi, Katki, Aghani and Jethua. Of these only the first two crops are important,

Most of the factories being small with meagre resources their working days are regulated by the availability of the stick lac. The working days are more during the Baisakhi and Katki seasons when the crop is readily available. But thereafter they drop steeply and in fact some of the factories close down during the off season. The bigger factories and mechanised factories having larger resources, however, are able to stock enough raw material and work throughout the year. The data regarding the number of working days collected from the 104 units covered by the present enquiry show that the average number of working days of shellac factories in 1956 was 205.

The average number of working days was the highest (i.c., 229.1) in Uttar Pradesh (Mirzapur). Next comes West Bengal where it was 223.6. The figures for the remaining States were: Madhya Pradesh - 215.7; Bombay - 187.9; and Bihar - 170.8. In Bihar, the number of working days varied from as low as 139 in Ranchi to 300 in the Santhal Parganas. Similar variations existed in Madhya Pradesh and West Bengal as well.

From the employment data available for 289 out of 297 factories that existed in May 1956, it would appear that as many as 254 (or slightly over 78 per cent) employed 50 or less workers. Thirty-seven units employed between 51 and 100 workers and only 18 units employed more than 101 workers. The proportion of workers to total in these three categories of factories was as follows:-

Category of factories.	Total No.of workers employed.	Percentage.	
Employing 50workers or less	5,124	47.1	
Employing 51 to 100 workers	2,554	23,4	
Employing over 101 workers	3,216	29.5	
Total.	10,804	100.0	

Another important characteristic of the industry is its instability depending as it does on the market prices of lac products which tend to fluctuate widely. Forinstance, the yearly average price of T.N. Shellac per maund, which varied between 127 rupees and 145 rupees in six years ending 1951-52, fropped to 71 rupees in 1952-53. This led to the closure of a number of factories and consequent unemployment.

Employment.— The Labour Investigation Committee estimated that between 25,000 to 30,000 persons were engaged in the industry in 1944-45. Seven years later, i.e., in 1951 the total employment was estimated at about 13,000 by the Indian Lac Cess Committee and in 1952 it ostimated the total employment at 9,911. According to the figures collected by the same agency, the monthly average employment varied between 3,992 and 11,759 7,431 during during the period April — December 1956 and between 2,243 and 11,759 during the period January — June 1957. In May 1957 which was the peak month, the number of workers engaged in the industry in different States was as follows: West Bengal — 6,717, Bihar — 3,476, Bembay — 947, Madhya Pradesh — 619. The date in respect of the units in Uttar Pradesh are not available.

The figures of employment, their classification, etc., collected during the present enquiry relating to 104 units are given in the following table:-

	Employment on the Wast working day of January 1957				of
State	No. of units	Men	Women	Children	Total
l. Bihar	30	1,033 (74.4)	354 (25•6)	2	1,389
2. Bombay	8	534 (68•0)	251 (32•0)	••• ·	785
5. Madhya Pradesh	15	199± (36•3)	348* (63•6)	•	547*
4. Uttar Pradesh	7	136 (57•9)	99 (42 <b>.</b> 1)		235
5. West Bongal	44	2,262 (79.0)	599 (20 <sub>4</sub> 9)	<b>. 3</b>	2,864
Total	104	4,164* (71.7)	1,651* (28,3)	5	5,820*

Note:- Figures in brackets are percentages to the respective totals.

\* These include figures of one unit in Madhya Pradesh employing 160 workers, the break up of which is not available. Hence the figures in columns 3

Of the total of 5,820 workers employed on the last working day of January 1957, as many as 1,651 or 28.3 per cent were women. The percentage of women to total employment in the different States was as follows: Bihar- 25.6, Bombay- 52.0, Madhya Pradesh-63.6, Uttar Pradesh-42.1, and West Bengal-20.9. The low proportion of women inwest Bengal is due to the fact that in the two big units located in Calcutta, only 29 out of a total of 1,020 workers employed were women.

Women are generally employed for separating grains of seed lac after it is dried. They are also employed to separate the by-products i.e., the 'Molarma' from the residue left in cloth bags. Though the statistics collected from the registers show that employment of children is negligible, (i.e., five out of a total of 5,820) in actual practice it was found that children do work in the factories but their names are not shown on the registers. Children are usually engaged as 'Pherwaiyas'. They are employed to attend 'bhattas', usually one child per 'bhatta'. Very often children are employed along with their parents or other members of the family. Thus usually the father is employed as 'Karigar', his elder son as 'Belwaiya' and the next younger son as 'Pherwaiya'. The Bihar Shellac Enquiry Committee estimated that roughly 10 per cent of the total labour force in Bihar consisted of children.

Out of 5,660 workers employed in the 103 units covered by the present enquiry, 2,859 or 50.5 per cent were timerated and the remaining, 49.5 per cent were piece-rated. The percentage of time-rated workers to total was the highest in Madhya Pradesh viz., 87.6 and lowest in Uttar Pradesh, viz., 1.3. It was 65.2 per cent in West Bengal, 49.6 per cent in Bombay and 18.7 per cent in Bihar.

Length of Service. The data relating to the length of service are available in respect of 92 units employing 4,937 workers and are given below:

State	No of		Length of ser	rvice	
	units	less than one year	Between 1 to 5 years	More than 5 years	Total
ihar	26	666 <b>(76</b> •2)	172 (19•7)	36 (4.1)	87 <u>4</u> (100 <b>.</b> 0)
Bombay	8	750 (95•6)	27 ( 3-4)	8 (1.0)	785 (100•0)
Ladhya Pradesh	12	349 (100.0)	•	÷	3 <u>4</u> 9 (100.0)
Uttar Pradesh	7	174 (73•6)	51 (21.7)	11 (4.7)	236 (100 <sub>•</sub> 0)
West Bengal-		·.			
(i) Non-mechanical units	s• 37	1,015 (60.6)	426 (25•5)	332 (13•9)	1,873 (100.0)
ii) Mechanical units.	2	116 (11.4)	169 (16.6)	735 (72 <sub>•</sub> 0)	1,020 (100.0)
Total.	92	3,070 (62,2)	845 (17.1)	1,122 (20.7)	5,037 (100,0)

Note: Figures in brackets show percentage to total.

It is evident that the labour force in the industry is very unstable and enjoys little security of service. The statistics show in all the centres (except Calcutta) more than 60 per cent of workers had put in less than one year's service and comparatively speaking the position seems to be much worse in Hadhya Pradesh and Bombay where the percentage of workers, with less than one year's service, was 100 and 95.6 respectively.

Absenteeism. From the data relating to absenteeism collected in 73 units employing 4,366 workers it is seen that the annual absenteeism rate was lowest in Bombay (8.7 per cent) and highest in West Bengal (17.5 per cent). As is often the case, the absenteeism rate in the industry was higher in summer months in most of the centries centres. This is largely due to the fact that workers in the industry are primarily agriculturists who go back to their fields for harvesing, etc., during the agricultural season.

Wages and earnings. The minimum wages of workers in shellac industry have been fixed under the Minimum Wages Act in most of the States on a piece-rate basis for almost all the categories of workers except women and unskilled labourers. In the case of Crushers or Bhagandars both piece-rates and daily-ratesbasis in Bihar have been prescribed in Bihar. The wage rates fixed on piece-rate basis in Bihar and West Bongal very often varied from region to region. In Bihar for example, the rates for Kargars varied from Rs. 2.37 per maund of seed lac in Eanchi District to Rs. 2.75 in the Santhal Parganas. Similar is the case in West Bengal where the wage rates of Karigars were Rs.2.50 for melting 45 seers of seed lac in Jhalda and 40 seers in other places in the State. Women labourers were the lowest paid. Their daily wages were as low as Ro. 0.72 in Bombay and Madhya Pradesh. Though the enforcement of the Minimum Wages Act has given some relief to workers and brought about certain amount of uniformity in the rates of wages, the enquiry shows that there is much to be done in securing proper compliance with the rates fixed under the Act.

In the two mechanised factories at Calcutta the workers have been classified into un-skilled and semi-skilled and skilled. The daily wage rates of these workers were as follows:-

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Category of workers	Unit 1	Unit 2	
	Rs.	Rs •	
Unskilled	1.25 (men) 1.81 (women)	1.25 to 2.00	
Somi-skilled	1.62	2.00 to 2.75	
Skilled	2.81 to 3.00	2.62 to 3.94	

Apart from the wages, workers in all the units, except the two mechanised units in Calcutta, ded do not generally get any allowances, etc. In the first of these two units, there was a practice of giving production allowance, shift allowance and efficiency allowance. In the second unit unskilled workers, whose daily wage varied from Rs.1.25 to Rs.2.00 were given a dearness allowance of Rs.1.62 and rations at subsidised rates. The gain to workers on account of cash value of subsidy amounted to about Rs.6.50 per month. The practice of giving profit bonus or any other type of bonus does not seem to exist anywhere.

From the data regarding earning of workers, available for 89 non-mechanised units employing 5,737 workers, givenit was seen that on the whole the earnings of Karigars, mechanics and Kalifas (tailors) were higher than those of others. In January 1957 the average daily carnings of Karigars ranged from Rs.2.50 in Mirzapur in Uttar Pradesh and Bankura District in West Bengal to Rs.4.21 in Bhandara in Bombay. The earnings of mechanics varied from Rs.1.50 in Bihar (Palamau) to Rs.2.64 in West Bengal (Purulia). There was considerable variation in the everage daily earnings of Khalifas (Tailors). They varied from Rs.1.88 (Ranchi) to Rs. 6.36 (Santhal Parganas) in Bihar itself. Higher average carnings of Khalifas in the Santhal is largely due to the fact that they have work home and execute it with the help of other family members. Among unskilled workers the average daily carnings ranged from Rs.1.08 in Madhya Pradesh(Bilaspur) to Rs. 1.54 in Bihar (Palamau and Ranchi) in the case of men and in the case of women from Re. 0.75 (Bilaspur) to Rs.1.30 (Raipur) in Madhya Pradesh itself. As stated earlier only two units reported that employed in all five children. The daily earnings of these children were Re-1.00.

General working conditions. The general working conditions of workers in shellac factories have been adversely commented upon since the days of the Royal Commission on Labour. The present enquiry shows that the working conditions romain as they were in the past. Most of the factory buildings were constructed a long time back and consequently, their layout, etc., are far below the present day requirements. Nearly all of them are old, dilapidated and poorly designed. Even in the past, their conditions were lamentable. No improvement, seem to have been effected since the various committees mantioned above conducted the surveys and the position continues to be more or less the same. In the absence of any proper drainage system the effluents are allowed to stagnate in a pool just outside the work-place. The low roofs of buildings and inadequate ventilation, make the working conditions in furnace rooms very trying indeed, specially in the summer months. The smoke emanating from the bhattas has no proper outlet and it envelops the entire Bhatta-Ghar. Added to this is the foul smell that comes out in the course of the washing process of crushed lac. The general sanitary conditions in and about the factories are far from satisfactory. In most of the factories, there are no urinals and latrines. Wherever such facilities exist. there are not separate ones for men and women.

Data regarding hoursof work, etc., Hours of work.have been supplied by all the 104 units covered by the present enquiry. Of these 80 were registered under the Factories Act 1948, and the remaining 24 were unregistered. The working hours of registered factories are regulated by the Factories Act which prescribes an 8-hour day and 48-hour week. With the exception of 6 units all others, including unregistered ones, reported that they conformed to the provisions of the Act in this regard. Of these six, one worked 49 hours, four up to 56 and the sixth between 48 and 54 a week. During the peak season, i.e., May-June, the workers very often work more than the scheduled hours. When they so work they are paid overtime wages. All the responding units reported that they gave rest intervals to their employees usually during mid-day. The period of interval varied from half an hour to one and a half hours.

Leave and holidays with pay. Data regarding leave and holidays with pay have been furnished by all 104 masponding units. From the replies received it would appear that workers employed in all the units numbering 27 located in Bundu (Ranchi District), Gondia (Bhandara District), Mirzapur and Kathgora (Biluspur District) did not enjoy anyleave or holiday facilities. Of the remaining 77, i.e., 21 undegistered and 56 registered, only 58 (17 unregistered and 41 registered) reported that they granted leave or holidays with pay to their employees. Of the units which granted such facilities, thirteen were located in Bihar, nine in Madhya Pradesh, and thirty-six in West Bengal.

In the case of factories registered under the Factories Ant. grant of earned leave to workers is governed by Section 79 of the Act. But as pointed out by the Bihar Shellac Enquiry Committee, due to a fewer number of working days and insecurity of the provisions of the Act tenure of employees very few workers enjoy the benefit of the provisions of the Act in this regard. Festival holidays were being given by 56 units -39 registered and 17 unregistered but the number of such holidays was limited in most cases to one or two per year, viz., Independence Day and/or Republic Day. The position in regard to leave and holidays is much better in case of the two mechanised units at Calcutta. In one of these units workers were allowed 7 days! casual leave, 14 days! carned leave and 15 days' sick leave with pay per year. unit allowed 15 days' earned leave, 5 days' medical leave and 15 days' festival holidays with pay every year.

Housing and welfare. Majority of workers employed in the industry come from neighbouring villages and as such, they have their own arrangements. Very few employers have consequently provided housing facilities. Generally only the monthly-paid workers, namely, Mistries, (i.e., machinemen) and Jamadars are provided with living accommodation, quite often in the factory premises itself. This practice, however, existed only in some factories at Bundu, Jhalda, Purulia and Balrampur. During the course of the field investigation it was found that only two units in Jhalda had provided free accommodation to most of their workers.

Arrangements for free medical aid existed only in three units, one at Balrampur and two at Calcutta. In these three units there were well-equipped dispensaries staffed by qualified medical officers. In one of these units, which was in Calcutta, the employers had made arrangements for hospital treatment as well as workers.

Social security. The Employees' Brovident Funds Act, 1952 was made applicable to the lac industry with effect from 3 September 1956. However, since the Act applies to undertakings employing 50 or more persons and since there are very few units employing such number of persons, a small number of workers in a few units are entitled to receive the benefit of this law. According to the data supplied by the responding units, only two mechanised factories at Calcutta have instituted provident Funds schemes under the Act. Only one of these two units has furnished information regarding the number of workers who were members of the fund. In April 1957, 782 employees were members of the Fund in this unit. The remaining factories had not made any provision for the future of their workers.

Relief to retrenched workers -The lac trade faced a severe slump in 1952 and consequently a number of factories closed down causing large-scale unemployment. The situation was considered by the Bihar Central Labour Advisory Board, which recommended the appointment of an enquiry committee. In pursuance of this recommendation the Government of Bihar constituted a Shellac Enquiry Committee early in 1955. One of the terms of reference of this Committee was to recommend "measures of relief. componsation and re-employment of the workers laid-off or retrenched ........................ Among other things, the committee recommended that the employers and employees of shellac factories should try to reach agreement for giving relief to workers retrenched or laid-off. The suggestion was implemented by the Bihar Government and an agreement was arrived at in February 1955 between the employers and employees in lac industry. According to this agreement any worker who had worked for less than 140 days botween 1 April 1955 and 31 March 1956 was to be given retrenchment relief on the following basis:-

Category of workers	Conditions of Eligibility	Relief
Monthly rated	More than one year of continuous service.	Ton days' wages for every year of service subject to a maximum of two months! wages.
Daily-rated and piece- rated	-Do-	One to two weeks wages depending on the length of service.

It is learnt from the State Government that the agreement was implemented by almost all the factories. It has, however, not been renewed after its expiry.

Industrial relations.— As is often the case with industries which are scattered and run on a small scale basis, workers in the shellac industry are mostly unorganised. The information collected during the course of the field enquiry shows that there were 10 trade unions - 5 in West Bengal (one each at Balrampur, Jhalda, Thulin and 2 at Calcutta), 2 in Bihar (one each at Pakur and Daltonganj) and one each in Uttar Pradesh (Mirzapur), Madhya Pradesh (Umeria) and Bombay (Gondia). The total membership of four of these unions during 1956-57 was 1,903. No data regarding the income and expenditure of any of the unions tre available.

Works Committees, intended to maintain cordial relationship between workers and employers, existed only in five out of 104 units covered by the present enquiry - 2 in Calcutta, 2 in Jhalda and one in Garhwa in the Palamau District of Bihar. In the Calcutta units committees consisted of five representatives each of workers and management. Committees at Jhalda and Garhwa consisted of five representatives of labour and two of managements. All the five workers committees were reported to be functioning satisfactorily.

(Indian Labour Gazette, Vol. XV, No.7, January 1958, pp. 630-647).

#### Kerala Factories Rules, 1957.

The Government of Korala published on 24 December 1957, the Kerala Factories Rules, 1957, made in exercise of the powers conferred under the Factories Act, 1948. The rules deal inter alia, with procedure for registration and grant of licence to occupier of every factory, powers and duties of the inspecting staff and certifying surgeon, rules relating to health and safety, special rules for match factories, cotton textile factories, wood-working machinery, rubber mills, jute mills, tea factories, brick and tile works, decorticating factories and printing presses, provisions regarding first aid appliances, ambulance room, canteens, shelters, creches, rest rooms and lunch rooms, provisions relating to working hourse of adults, employment of young persons, leave with wages and special provisions relating to dangerous operations.

The rules repeal the Travancore-Cochin Factories Rules, 1952, and the Madras Factories Rules, 1950, in its application to Malabar district.

(Notification No.D.Dis. 4373/57/L & LAD, dated 12 December 1957; Kerala Gazette, No.52, dated 24 December 1957, Part I, Sec.IV, pp. 1-152).

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

#### India - February 1958.

### Kerala Factories (Welfare Officers) Rules, 1957.

The Government of Kerala gazetted on 31 December 1957 the Kerala Factories (Walfare Officers) Rules, 1957. made in exercise of the powers conferred under the Factories Act, 1948. The rules which repeal the Welfare Officers (Recruitment and Conditions of Service) Rules, 1952, and the Madras Factories (Welfare Officers) Rules, 1953, in so far as they apply to certain territories in the State, provde that the occupier of every factory employing ordinarily between 500 and 2,000 workers per day shall appoint one welfare officer. Where the number of workers ordinarily employed per day exceed 2,000, an additional welfare officer shall be employed for every 2,000 workers or fraction thereof over 500. In factories where 300 or more women workers are ordinarily employed per day there should be appointed a women welfare officer. The rules also prescribe the qualifications, conditions of service and duties of welfare officers.

(Notification No.DDis 4668/57/L & LAD dated 18 December 1957; Kerala Gazette, No.53, Part I, Section IV, 31 December 1957, pp. 1-4).

#### 59. Social Research.

#### India - February 1958.

## Elementary Education Expansion: All-India Council to stop up Pace.

The Government of India has set up an All-India Council of Elementary Education in order to accelerate the pace of expansion of elementary education and to fulfil the directive of Article 45 of the Constitution.

Article 45 says that the State shall endeavour to provide, within ten years from the commencement of the Constitution for free and compulsory education for all children until they complete the age of 14 years.

The Council will consist of 21 members, with Shri K.G. Saiyidain, Secretary, Ministry of Education as Chairman.

The Council among other things will advise the Central and State Governments and local bodies on all matters relating to elementary education. It will review from time to time the progress made in the field of elementary education and especially in implementing the directive of Article 45 and make such recommendations as may be necessary to achieve the early implementation of this Article. It will also produce or assist in the production of literature which will help the officers of the education department and teachers to improve the quality of elementary education and to enforce compulsory attendance. It will conduct sample surveys to undertake special investigations and will generally advise the Government on all matters in order to provide proper guidance, leadership and co-ordination for the improvement and expansion of elementary education.

(The Hindustan Times, 10 January 1958 ).

#### CHAPTER 6. GENERAL RIGHTS OF WORKERS.

#### INDIA - FEBRUARY 1958.

64. Wago Protection and Labour Clauses in Employment Contracts with the Public Authorities.

Payment of Wages (Amendment) Act, 1957 (No.68 of 1957): Provision Made for Extension of Act to Larger Category of Persons.

The Payment of Wages (Amendment) Bill (vide pp.54-57 of the Report of this Office for December 1957), as passed by Parliament received the assent of the President and gazetted as Central Act No.68 of 1957.

The amendments made by the Act relate to sections, 1, 2, 3, 7, 14 and 17, of the principal Act, and a new section 17A has been inserted in the said Act. The original Act applied to persons drawing an average of 200 rupees per month as wages or salaries. The benefits of the Act have now been extended to a larger category of persons by raising the existing wage limit of 200 rupees per month to 400 rupees per month. The other important provisions of the amending Act relate to the extension of the Act to Aconstruction industry and revision of the definition of the term "wages" so as to include any remmeration payable under any award or settlemen t or order of a Court. The Act further provides that deductions in wages consequent upon imposition of punishment under the service rules will be authorised deductions under the Act. It also enables deductions to be made from the wages of workers on account of house rent, and insurance promin, if authorised in writing by the employee concerned. By the amending Act, the workers have been authorised to subscribe to Government securities like the National Plan Loan, National Cash Certificates and deposits in Post Office Savings Banks in pursuance of Saving Schemes. Besides, a provision has been made for an appeal against an order dismissing a claim. The new Section 17A has been added to safeguard the interest of workers where the recovery in execution of a direction made by an authority under the Act takes a long time, and where arrears of wages also do not get sufficient priority in case the concorn is wound up. In order to meet such cases it empowers the authority to order conditional attachment of the property of the employer or other persons responsible for the payment of wages where it is apprehended that the employer etc., is likely to evade payment.

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(The Gazette of India, Extraordinary, Part II, Section 1, dated 30 December 1957).

#### 65. Collective Agreements.

#### India - February 1958.

# Collective Agreement at Assam Oil Company: Payment of Dearness and House Allowances.

A short-term agreement was recently arrived at between the Assam Oil Company Ltd., and the Assam Oil Company Labour Union in respect of 'dearness and House' allowance. The agreement which was sipped at Digboi (Assam) on 12 July 1957, applied to all employees of the Company drawing basic pay up to 280 rupees per month and will remain in force up to the end of 1959 and thereafter until such time as either party requests negotiation on these matters. The main features of the agreement are as follows:-

Dearness Allowance. The parties agreed to abolish the distinction in the matter of payment of dearness allowance between the pay groups below 50 rupees and 50 rupees to 100 rupees per month.

They also agreed to accept the cost of living index figures with 1954 as the base - 100 produced by the company for the period prior to the agreement. It was further made clear that when the index exceeded 100, the value of each point change in accordance with the monthly cost of living index would be worked out in the same way as the cost of living index for the months of April and May 1957, i.e., thirteen annas or 81 nP. Similarly, for the index below 100, the value of each point change in accordance with the monthly cost of living index was fixed at eight annas or 50 nP.

The cost of living index for the months of April, May and June, 1957 would apply directly to dearness allowance for those months. Thereafter, the cost of living index for any one month would apply to dearness allowance for the following month. For example, for the month of July 1957, the index figure for June would apply and for the month of August, the index for July.

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The Labour Bureau of the Company was made responsible for collecting prices and working out the index for each month. The prices and calculations would normally be completed within 7 days of the end of any one month. A committee of four comprising two representatives each of the management and the executive of the union would scrutinise and approve the aforesaid data before the 10th day at the end of the month. The General Manager of the Company would authorise payment of the dearness allowance each month on the basis of the findings of this committee. The arear payments of dearness allowance for the period April-June were agreed to be made with the wages of August month.

House Allowance. The Company and the union agreed to pay House Allowance to employees earning up to and inclusive of 280 rupees per month with effect from 1 July 1957 at the following rates:

- (i) Employees receiving basis pay equivalent to 37 rupees 6 annas to 80 rupees per month 10 per cent of basic pay plus 4 rupees per month, subject to a minimum of 8 rupees.
- (ii) Employees receiving basic pay equivalent to 81 rupees 4 annas to 105 rupees 10 annas per month 10 per cent of basic pay plus 5 rupees per month.
- (iii) Employees receiving basic pay equivalent to more than 105 rupees 10 annas per month 10 per cent of basic pay plus 6 rupees per month.

(Indian Labour Gazette, Vol.XV, No.7, January 1958, pp. 692-693).

#### 67. Conciliation and Arbitration.

India - February 1958.

### Labour-Management Relations in the W.S.A.: Report of Indian Tripartite Team.

In pursuance of a suggestion made at the Industries Development Committee meeting held in Bombay in August 1951, the Government of India sent a tripartite team to the United States early in 1953, under the Point Four Programme, to make a study of labour management relations. In the course of its study tour, the team held discussions with the federal and state agencies, employers' and workers' organisations, local authorities and representatives of educational institutions interested in labour problems. It visited a number of plants and trade schools. Also included in the team's programme was a visit to the T.V.A. After their return to India, the members of the team made a joint report to the Government of India. This report contains a number of suggestions as to how far India can benefit from the American experience in the field of labour management relations. A brief review of the report is given below.

The American background.— The report states in the beginning that in any assessment of the American experience, it is necessary to keep in mind the basicharacteristic of the American people viz., their strong individualism and dislike of Government intervention beyond maintenance of law and order and the provision of essential services. So strong is this characteristic that it has its imprint on all organisations and activities of the Americans, and labour-management relations are no exception. It is clearly reflected by the constitution and mode of functioning of workers as well as employers organisations.

After reviewing the history of labour legislation in the U.S.A. and the provisions of the Taft Hartley Act, the report states that to compare American practices and legislative provisions for the settlement of labour management disputes with those obtaining in India is to draw parallels between two dissimilar experiences. In the United States, from the deliberate effort on the part of the legislature to lend a helping hand to trade unions, the pendulum has swung back to the other side of curbing the strength of the union movement. In India on the other hand, from a mere fact finding enquiry which the Government had the power to order in prewar days, the position has moved to compulsory arbitration to maintain un-interrupted the flow of industrial production. Even so, a comparative study of the experience of both countries is useful for the lessons which it might yield.

Standing Orders. There are no statutory standing orders in the United States. The collective bargaining contracts cover almost all items which form the subject matter of standing orders in India. There is a large diversity in the provisions on account of local conditions, including the strength of weakness of the labour organisation in the local area. While this flexibility is a limited advantage, a definite disadvantage is the lack of even a minimum amount of statutory security in this regard in places where no contracts exist.

Works and Production Committees .- In America, there are no statutory works committees or production committees. However, works committees do function in places where, in practice, they are found beneficial to both workers and industries and do not jeopardise the interests of the trade union movement. Irrespective of the existence or otherwise of formal works committees, complete co-operation exists between the parties in all matters relating to improvement of working conditions and Health and safety of the employees. With regard to production committees, there are various forms of consultation between employers and employees ranging from individual or group suggestion systems at the department or plant level to consultation for the industry as a whole at the national level. Though in mass production processes of the assembly line type it is becoming increasingly difficult to assess the value of an individual offort at more officient production and offer a commensurate reward to encourage better industrial efficiency, the suggestion system with porsonal reward does exist in the American industrial economy and is becoming more fashionable. Particular mention may be made about the "Seanion Plan" which is a winning combination of a suggestion system, an incentive plan and profit sharing with co-operation between management and workers at all times and at all levels.

Notice of Change. The Taft Hartley Act lays down that in case of writing a new contract, a sixty days! notice is to be given by one side to the other and this period is to be used by both parties to come to a sottlement. In case of demands with wide financial implications, the unions sometimes formulate their demands even a couple of years in advance in order to prepare the ground for discussion with the management and also to educate the public.

Conciliation and Arbitration. The conciliation procedure in industries which do not fall under the national emergency provisions in America is largely the same as that obtaining in the non-public utility industries in India. The conciliation machinery has been found useful in both the countries. In India, however, a time limit is prescribed for the efforts of the conciliation machinery even in non-public utility industries. In the United States, such efforts can go on endlesly. Boards of enquiry for fact finding are provided for in both the countries; but, whereas they have to be used to America in national emergency disputes, their use in India is extremely rare in view of the provision for authorities with higher sanctions under the Industrial Disputes Act.

There is a definite opposition in America, on the side of both employers and workers to the idea of compulsory arbitration of our conception. Compulsory arbitration, therefore, does not exist in the United States. The small element of compulsion introduced during the War through the War Labour Board and the Wage Stabilisation Board was only grudgingly accepted as an emergency measure.

Modification and Rejection of Awards. In India, this term means the right of the executive to modify or reject an award of an adjudicator. In the United States, however, though there can be modification or even rejection of an award by agreement between the parties themselves, any action by a third party in this behalf is unknown.

Restrictions on Strikes and Lockouts - In India, it is left to the Government to decide the cases in which the right to strike should be allowed a free play and those in which it should not. But, the Americans consider restrictions on strikes as equivalent to restrictions on collective bargaining. The threat of strike has come to be considered as a pre-requisite to collective barganining. As a result, there is in the United States an unrestricted right for direct action, except where such right is circumscribed by contractual or statutory obligations. Voluntary labour management contracts in America, providing for prohibition of strikes and lockouts, number about 85 to 90 thousand. Thus, what has been done in India by statute obtains in the U.S. as part of contractual obligation and healthy tradition. Strikes, however, get an undue share of publicity everywhere. To counteract this one-sided influence, the National Planning Association in America started publishing a series of studies entitled "Factors in Successful Collective Barganining" in which an analytical study was made of establishments with a fairly long history of industrial peace. This useful move should be copied in this country.

Dismissals and Retrenchment. In the U.S.A. the only legal restriction on the employer's right to discharge are the Federal and State Acts which prohibit discharges for union activities or membership. The Selective Services Act also stipulates that veterans should not be discharged without cause within a year of their appointment. American trade unions have never opposed technological changes leading to higher productivity, because employment opportunities are available in plenty. Conditions in India are, however, different and one cannot lose sight of the fast that employment opportunities in this country are limited. One has, therefore, to minimize the incidence of dismissals and discharges and for this, the employer and the trade union concerned should evolve a suitable machinery for prior consultation regarding the propriety of such punishments.

Representation of parties. The elective system of the type prevailing in the United States will have serious limitations in India as trade unionism in India has not yet progressed to the same extent as in America. A suitable variation of the system which permits representation by unions in the industry on the basis of their membership claim tested through a Government agency may be adopted. Such a system should also envisage the existence of alternative unions in the field which can effectively challenge and oust the existing leadership, if the workers so desire.

Authorities under labour relations legislation. As a result of difference in basic approach in the two countries, there are a variety of authorities under the Industrial Disputes Act in India while the corresponding number under its American counterpart is limited. There are complaints in both the countries that labour legislation has become a happyhunting ground for lawyers. While this has given rise to statutory excludion has not been found necessary in the United States in view of the financial strength of the American unions.

y lawyers from certain proceedings in India,

The number of authorities under any labour relations legislation has to be reduced to a minimum to facilitate smooth implementation of the legislation itself. For example, in India, the function of deciding the representative character of trade unions could be entrusted to the registrars of trade unions. There is also no point in retaining both the conciliation officer and the conciliation boards, especially when industrial tribunals are there with cortain sanctions. While in the actual handling of a case by a conciliation officer in the United States and a good conciliator in India there seems to be no difference, India could learn a good deal from American in the matter of the mode of selection of these officers their initial training after selection and the opportunities offered to them at regular intervals for refresher training. Tho success of the conciliation system in America is attributed to (i) ample time allowed to the conciliation officer with no time limit and no other work, and (ii) the real desire of parties' to settle the differences instead of treating conciliation proceedings as a mere legal formality.

Basic Policy.— Any comparison of Indian labour legislation with the number of administrative orders in America would be inappropriate as in the latter country, voluntarism is the rule and administrative orders have to be an exception. As to the labour and social legislation in the two countries, parallels, if they must be drawn at all, should be not between legislative provisions alone, but between such provisions plus the contractual obligations as have sufficient sanctions for enforcement.

As for labour legislation itsalf, stress should always be laid on making it simple so as to give the parties to a dispute an expeditious decision. In this connection, it may be relovant to point out that even the comparatively simple machinery under the Taft Hartley Act has been blamed by the American Labour as leading to delay in settlement of disputes. Secondly, active steps should be initiated to encourage trade unionism if the aim is to secure a greater measure of responsive co-operation on the part of the trade unions. The existing degree of responsiveness in the American trade union movement to the economic life of the country is, in a large measure, due to the acceptance by the American community in the 'New Deal' regime of trade unionism as a necessity. A conscious attempt was made in the legislation then passed to promote healthy trade unions and the President permitted his name to be associated with unions' drive for membership.

Collective bargaining can thrive only in an atmosphere of mutual confidence. The role of Government should be to see that such atmosphere is created and maintained. Legislation on industrial relations will have to be undertaken with this end in view. The American Government has been playing this role very effectively during the last 20 years, sometimes throwing its weight on the side of the workers and at other times on the employers. This is not to say that the element of compulsion should be completely ruled out of labour management relations. A judicious use of the instrument of compulsion would considerably lessen any damage which might be caused to collective bargaining. In order to give a fair trial to collective bargaining in India, the distinction between public utility industries and non-public utility industries under the present scheme of arbitration in the former and collective bargaining in the latter should be done away with; and the country should adopt a uniform system whereby it will be giving a fairer trial to collective bargaining. The classification of industrial establishments into two groups is also artificial in as much as we cannot afford interruption of industrial production anywhere during our five year plans.

(Indian Labour Gazette, Vol. XV, No.7, January 1958, pp. 623-630 ).

68. Labour Courts.

India - February 1958.

# Definition of Section 2(K) of the Industrial Disputes Act, 1947: Supreme Court's Judgment.

Section 2(K) of the Industrial Disputes Act, 1947, defines an industrial dispute as any dispute or difference between employers and employers or between employers and workmen or between workmen and workmen, which is connected with the employment or non-employment or the terms of employment or with the conditions of labour of any person.

The Supreme Court by a majority judgment delivered on 2 February 1958 prescribed two tests to determine whether a dispute pertaining to a person who is not a workman is an "industrial dispute" within the meaning of Section 2(k) of the Industrial Disputes Act, 1947.

They are: (1) The dispute must be a real dispute between the parties to the dispute so as to be capable of settlement or adjudication by one party to the dispute giving necessary relief to the other; and (2) the person regarding whom the dispute is raised must be one in whose employment, non-employment, terms of employment or conditions of labour (as the case may be) the parties to the dispute have a direct or substantial interest.

On the discharge of Dr.K.P. Banerjee, Assistant Medical Officer of the Dimakuchi Tea Estate, the workmen made a domand for his reinstatement and this dispute between the parties was referred for adjudication to an Industrial Tribunal by the Government of Assam. The management of the estate contested the adjudication on the ground that Dr. Banerjee was not a 'workman' as defined in the Industrial Disputes Act and therefore there was no "industrial dispute" which could be the subject of an adjudication by the Tribunal. It was urged by the management that according to the decision of the Full Bench of the Labour Appellate Tribunal a dispute under the Act could only relate to "workmen".

The Industrial Tribunal came to the conclusion that Dr. Banerjee was not covered by the definition of "Workman" and since a dispute could not be raised about a non-workman, there was no industrial dispute in which the Tribunal had jurisdiction to grant any relief or make an adjudication on merits. The Labour Appellate Tribunal in appeal against this decision came to the same conclusion and upheld the decision of the lower tribunal, whereupon the workmen obtained special leave to appeal to the Supreme Court.

Dismissing the appeal preferred on behalf of the workmen of the Dimakuchi Tea Estate, Assam, Shri Justice S.K. Das, who delivered the Court's judgment, observed: "Having regard to the scheme and objects of the Act and its other provisions the expression 'any person' in Section 2(k) of the Act must be read subject to such limitations and qualifications as arise from the context.

"Where the workmen raise a dispute against their employer, the person regarding whose employment, non-employment, terms of employment or conditions of labour the dispute is raised need not be, strictly speaking, a "workman" within the meaning of the Act but must be one in whose employment, non-employment, terms of employment or conditions of labour the workmon as a class have a direct or substantial interest."

Actor examining relevant provisions of the Act at longth, the Court remarked that the definition contained in Section 2(k) had to be interpreted in the context of thevarious provisions of the Act. "It seems fairly obvious to us that if the expression 'any person' is given its ordinary meaning, then the definition will be so wide as to become inconsistent not merely with the objects and other provisions of the Act but also with other parts of the very Section. Let us see how the definition clause works if the expression 'any person' occurring theroin is given its ordinary meaning. The workmen may then raise a dispute about a person with whom they have no possible community of interest. It is obvious that a dispute between employers and employers, employers and workmen, or between workmen and workmen, er biween workmen and workmen must be a real dispute capable of settlement or adjudication by directing one of the parties to the dispute to give necessary relief to the other. It is also obvious that the parties to the dispute mustbe directly or substantially interested therein, so that if the workmon raise a dispute, it must relate to the establishment or part of establishment in which they are employed.

The expression 'any person' in the definition Section means, in our opinion, a person in whose employment or non-employment or terms of employment or conditions of labour the workmen as a class have a direct or substantial interest and with whom they have a community of interest.

"We recognize that solidarity of labour movement or general interest of labour welfare may furnish, in some cases, the necessary nexus of direct or substantial interest in a dispute between the employers and workmen, but the principle of solidarity of labour movement or general welfare of labour must be based on or correlated to the principle of community of interest; the workmen can raise a dispute in respect of those persons only in the employment of non-employment or the terms of employment or conditions of labour of whom they have a direct or substantial interest.

Applying the tests prescribed to the present case, the court held that Shri Banerji was not a "workman". He belonged to the medical and technical staff - a different category altogether from workmen. The Karmachari Sangha could not, therefore, have any direct or substantial interest in his employment or non-employment.

Dissenting from, the majority view, Shri Justice Sarkar held that a dispute concerning a person who was not a workman could be an industrial dispute within the meaning of Section 2(k). "I would not make interest of the workmen in the dispute a condition of the existence of an industrial dispute. The Act does not do so. It would be impossible to define such interest and such a condition would defeat the object of the Act.

PIt is not for the court to lay down rigid principles of interest which interfere with the Government's discretion for that might defeat the object of the Act. It is not necessary to say that a dispute is an industrial dispute only when the workmen are interested in it. Such a test would make it justiciable by courts and also introduce a rigidity in the application of the Act which is incompatible with the fast changing concepts it has in view and so defeat the object of the Act."

(The Hindustan Times, 5 February 1958; The Statesman, 5 February 1958).

### Workers' Participation in Management Scheme to be introduced in Certain Public Undertakings.

According to a statement laid on the table of the Rajya Sabha by the Deputy Labour Minister, the Government has decided to introduce the scheme of labour participation in management in certain undertakings in the public sector.

The undertakings under the Central Government are:
(a) Argada Colliery, Hazaribagh; (b) Hindustan Machine Tools Factory, Bangalore; and (c) Eastern Railway Printing Press, Calcutta.

The undertakings under State Governments are: (a) State Transport, Hadras; (b) State Transport, Trivandrum; (c) Public Works Department Workshop, Trivandrum; (d) Government Ceramic Concerns, Kundra; (e) State Transport Corporation, Bombay; (f) Government Central Press, Bombay; (g) Printing and Stationery, Chandigarh; (h) Roadways, Madhya Bharat; and (i) Electricity Corporation, West Bengal.

(The Indian Worker, Vol.6, No.23, 10 March 1958).

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

India - February 1958.

Workers' Participation in Management: Schomes introduced so far.

In reply to questions in the Lok Sabha, Shri Abid Ali, Deputy Minister for Labour stated that according to the decision taken in the Tripartite Sub-Committee on worker participation in management, the scheme is to be tried on a voluntary basis in about 50 units and that the steps were being taken to implement the said decision. Four units, namely, (i) the Tata Iron and Steel Co., Jamshedpur, Bihar, (ii) the Simpsons Group of Industries, Madras, (iii) the Modi Spinning and Weaving Mills Co.Ltd., Modinagar, U.P. and (iv) the State Transport, Madras, had already allowed their workers to participate in the management.

As regards Departmental Production Committees constituted on a tripartite basis, he stated that these Committees formed part of the general scheme of labour participation in management. Three units, viz., (1) the Tata Iron and Steel Co., Jamshedpur, (ii) the Endian Aluminium Co.Ltd., Belur and (iii) the Modispinning and Weaving Mills Co. Ltd., Modinagar, U.P. and have recently introduced Production Committees as part of Labour Co-operation in management.

(Indian Labour Gazette, Vol. XV, No.7, January 1958, page 691 ).

## CHAPTER 7. PROBLES PECULIAR TO CERTAIN CATEGORIES OF WORKERS.

### INDIA - FEBRUARY 1958.

71. Employees and Salaried Intellectual Workers.

### Survey of Graduate Unemployed: Delhi University Scheme.

An employment pattern survey has been introduced in Delhi University to analyse the causes of unemployment among its alumni.

Launched by the University in collaboration with the Planning Commission and the Hinistry of Labour and Employment, the survey is expected to be completed in nine months. Over 3,000 graduates and post-graduates of the University of 1950 and 1954 are to be interviewed. The services of officers of regional employment exchanges have been requisitioned to locate the University's alumni whose addresses are not known.

Initially a batch of 40 will be interviewed for a pilot inquiry. Business reply cards are to be sent to all the graduates by the Employment Survey Office at the Delhi School of Economics and the authorities have appealed to the graduates to give the survey all help.

Investigation of the relationship between the instruction given in the various departments of the University and the occupations the graduates subsequently take up is one of the main objects of the survey. It should also help in determining the extent to which university education had proved useful to people in the performance of their jobs.

On 6 February 1958, explaining the project to the Press, Dr. V.K.R.V. Rao, said that besides paving the way for an employment counselling service, it was hoped that the data thus collected would also be helpful to the University when changes in curricula were considered.

The group of 1950 had been chosen because the graduates of that year will have had an employment history of some years; and the 1954 group was selected as it was still fresh from university education. Each alumnus would be interviewed according to specially prepared plans for information on employment, education, family and socio-economic status. Separate questionnaires have been prepared for women and parents and about 30 per cent of the latter are expected to be interviewed. Employers might also be interviewed in the later stages of the survey.

(The Statesman, 7 February 1958).

### 74. Indigenous Labour.

### India - February 1958.

### Conference of State Ministers on Backward Classes: Fresh Approach to Harijan Uplift to be made.

A Conference of the  $S_{t}$ ate Ministers on Backward Classes was held at New Delhi on 14-15 February 1958.  $T_{vo}$  achievements distinguish the conference from similar gatherings in the past.

First, the conference seems to have realized that the country's objective should be to assimilate Harijans and other Backward Classes with the rest of the community on terms of equality rather than to ameliorate their conditions in continued isolation.

Perhaps for this reason, the assembled Ministers passed a resolution, promptly and unanimously, declaring that separate colonies and exclusive institutions and hostels for Harijans should cease.

It was agreed that in existing exclusive Harijan institutions a certain percentage of non-Harijans and in general institutions a certain proportion of Harijans should be admitted forthwith.

Housing schemes. The conference also recommended that in future financial help should be given by the Government to only those co-operative housing societies which undertook to build dwellings for Harijans and others together.

The second achievement of the conference was a realistic reappraisal of the continuance of the evil of untouchability despite its having been outlawed.

While regretting this state of affairs, the conference recognised that the propaganda techniques of the social workers now engaged in countering the cult of untouchability were perhaps faulty.

A proper training programme for teaching social workers improved propaganda tech iques was therefore favoured and the conference thought that the machinery of the Zonal Councils could be used for this purpose.

Simultaneously, however, the conference was of the view that rooting there should be a time limit for rooting out untouchability. It is learnt that the end of the second Five Year Plan was generally considered a suitable target date.

Shri Govind Ballabh Pant, Union Home Minister, in his address to the concluding session, said that there was not enough land to go round and therefore Harijans and others should place more reliance on cottage industries.

The problem of marketing goods produced at cottage industry centres should be solved by setting up special sales and distributing agencies. Funds for these might be drawn, if necessary, from the 2,000 million rupees allocation made for co-operative societies in the second Plan, the Union Home Minister said.

(The Statesman, 17February 1958).

#### CHAPTER 8. MANPOWER PROBLEMS.

INDIA - FEBRUARY 1958.

81. Employment Situation.

### Pattern of Graduate Unemployment: Study published.

The Ministry of Labour and Employment published its first study dealing with the pattern of graduate unemployment. This is the first of a series of employment and unemployment studies prepared by the Manpower Division of the Directorate of Employment Exchanges (D.G.R. & E.) in the Ministry of Labour and Employment. Much of the information has been derived from records maintained by the employment service. The purpose of the study is to highlight the salient characteristics of unemployment among graduates and to assess as far as possible the extent and nature of the problem.

All Employment Exchanges were required to render an ad hoc return to the D.G.R. & E. giving the particulars of every graduate who was registered with them for employment assistance on the 15th May, 1957. The identity of individuals was not to be disclosed. Separate lits were called for in respect of male and female graduates. The following particulars were called for in the return in respect of each graduate:— (i) The trade index number indicating the job for which he was registered. (ii) The degree (s) which had been asarded. (III) The main subject taken for the degree. (iv) The class secured. (v) Age as on 30 April 1957. (vi) Previous employment, if any.

Returns were received from 151 out of the 153 exchanges which were functioning all over the country as on the date of the return. These returns have been tabulated and an analysis made of the pattern of unemployment based on the particulars so obtained.

Number of graduates unemployed.— There were 25,297 graduates who were unemployed in May 1957. Of these 24,425 (92.8 per cent) were men and 1,872 (7.2 per cent) were women. The table below shows a Statewise distribution of the number of graduates unemployed classified by sex.

#### Number of unemployed graduates

State	Hen	Women	Total	Percentage
Andhra	1,960	58	2,015	7.7
Assem	127	7	134	0.5
Bihar	973	7	980	3.7
Bombay	3,011	429	3,440	13.1
Dolhi	2,788	312	3,100	11.8
Himachal Pradesh	13	2	15	••
Korala	1,108	344	1,452	5.5
Hadras	1,457	114	1,571	6.0
Madhya Pradesh	523	14	537	2.0
Mysore	1,347	141	1,488	5.7
Orissa	186	2	188	0.7
Punjab	1,131	81	1,212	4.6
Rajasthan	469	21	490	1.9
Uttar Pradesh	4,246	79	4,325	16.5
West Bengal	5,077	264	5,341	20.3
Tripura	9	<b>-</b>	9	-
•				
TOTAL.	24,425	1,872	26,297	100.0

Note:- No information was available from State or Union Territory not mentioned as there were no Employment Exchanges functioning as on the date of return.

From the point of view of numbers, unemployment among graduates was severe in West Bengal, Uttar Pradesh, Bombay and Delhi. The number of graduates women registered as unemployed was higher in Bombay, Delhi, Kerala and West Bengal than in other States.

All the graduates were classified according to the highest degree secured by them in their collegiate career, as shown in the table below:-

#### Graduates by degrees

Degree	Total	Percentage
B.A.	12,512	48.5
B.Sc.	5,855	22.7
B.Com.	3,311	12.8
B.A. (Hons.)	490	1.9
B.Sc(Hons.)	179	0.7
H.Com(Homes)	33	0.1
M.A.	1,844	7.2
M.Sc.	634	2.5
M.Com.	443	1.7
M.B.B.S./M.B./M.S	159	0.6
B.E./A.M.I.E./B.Sc(Engg.)	251	1.0
Others	74	0.3
TOTAL.	25,785	100.0

Of the total graduates unemployed, 84 per cent were those who held only a Bachelor's degree, i.e., B.A.,B.SC., and B.Com. Among these again the largest were those who held a degree in Arts followed by those with a degree in Science or Commerce. This order is also true in respect of those who held a Master's degree, i.e., M.A., M.Sc., and M.Com. or an Honours degree, i.e., B.A. (Hons), B.SC(Hons), and B.Com(Hons). Unemployment was, however, not so acute in the case of those who had a professional degree as in medicine/surgery or a degree in engineering.

Out of 25,785 who were unemployed, 2,351 were known to be double degree holders and 39 were triple degree holders. Among the double degree holders, 1,226 had a degree in law, 780 in teaching and 121 in commerce. Similarly, among the triple degree holders, 20 had obtained a degree in law and 16 in teaching.

Incidence of unemployment.— In order to examine the relative incidence of unemployment among various degree holders, it is necessary to take into consideration their supply in the employment market. While the total number of graduates in the employment market is not available, the annual out-turn from universities will provide an indication of the annual addition to the labour force. The number of students who passed degree examinations all over the country was 75,504 in 1952-55, 86,678 in 1953-54 and 97,834 in 1954-55 giving an average of 86,672 during these three years.

The average number passed out during these years in each degree was expressed as a percentage of the total. Comparing this with the percentage of unemployed registrants with the same degree, a ratio was obtained which indicates the severity of unemployment inter se among different degree holders as follows:

Relative incidence of unemployment, among B.A. degree holders

Percentage of B.A.'s to the total unemployed graduates on Live Register of Exchanges

Percentage of B.A's to the total graduates who passed out of universities.

The above comparison assumes that the same proportion of unemployed graduates with different degrees register at employment exchanges.

The following table shows the relative incidence of unemployment among graduates holding different degrees computed on the basis explained above.

### Relative incidence of unemployment among graduates

Degree •	Percentage of registrants to total on Live Register.	Percentage of out-turn in each degree to total (all degrees).	Col.(2) divided by Col.(3).
	40°E	70.0	7.0
B.A.	48.5	39.2	1.2
	22.7 12.9	16.1	1.4
B.Com.&B.Com(Hons)	- 12.9	8.1	1.6
B.Com.&B.Com(Hons)	- 12.9 - 1.9	8 <b>.</b> 1 2 <b>.</b> 4	1.6 0.8
B.A. (Hons)	- 12.9 - 1.9 - 0.7	8.1 2.4 1.2	1.6 0.8 0.6
B.A. (Hons)————————————————————————————————————	- 12.9 - 1.9 - 0.7 - 7.2	8.1 2.4 1.2 9.5	1.6 0.8 0.6 0.8
B.Com.&B.Com(Hons)	12.9 1.9 - 0.7 - 7.2 - 2.5	8.1 2.4 1.2 9.5 2.6	1.6 0.8 0.6 0.8 1.0
B.Sc.  B.Com.&B.Com(Hons)  B.A. (Hons)  B.Sc (Hons)  M.A.  M.Sc.  M.Com.	- 12.9 - 1.9 - 0.7 - 7.2	8.1 2.4 1.2 9.5	1.6 0.8 0.6 0.8

It is seen that unemployment is relatively higher among those holding B.Com. and B.Com(Hons) degrees than those with B.Sc. and B.A. degrees. It is also seen that unemployment among M.Com's is more acute then among M.Sc's and M.A's.

Among unemployed graduates 2.3 per cent had secured first class degrees, 24.8 per cent second class degrees, and the remaining 72.9 per cent third class degrees including those who took degrees where no class was assigned. Considering, however, the relative incidence of unemployment among first class graduates B.Com's were placed in a better situation than B.A's and B.SC's.

Age distribution. Analysing the age composition of the unemployed graduates, 65.4 per cent were aged below 25 years, 31.2 per cent between 25 and 35 years while the remaining 5.4 per cent were aged 35 and above.

Pregious employment.— Considering the past relation—ship of the unemployed graduates with the employment market either before or after the degree was obtained, 76.7 per cent had no previous employment and were seeking jobs for the first time, while only 25.5 per cent had some previous employment to report. Hearly 24 per cent of the unemployed graduates holding B.A. and B.Com. degrees were previously employed in some capacity or other, whereas only 15 per cent of those holding B.St. degree reported having such experience.

Employment sought.— Analysing the unemployed graduates according to the nature of the employment they sought, 60.4 per cent (15,580) were registered for clerical jobs, 19.5 per cent (5,035) for professional and technical jobs, 15.7 per cent (4,058) for administrative and executive posts and the remaining 4.4 per cent for other types of jobs.

Among the graduates seeking work in clerical occupations 14,822 desired to be considered as clerks or assistants, 522 as accounts clerks, 102 as stenographers, 66 as typists, 63 as computers and 5 as punch operators.

Among the graduates seeking employment in professional and technical jobs 2,488 were registered for the teaching profession, 1,320 for posts of physical scientists such as chemists, laboratory assistants, geologists and demonstrators, 244 as engineers, 169 as doctors and 143 for legal occupations. Among the others were included 352 seeking jobs as Accountants/Auditors, 139 as Statisticians, 31 as Botanists, 11 as Zoologists and 12 as Entomologists.

Of the graduates seeking administrative and executive occupations 3,357 were registered as inspectors, 218 as investigators, 80 as office superintendents and 409 for other types of jobs.

(National Employment Service, Ministry of Labour and Employment (D.G.R.& E.); The Pattern of Graduate Unemployment, New Delhi, December, 1957, pp. 15 + tables).

### Employment Exchanges: Working during November 1957.

General Employment Situation .- According to the review of work done by the Directorate-General of Resettlement and Employment during the month of Hovember 1957, an accelerated tempo of employment exchange activity was observed during the month under review. Registrations, including re-registrations, recorded agains a rise of 34,741 and the figure stood at 173,529. As against 5,220 during October 1957, 6,096 employers utilised the services of the employment exchanges during November 1957 and made available to them 26,675 vacancies whichwas 3,767 more than those notified during the provious month. In keeping with the rise in registrations and vacancies notified the number of placements secured also recorded an increase of 3,252 being 17,641 during November 1957. The effect of an increase in registrations was felt on the live register which stepped up by 20,495 and stood at a record figure of 886, 283 at the end of the month.

Widespread shortage continued to persist in respect of trained teachers, draftsmen, overseers, experienced stenographers, typists, compounders, mid-wives and nurses. Shortage in respect of experienced civil, mechanical and electrical engineers, electricians, instrument mechanics, skilled fitters, thrners and moulders, qualified doctors, and road roller drivers was also fairly widespread. A number of exchanges also experienced shortage in respect of health visitors, surveyors, accountants, librarians, welders, boiler attendents and tractor drivers.

Widespread surplus persisted in respect of clerks, untrained teachers, freshers from schools and colleges, motor drivers, carpenters, unskilled office workers and unskilled labourers. A good number of exchanges reported an excess of supply in respect of primary school teachers, semi-skilled fittess and turners, motor mechanics, attenders, cleaners, chowkidars, sweepers and ayahs.

Registrations and placings. The following table shows registrations and placings during the month of November 1957 as against the previous month:

	October 1957.	November 1957.
Registrations	138,788	173,529
Placings	14,389	17,641

Registrations thus recorded an increase of 34,741. The increase was particularly marked in the States of Uttar Pradesh (7,484), West Bengal (7,119), Bombay (5,768), Bihar (5,432), Punjab (1,963), Madras (1,845) and Madhya Pradesh (1,432). On the other hand, the employment exchanges in Kerala State reported a significant fall of (2,570).

As would be noted from the figures above there was an increase of 3,252 in the figure of placement as compared to the previous month. A comparatively large increase in placements was recorded in the State of Madras (600), Kerala (616), Bihar (519), Uttar Pradesh (518), West Bengal (389), and Madhya Pradesh (244). The employment exchanges in Andura State on the other hand reported a fall on (224) over the previous months of igure.

Vacancies notified - The number of employers who utilised the services of employment exchanges during the month under report was 6,096 as against 5,220 in October 1957. In all 26,675 vacancies were notified by them, as compared to 22,908 during the previous month. Thus vacancies made available to the exchanges also recorded an increase of 3,767 over the figure for the previous month. The increase in the number of vacancies notified was notable in the States of Bihar (919), Punjab (723), Madras (707), Kerala (613), West Bengal (576), Uttar Pradesh (362) and Bombay (300). A fairly significant decrease was, however, noticed in the State of Rajasthan (320) and Madhya Pradesh (140). Of the total number of vacancies notified during the month as many as 6,580 were made available by the Central Government, 11,850 by State Governments, 8,510 by quasi-Government establishments and local bodies and the remaining 3,548 by other employers. Thus, there was an increase of 1,953 in regard to vacancies notified by the public sector and of 1,814 in the private sector.

Register of unemployed. At the end of the month, the number of applicants on the live register stood at 886,283, and recorded an increase of 20,495 as compared to the figure at the close of the month. The composition of the live register occupation-wise is given below:

	Number on Live Register on 30 November 1957.
1. Industrial Supervisory 2. Skilled and semi-skilled 3. Clerical 4. Educational 5. Domestic service 6. Unskilled 7. Others Total.	261,147 40,396

Employment position of special categories of applicants.—
The employment position of special categories of applicants is known in the following table:—

Categories.	Rogistrations.	Placings.	No. on Live Register.
1. Displaced persons 2. Ex-serviceponsonnel 3. Scheduled castes 4. Scheduled Tribes 5. Surplus and discharged Central and	4,736 5,430 19,297 6,692	602 847 2,402 392	41,502 23,418 86,886 17,704
State Governments employees 6. Women	2,883	1,117 1,194	5,156 51,166

Collection of Employment Market Information. An informal meeting of manpower officers of the Government of India with the I.L.O. Experts on Employment Market Information was held in the D.G.R. & E. The programme was approved and it was recommended that at both Central and State levels committees of interested departments and other agencies should be set up to review the progress made from time to time and suggest improvements in the programme of work particularly from the point of view of users.

The D.G.R.& E. requested the State Governments to expedite the recruitment of staff for the Employment Market Information programme in order that Mr. Devey (I.L.O. Expert) could visit the State Headquarters and advise the units on their programmes.

The I.L.O. Training Course on Employment Market Information came to an end on 8 November 1957.

(Review of work done by the Directorate-General of Resettlement and Employment, during the Month of November 1957; issued by the Ministry of Labour and Employment, Government of India, New Delhi).

### 83. Vocational Training.

### India - February 1958.

### Labour Ministry's Training Scheme: Training during November 1957.

Training of Craftsmen, Women Craft Instructors and Displaced Persons. According to the review of work done by the Directorate-General of Resettlement and Employment for the month of November 1957, the number of trainees en Hovember 1957 on roll of various training institutes and centres on 30 November 1957 was 13,885. There were 12,287 traineas (including 13 women) in technical trades and 1,598 (including 633 women) in vocational trades.

Under the scheme for the training of women oraft instructors at the Industrial Training Institute for Women, New Delhi, 30 women instructor-trainess were receiving training at the end of month under review.

The total number of displaced persons undergoing training in technical trades at the end of 30 November 1957, was 1,795 of whom 1,511 were undergoing training in technical trades and 284 in vocational trades.

The number of displaced persons undergoing training as apprentices in industrial training undertakings and establishments in Uttar Pradesh and West Bengal stood at 671 against 1,220 seats sanctioned for the purpose.

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

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The following table indicates the total number of training institutes and centres and the number of craftsmen and displaced persons undergoing training on 30 November 1957:-

Number of Training	No. of Seats	Number of Persons under-
Institutes and Contres.	Sanctioned.	going Training.
380	19,087	16,351

Stores and Equipment. The T.C.A. equipment worth approximately 114,000 rupees was received during the month under report. The value of equipment received under this aid programme till the end of October 1957, came to approximately 2.221 million rupees. Indents for machinery items worth 154,250 rupees were placed at the Directorate-General of Supplies and Disposals for supply to the Central Training Institute, Koni and to the New Central Training Institute, Aundh. Orders for stores worth 25,690 rupees were placed on private firms for the same institute.

(Review of the Work done by the Directorate-General of Resettlement and Employment during the Honth of November 1957; issued by the Ministry of Labour and Employment, Government of India).

### CHAPTER 9. SOCIAL SECURITY.

INDIA - FEBRUARY 1958.

92. Legislation.

Punjab Maternity Benefit (Amendment) Bill, 1958:
Provision for more Facilities of Maternity Benefit
to be made.

The Government of Punjab published on 18 February 1958, the text of a Bill to amend the Punjab Maternity Benefit Act, 1943.

According to the Statement of Objects and Reasons of the Bill the Punjab Haternity Benefit Act was enacted in 1943 when the number of women workers employed in factories was small. With the increase of female workers in factories to a considerable extent, it has been felt that these workers should be provided more facilities of maternity benefit under the Act for the proper maintenance of their health as well as the health and upkeep of their new-born children.

The Bill provides that a woman worker shall, in addition to maternity leave, be allowed by her employer leave for a maximum period of one month in case of her illness arising out of prognancy or confinement. A medical bonus also of ten supecs shall be payable to a woman on maternity leave if no pre-natal confinement and post-natal care is provided by her employer free of charge. Another amendment provides that a woman shall be employed on light work during a period of one month immediately before her proceeding on maternity leave. Provision also is made in the Bill that every nursing mother having a child below six months of age shall, after every two hours of work, be allowed by her employer a nursing break of fifteen minutes.

(Punjab Government Gazette, Extraordinary, 18 February 1958, pp. 323-324).

### Rajasthan Coal Mines Provident Fund Scheme.

The Central Government published on 15 February 1958, the text of the Rajasthan Coal Mines Provident Fund Scheme made under the Coal Mines Provident Fund and Bonus Schemes Act, 1948. The scheme which applies to all persons employed in or in connection with coal mines in the State of Rajasthan, deals inter alia with the composition, powers and functions of the board of trustees, classes of persons required to join the fund, rates of contribution to the fund, mode of payment of contribution, investment of monies belonging to the Fund, circumstances in which accumulations in the fund are payable to a member and submission of annual report on the working of the scheme.

(Notification No. SO 32 dated 11 February 1958, the Gazette of India, Part II, Section 3 = Sub-section ii, 15 February 1958, pp. 21-41)

Madras Maternity Benefit (Amendment) Bill, 1958: Provisions made for Increased Maternity Benefits, Conditions of Service and Protection of Health of Women Workers.

The Government of Madras published on 15 February 1958 the text of the Madras Maternity (Amendment) Bill, 1958, which was introduced in the Legislative Council of the State on 15 February 1958.

According to the Statement of Objects and Reasons of the Bill, at the instance of a Committee of the Indian Labour Conference in 1954, which discussed the question of enacting special legislation for the purpose of providing maternity benefits on a uniform scale throughout the Indian Union, the Government of India drow up, in consultation with the State Governments, a draft minimum standards and forwarded the draft to the State Governments for implementing the recommendations in it.

The Madras Plantation Labour Rules, 1955, which apply to plantations labourers contain provisions similar to the standards prescribed in the draft prepared by the Government of India. The Madras Maternity Benefit Act, 1934 (Madras Act VI of 1935) applies to womon workers in all factories. The Bill seeks to amend this Act so as to empower the State Government to make it applicable to such industrial establishment as the State Government may from time to time, by notification specify in this behalf. The Bill also seeks to give effect to the recommendations of the Government of India in regard to the payment of increased maternity benefit, conditions of service, protection of health, etc., of women workers.

The Bill also seeks to extend Hadras Act VI of 1935 to the Kanyakumari district and the Shencottah taluk of the Tirunelveli district und to repeal the corresponding law now in force in those areas.

On c of the amendments proposed provide that every woman worker in a factory or an industrial establishment after a qualifying period of 35 weeks service, shall be entitled to the payment of maternity benefit for a maximum period of twelve weeks and at the rate of seventy-five maye paise a day or seven-twelfths of the average daily wage, whichever is higher, for the actual days of her absence during the period immediately preceding, during the following her confinement, provided that a woman worker shall hot be entitled to maternity benefit in respect of any period immediately preceding her confinement by more than six weeks.

Another amendment makes provision for the payment of a lump sum of ten rupees as medical bonus by the employer to every woman worker, who receives maternity benefit, except in cases where such employer provides pre-natal confinement and post-natal care, free of charge. Nursing breaks of fifteen minutes shall be allowed to every nursing mother after a continuous period of work for three hours.

#### Amother important amendments are:

- 1) No employer shall knowingly employ a woman worker in any factory or industrial establishment during the six weeks immediately following the day of her confinement.
- 2) During the period of one month immediately preceding the period for which a woman worker is entitled to maternity benefit, she shall not be employed on any work which is arduous or which requires long hours of standing at one place or which may in any way interfere with her pregnancy and is likely to cause miscarriage or adversely affect her health and interfere with normal development of the foetus.
- 3) Any woman worker who has had a miscarriage shall, on production of such proof as may be prescribed, be entitled to leave with full wages for a period of three works from the day of miscarriage.

Any woman worker suffering from any illness arising out of miscarriage shall, on production of such proof as may be prescribed, be entitled in addition to the leave mentioned above, to leave without wages for a maximum period of one menth.

4) In addition to the period of absence mentioned above, any woman worker suffering from any illness arising out of pregnancy, confinement or promature birth of a child shall, on production of such proof as may be prescribed, be entitled

to the payment of maternity benefit for a maximum period of one month and at the rate of seventy-five naya paise a day or seventh-twelfths of the average daily wage, whichever is higher.

(The Fort St.George Gazette, Part IVA, Extraordinary, 15 February, 1958, pp. 51-60).

Kerala: Workmen's Compensation Act, 1923, to be extended to Employees in Circus Establishments for the Performance OF Feats.

In exercise of the powers conferred under the Worksen's Compensation Act, 1923, the Government of Kerala, being satisfied that the performance of feats by circus employees is a hazardous occupation, has notified its intention to add the following item to Schedule II of the Act in its application to the State namely,

"XXIX employed in circus establishments for the performance of feats".

The draft proposal will be taken into consideration by the Government after 18 May 1958.

(Kerala Gazette, Part I, 18 February 1958, page 440).

#### Kerala Maternity Benefit Act, 1957.

The Kerala Maternity Bonefit Bill (vide page 66 of the report of this Office for August 1957) as passed by the Legislature received the assentof the President on 3 November 1957 and gazetted on 9 November 1957. The Act repealed the Travancore-Cochin Maternity Benefit Act, 1952, and the Madras Maternity Benefit Act, 1934, in its application to the Malabar district.

The Act contains provisions relating to the prohibition of employment of women in certain periods; right to maternity benefit of women in factories, plantations and other establishments, notice of claim for maternity benefit and paymen t thereof; leave for miscarriage; leave for illness arising out of pregnancy or confinement; payment of medical bonus; payment of maternity benefit in case of claimants death; / dismissal during pregnancy or absence; forseiture of maternity benefit; appointment, powers and duties of inspectors; penalty for contravention of Act by the employer; jurisdiction of courts; framing of Rules for the administration of the Act; and proper publicity of the Act.

protection against

(Kerala Gazette Extraordinary, dated 9 November, 1957).

### Kerala: Provision made for Aid to Dismissal Workers.

Workers discharged or dismissed on contostable grounds in Korala will henceforth get financial aid from the Government during the pendency of adjudication or arbitration of theeir their dispute with the employers. The sid will be 50 per cent of the average wages drawn by him during the month preceding the date of discharge or dismissal.

Provision has been made to this effect under the Kerala Financial Aid (to the Discharged or Dismissed Labour) Rules. This will be paid in monthly instalments for a maximum period of six months or till the publication of the award of the adjudicating authority or arbitrator.

An official announcement said this would enable labour "to stand on an equal footing with managements in industrial disputes".

If the worker concerned is ordered to be reinstated with arrears of wages, he will have to refund the amount of financial aid received.

(The Hindusten Times, 24 January 1958).

### 93. Application.

### India - February 1958.

### Working of the Maternity Benefit Acts during 1956.

The administration of the Acts in the States is the responsibility of the Factory Inspectorates. The Mines Maternity Benefit Act is administered in Coal Mines by the Coal Mines Labour Welfaro Commissioner, and in other mines by the Chief Inspector of Mines. Annual Reports on the working of the Acts prepared by the administering authorities show statistics relating to the number of women workers covered by the Acts, number of claims paid, the amount of benefit paid etc. The following table shows the relevant figures for the year 1956.

States	Averago number of women employed.	No. of women who claimed maternity benefit.	No. of women who were paid maternity benefit in full or in part.	was given or	Total amount paid.
					Rs∙
Andhra	64,416	690	628	8	13,047
Assam	105,643	23,342	23,354	- 30	2,019,075
Bihar	8,862	820	775	- 10	81,231
Bombay	51,942	2,450	2,304	-	86,007
Kerala	51,201	12,907	12,428	3	715,407
Madhya Pradesh.	7,775	83	70	•	2,732
Madras	45,852	2,400	1,559	146	94,467
Mysore	3,681	443	443	<b>-</b> (	39,315
Orissa	2,304	58	48	-	3,005
Rajasthan	1,096	150	92	39	10,740
Punjab	2,777	2	2		173
Uttar Pradesh.	2,293	40	- 38	16	2,663
West Bengal	38,241	2,294	2,298	44	301,654
Total 1956.	586,083	45,679	44,044	296	3,369,517
Total 1955.	495,641	76,377	72,592	272	5,248,464
Mines -					
Coal	34,235	3,758	2,992	531	129,280
Others	67,731	5,854	5,766	593	238,874
Total Mines 1956.		9,612	8,758	1,124	368,154
Total Mines 1955.	119,272	8,488	8,729	1,252	341,506

The above statistics do not present the complete picture of the benefit received by women in different States as in several industrial centros in these States, women are covered by the integrated social insurance scheme framed under the Employees' Stato Insurance Act, 1948. The scheme has been put into force in different areas according to a phased programme. By the end of 1956 the scheme had been enforced in 9, 1, 5, 2, 7, 4 and 2 centres in Andhra, Bombay, Madhya Pradesh, Madras, Punjab, Uttar Pradesh and West Bengal respectively. The tablebelow shows the number of women who received maternity benefits and the total amount paid to them in different States during 1955 and 1956, under the Employees' State Insurance Scheme. Among the States which employ large number of women workers are Assam, Andhra, Bombay, Kerala, Medras and West Bengal. In Assam and Kerala, the number of women is large mainly due to plantations. In Andhra, tobacco and food except beverages factories employ a large proportion of workers. Jute mills and plantations mainly account for high figure of women workers in West Bengal. In Bombay, considerable number of women are employed in Cotton Textile Mills. The high figure in Madras is mainly due to tobacco factories, textile mills and factories producing foodstuffs. The proportion of women who claimed or received maternity benefit in different States, however, is not the same. This is due to the fact that in some of the industries, e.g. plantations, women work in family groups and consequently in the States where such industries are concentrated, the percentage of women claiming or receiving maternity benefits is high. This explains the reason why the percentage of such women is high in Assam and Kerala which are the the plantation areas. Assam records the largest number of claims made and the amount paid as maternity benefit. Other States in the order are Kerala, West Bengal, Hadras and Bombay.

			•	
States	19.	55	1956	
	No. of women who received maternity benefit.	Amount of benefit paid.	No. of women who received maternity bonefit.	Amount of benefit paid.
		P.S.		Rs.
Andhra	_		500	22,984
Bombay	856	111,609	1,471	220, 395
Dolhi	28	3,489	52	3,699
Madhya Pradesh	15	258	383	36,481
Madras	207	8,706	867	89,393
Punjab	26	2,158	7	1,750
Uttar Pradosh	17	1,695	17	1,020
Wost Bongal	•	<u>.</u>	202	15,484
Total.	1,159	127,825	\$,299	391,196

In 1956, the percentage of claims was the highest in Kerala, followed by Assam, the figures being 25.2 and 22.1 respectively. As usual, Punjab showed the lowest percentage, i.e. 0.07. As compared to 1955, the overall percentage of claims in the States decreased from 15.5 to 11.8 in 1956. The percentage in the case of mines, however, increased from 7.1 to 9.4. In coal mines the percentage of claims rese from 5.9 to 11.0, and in mines other than coal mines from 8.0 to 8.6. There was no appreciable change in any of the States except West Pengal where the percentage of claims dropped from 28.4 in 1955 to 6.0 in 1956. The explanation for this apparent fall is that the figures for the year 1955 related to tea plantations only whereas the figures for 1956 relate to all industries in the State. When compared with the figure for the year 1954 which was 7.3 there seems to be no abnormality about the figure for 1956.

The average amount of benefit per case was highest in West Bengal i.e. 132 rupees. Next in order came Rajasthan, Bihar and Mysore (i.e. 117 rupees, 105 rupees and 89 rupees respectively). As in the proceding year the average amount of benefit paid per case was higher in coal mines than in other mines. As compared to the previous year, the average amount of benefit per case during 1956 was higher in the States. A sharp rise occurred in West Bengal, where the average rose from 58 rupees in 1955 to 132 rupees in 1956. In Madhya Pradesh the average came down from 65 rupees in 1955 to 39 rupees in 1956. In other States there has not been any appreciable change.

From the reports received from the States, it would appear that employers attitude to the Acts especially of those employing large number of women workers, was one of co-operation and understanding. Complaints were few and prosecutions were fewer still.

(For a review of the working of the Maternity Benfits Acts during 1955, please see section 93, pp. 77-80 of the report of this Office for June 1957).

(Indian Labour Gazette, Vol.XV, No.7, January 1958, pp. 675-678).

### Annual Moeting of Employees' State Insurance Corporation: More Improvements Introduced.

Addressing a meeting of the Employees' State Insurance Corporation, in Now Delhi, on 21 February 1958, Shri Abid Ali, Union Deputy Miniter for Labour, Government of India, said, that the Employees' State Insurance Corporation had made considerable progress during the last one year and some "more improvements have been introduced for the benefit of insured persons". Further savings in the administrative expenditure had also been effected during the period, he added.

The scheme had covered another 23,500 employees since the last meeting of the Corporation. It was now in operation in several industrial centres of all the States except Assam, Orissa and Mysore. The Corporation had also set up its regional offices and the work of registration was progressing.

To enable the State Governments to extend the medical care to the families of the insured persons, Shri Abid Ali said the share of the State Government from the date such care is extended to the families in a State would be reduced to 1/8th of the cost for the remainder of the second Five-Year Plan period provided that the State Government's share should in no case be less than what they would have contributed under the 1/4th formula before the extension of medical care to the inclusion of the families on the new basis was still awaited from Bombay, West Bengal and Uttar Pradesh.

Regarding the construction of hospitals, he said the Corporation had already agreed to construct hospitals on any of the following three basis: (A) Joint ownership of the State Government and Corporation; (B) sole exmership of the State Government, and (C) sole exmership of the Corporation. On the first and second basis, the Corporation was also prepared to grant loan to the State Government to meet its share of the capital cost.

Referring to the demand for decentralisation, Shri Abid Ali said there was already a considerable amount of delegation to the regional and local offices and "we are always willing to consider any further practicable proposals for decentralisation, which is not detrimental to the scheme as a whole".

(The Hindustan Times, 23 February, 1958)

### CHAPTER 11. OCCUPATIONAL SAFETY AND HEALTH.

#### IMDIA - FEBRUARY 1958.

#### 111. General.

### Over 200 Read in Three Mining Accidents: Court of Inquiry to be set up.

The worst dolliery disaster in recent memory occurred the Chinakuri, 10 miles from Asansol, on 19 February 1958.

Following the loud explosions that rocked a wide area, 196 perople were trapped inside a pit. Of them, only 13 survived. One hundred and seventy-eight people are feared to lie dead underground. One body was brought from the pit and four of the 17 rescued died in hospital.

In the wake of the Chinakuri explosions followed two other mining disasters in Bihar on the other side of the border. The Central Bhowrah mine was flooded drowning 23 people.

Fifteen miners are stated to have been trapped in the Mahalbani mine, near Jharia, when it was flooded by the Damodar.

The number of persons dead or feared to have died totalled 221.

Among the dead at Chinakuri are the assistant manager and six supervisors of the colliery there.

Shri G.L. Nanda, the Union Labour Minister, flew from Delhi to Asansol on 20 February 1958 and visited Chinakuri. The Union Government, he said, had decided to set up a court of inquiry presided over by a High Court judge to investigate the accident.

Rescue operation. The explosion at the Chinakuri coalfield took place at 9-35 p.m. on 19 February at the close of the second shift. Rescue parties were rushed from Dhanbad and Ranigunj an hour later. Donning gas masks and other apparatus they went inside the pit and brought 17 persons alive above the pit and a dead body. They could proceed only about 1,000 ft inside the the mine and were provented from going further because of fumes. After some time rescue operations were resumed but the rescue teams could not proceed to the place where the workers inside are said to have been trapped.

Repeated attempts at rescue having failed the operations were abandoned at 5-50 a.m. under the direction of the Chief Inspector of Mines, Shri S.S. Grewal.

The Chief Inspector told reporters that the explosions were caused by gas combined with coal dust somehow set ablaze from some sources. He said that rescue operations were started within 45 minutes of the explosiions.

### 112. Legislation, Regulations, Official Safety and Health Code.

### India - February 1958.

## Draft Dock Workers (Safety, Health and Welfare) Scheme, 1958.

The Central Government published on 8 March 1958, the draft of the Dock Workers (Safety, Health and Welfare) Scheme, 1958, proposed to be made in exercise of the powers conferred under the Dock Workers (Regulation of Employment) Act, 1948.

The shheme which is to apply to major ports requires inter alia the notification of accidents and dangerous accidents in docks and the notification of certain specified diseases contracted by dock workers. The diseases specified in the first schedule to the scheme include lead tetra-cthyl poisoning, manganese poisoning or its sequalae, carbon bisulphide poisoning, benzene poisoning including poisoning by any of its homologues, their nito or amido derivatives or its sequalae, authrax, pneumoconosis, poisoning by halogens or halogen derivatives of the hydrocarbons of the aliphatic series, and primary epitheliomatous cancer of the skin.

Part II of the Scheme which specifies provisions regarding health deal with cloanliness, arrangements for drinking water, latrines, urinals and spitteons, lighting, ventilation and temperature in docks.

Part III of the Scheme which specifies the welfare facilities deals with the working facilities, first-aid appliances, ambulance room and ambulance carriage, canteens, shelters and lunch rooms and the appointment of welfare officer in every dock, employing five hundred or more dock workers.

Part IV of the Scheme deals with safety provisions. The Scheme specifies the safety precautions to be observed in wharves, quays, yards and approaches such as fencing of dangerous places, construction and maintenance of lifting machinery and gear, transport equipment and operations, precautions in handling of cargo and dangerous substances, etc.

The draft Scheme will be taken into consideration by the Government after 1 May 1958.

(The Gazette of India, Part II, Section 3, Sub-section ii, 8 Harch 1958, pp.99-118).

### Orissa Economiser Rules, 1956.

The Government of Orissa published on 20 December 1957, the text of the Orissa Economiser Rules, 1956, made in exercise of the powers conferred under the Indian Boilers Act, 1923. The rules prescribe inter alia the procedure for registration of economisers, investigation of accidents to economisers and presentation of appeals.

(Notification No.8086-IB-17/57Lab., dated 14 December 1957; the Orissa Gazette, Part III, 20 December 1957, pp. 1215-1220 ).

### CHAPTER 12. INDUSTRIAL COLMITTEES.

INDIA - FEBRUARY 1958.

121. Special Information.

Eighth Conforence of Industrial Committee on Plantations, Shillong, 21 January 1958: Code of Conduct for Management and Workers to be adopted.

The eighth session of the Industrial Committee on Plantations was held at Shillong (Assam) on 21 January 1958, Shri Gulzarilal Nanda, Union Minister for Labour and Employment presiding. The meeting was attended by the Labour Ministers of Madras, West Bengal and Assam and by representatives of the State Governments of Kerala, Mysore, Punjab, Bihar and representatives of the India, Toa Association, the United Planters' Association of Southern India, the Indian Tea Planters' Association, Jalpaiguri, the Assam Tea Planters' Association, the Tripura Tea Association, Calcutta, and representatives of workers. Shri Khandubhai K. Dosai, former Union Labour Minister and Shri V.K.R. Menon, Director, I.L.O. India Branch, attended the meeting as special invitees.

Agenda. The agenda before the meeting consisted of the following items: (1) Statement of action taken on the conclusions of the seventh session of the Industrial Committee on Plantations (New Delhi, 31 August - 1st September 1955); (2) Proposed I.L.O. Convention and Recommendation on conditions of employment of Plantation Workers; (3) Amendment of the Plantations Labour Act, 1951; (4) Extension of the Industries (Development and Regulation) Act to plantations; (5) Wage Boards for the Plantation Industry; (6) Ratification of the Code for Discipline in Industry by Organisations of Employers and Employees in the Plantations; (7) Discharge and eviction of tea garden workers in West Fengal following dismissal of the head of the family; (8) Housing for plantation workers.

The Ministry of Labour had prepared memoranda on these subjects; a brief review of the more important items of the memoranda is given below:=

- (a) Proposed I.L.O. Convention and Recommendation on Conditions of Employment of Plantation Workers.— The memorandum on the subject says that the definition of the term 'plantations' given in Article I of the proposed Convention and in paragraph I of the proposed Recommendation is very wide. It reverses the suggestion placed before the 40th Session of the International Labour Conference, and supported by India, that the scope of the term 'plantations' should be left to the national authorities concerned to define. The adoption of the proposed definition would make it difficult for India, and equally perhaps for many other countries, to ratify the Convention. The Government of India, in their interim reply to the I.L.O. has, therefore, suggested an amendment to the proposed definition.
- (b) Amendment of the Plantations Labour Act, 1951. The Plantations Labour Act, 1951, applies to plantations which are 25 acres or more in area and whereon 30 or more persons are employed or were employed on any day of the preceding twelve months. It has been reported that plantations are being fragmented into small units by some employers with a view to evading their liabilities under the Plantations Labour Act. The Labour Ministers Conference held at New Delhi in October 1957, suggested that the Act should be amended to empower State Governments to apply it to estates measuring less than 25 acres and employing less than 30 workers. It was agreed that the proposal should be discussed by the Industrial Committee on Plantations.

The object can perhaps be achieved if a provision on the lines of section 85 of the Factories Act, 1948, is incorporated in the Plantations Labour Act. There are also a few other proposals for amendment of the Act relating to leave with wages detailed in a statement.

(c) Extension of the Industries (Development and Regulation)
Act to Plantations. The Labour Minister of Assam has intimated
that the problem of closure of tea gardens due to lack of
funds or mismanagement is becoming a grave one in his State.
Closure of gardens results in fall in production of tea and
in unemployment of a number of workers. Government has
no power at present to take over such gardens. The Labour
Minister, Assam, has suggested that Government should
assume control of management in such cases by extending
the Industries (Development and Regulation) Act to the
Plantation Industry or in the alternative, the Assam
Government may be permitted to undertake similar legislation.

The matter was considered at the Labour Ministers' Conference held at New Delhi in October 1957. The Conference accepted the proposal that the Industries (Development and Regulation) Act be extended to plantations and if this was not possible, the States may be permitted to enact their own legislation to deal with the cituation arising out of the closure of gardens.

The Ministry of Labour and Employment considers that the Industries (Development and Regulation) Act may be extended not only to plantations but also to mines and all other industries and establishments not covered at present. The Ministry of Commerce and Industry to whom the matter was referred has stated that the Industries (Development and Regulation) Act cannot be americad to make it applicable to plantations.

As enactment of independent legislation or amendments of the existing enactments relating to the commodities like tea, rubber, etc., will be a long process involving considerable time, the Committee may consider whether the States may themselves undertake legislation to deal with the situation arising out of the closure of gardens.

(d) Wage Boards. The Plantations industry employs about 1.2 millions workers and is mainly concentrated in the States of Assam, West Bengal, Madras, Kerala and Mysore. Minimum wages in the industry have been fixed under the Minimum Wages Act, 1948. There is, however, no uniformity in the rates fixed by the various State Governments. Payment of bonus to plantation workers is also governed by ad-hoc agreements in the different regions and no long-term formula has emerged so far in regard to such payment. It has been suggested that these problems of renumeration of plantation workers can be tackled more conveniently on an all-India basis as separate action by State Governments may create anomalies.

At the Conference of State Labour Ministers' held in October 1957 it was suggested that two Wage Boards might be set up for the plantations industry - one for North East India and the other for South India and that the two Boards should function in co-ordination on a common basis. It was, however, decided that the question should be placed before the Industrial Committee on Plantations. The Conference desired that the question of payment of bonus also should be referred to Wage Boards whenever these were set up.

The workers' organisations have; suggested that there should be a single Wage Board for the plantation industry in in the case of the cotton textile industry. If a Wage Board is to be set up the proposal made at the State Labour Ministers' Conference and the one put forward by the workers' organisations may be suitably combined in the following way:

(i) Two Wage Boards may be appointed the Chairman and independent members being common to both, but with different sets of representatives of employers and workers from the two regions.

OR

- (ii) A single Wage Board may be appointed with powers to co-opt members from the two regions for considering regional matters, whenever necessary.
- (e) Ratification of Code of Discipline in India by employers and workers in plantations. The Code for Discipline in Industry, was evolved by the 16th Session of the Standing Labour Committee. Employers and Workers' representatives on the Standing Labour Committee agreed to ratify the Code before the end of this year. It was also agreed that a suitable machinery should be set up at different levels for implementing the provisions of the Code and evaluating the implementation of agreements, settlements, awards, decisions and orders. Arrangements are being made to set up such evaluation machinery.

The 14th Session of the Labour Ministers' Conference had recommended that the question of Discipline in Plantations should be placed beforethe Industrial Committee on Plantations and that there should be small Tri-partite Committees at the Central, State and Local levels to ensure proper ebservation observance of Discipline.

The question of Discipline has a special relevance to the plantations industry viewed against the background of recent reports about cases of indiscipline in that industry. Since the first reports were received, the position appears to have improved. Even so, the situation would still appear to be fluid, judging from a letter received from the President of the United Planters Association of Southern India.

(f) Housing. Section 15 of the Plantations Labour Act, passed in 1951, makes it obligatory on every employer to provide and maintain for all workers and their families residing in plantations necessary housing accommodation. The State Rules under the Act which are based on the Central Model Rules generally provide for construction of houses for 8 per cent of resident workers every year. The standards and specifications of the houses have not been prescribed in the Rules. According to progress reports received from employers, 117,264 houses of approved standards had been built in North India and 31,280 in South India upto 30 September 1956 while 203,000 houses of approved standards remained to be built in North India and 104,000 in South India.

The implementation of the housing programme has been slowed down of late due to the continued shortage of building materials like cement, iron and steel. The Plantation Enquiry Commission recommended in this connection that locally available material might be used for construction purposes in plantations. The use of such material was accordingly commended to the State Governments.

In order to help needy planters, particularly the smaller ones, to construct houses for their resident labour as required under the Plantations Labour Act, 1951, the Central Government in the Ministry of Works Housing and Supply has also prepared a Scheme, known as the Plantation Labour Housing Scheme, which provides for grant of interest-bearing loans to employers to the extent of 80 per cent of the cost of construction of houses subject to a maximum of 2,400 rupees per house in case of plantations in North India and 1,920 rupees per house in the case of those in South India. The Scheme was communicated to State Governments concerned in April 1956. A provision of 20 million rupees has been rade for this Scheme in the Second Five Year Plan, but so far, a sum of 150,000 rupees only has been drawn by the Kerala Government for granting loans to planters.

The Industrial Committee may review the position, consider the difficulties in the way of implementation of the housing programme and suggest what steps may be taken to meet them.

Shri Nanda's address. - Shri Gulzarilal Nanda in his opening address said that the key to peaceful industrial relations and better performance on the part of workers lay in securing for them living conditions which would create in them the sense of human dignity, peace of mind and improve their standards of health.

Shri Nanda said among the various participants in the industry there was a large community of interests and an approach of mutual co-operation and adjustment would enlarge the gains and benefits for all the parties concerned. "If, on the other hand, conditions of suspicion, friction and hostility persist", he said, "harm to everybody can be the only outcome. Even such differences as may at the moment appear to be irreconcilable can be settled if we apply to them the supreme test of the common good".

He said: "While all these considerations are relevant to any industry in the country, they have a special significance in the case of the plantations in view of the high economic value of their produce, the foreign exchange they earn for us and the large volume of employment which they provide. The employment aspect has a special interest for this committee. The number of persons engaged in work in plantations forms a large proportion of the total employment in organised industry in the country.

"There are reports of disorderly behaviour and acts of violence by workers, which have assumed serious proportions in some areas. A widespread atmosphere of uncertainty thus created would discourage the growth of goodwill and co-operation and undermine the whole basis of efficient operation in an industry. There is ground for confidence in the fact that the workers' and employers' organizations as well as the Government have a keen awareness of the potential danger. Working together we can counteract and eliminate it completely.

"I have in my mind and, in my utterances, given the first place to the question of discipline in industry among all the problems that claim our attention in the field of employer-employee relations. Without this there can be no firm foundation for our other aims, namely, increase in productivity and a rising level of well-being for the workers. A code of discipline has been evolved as a result of tripartite discussions. This is meant for the whole country. There may be some special features of the situation in the plantations, which call for addition of supplementary provisions to the code. Whatever conclusions emerge and whatever agreements are reached the vital point is that steps should be taken to ensure effective implementation. For this purpose, special machinery of a tripartite character should be set up. I may add that a sound conception of discipline rests more on the capacity for a proper appreciation of mutual obligations than on our eagerness to enforce certain rights. Its positive aspects are of real importance. It will essentially become a process of education and re-education. Let us approach this problem in this spirit.

Conclusions.—Amendment of the Plantations Iabour Act, 1951.— The Committee agreed that fragmentations of estates into small units in order to evade the obligations under the Plantations Iabour Act which was said to exist in certain places was an undesirable practice both from the point of view of labour welfare and the interests of the industry and that it should be discouraged. Suitable steps should be considered for the prevention of such fragmentation. Care should, however, be taken to ensure that no new burdens were imposed on small units already in existence.

Other amendments to the Act proposed were generally agreed to. The question of the basis for the calculation of wages during the period of leave should, however, be examined further.

Extension of the Industries (Development and Regulation) Act, 1951 to Plantations.—There was general agreement that though closures due to neglect and mis-management may not be widespread, all possible steps should be taken to ensure that a high level of efficient is maintained in the industry and closures due to deterioration of assets and management are minimised. The State Governments might after consultation with the Central Government, take necessary remedial measures for this purpose.

Wage Boards for the Plantation Industry. It was agreed that a wage Board would be the most suitable machinery for the determination of the wage structure in the industry. In view, however, of the existing agreements on wages in certain States, the question as to when and in what manner a Wage Board should be set up for the plantation industry should be examined by a Subcommittee to be set up for this purpose.

The Committee also recommended that, as the previous bonus agreement for the plantation industry in North East India did not cover the payment of bonus from the year 1957, on wards, a Subcommittee should be set up to consider the question of payment of bonus by the tea gardens in Assam, West Bengal and Tripura.

Ratification of the Code of Discipline in Industry by Organisations of employers and employees in the Plantations. It was agreed that the Code of Discipline already adopted by the Indian Labour Conference and the Standing Labour Committee was basically suitable. A Subcommittee should, however, be appointed to consider whether supplementary provisions might be added to the Code to suit the special circumstances of the plantation industry.

The Committee recognised that inter-union rivalry was often an important cause of labour unrest and recommended the drawing up of an agreed Code of Conduct which the Unions should observe in their relations with one another. While this was primarily a matter to be arranged by the trade union organisations between themselves, the

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the Central Government might, if necessary, convene a conference of these organisations to consider the question.

Discharge and eviction of Tea garden workers in West Bengal following dismissal of the head of the family. The Committee was of the view that there should be no discharge or eviction of other members of the family consequent on the dismissal of the head of the family. In cases of practical difficulty, the matter should be dealt with locally and settled through mutual adjustment.

Housing for plantation workers.— It was agreed that while there should be no relaxation of the existing statutory obligations in respect of provision of houses for workers, the question of providing loans on easier terms for building houses should be studied by the Sub-Committee to be appointed for examining the feasibility of setting up a Wage Board for the plantation industry. In view of the scarcity of steel, cement and other building materials, suitable local building materials could be used freely. The State Housing Advisory Boards should prescribe necessary specifications for this purpose.

(Memoranda on the items on the agenda and summary of proceedings of the Committee Seminar received in this Office.

The Hindustan Times, 23.1.1958.)

Dns:

### Record of Principal Decisions on Labour and Allied Subjects

### India - February 1958.

# Eighth Session of the Industrial Committee on Plantations. Shillong. 21 January 1958.

The eighth session of the Industrial Committee on Plantations was held at Shillong (Assam) on 21 January 1958 and the important decisions reached by the Committee were the following:-

### Item I: Statement of action taken on the conclusions reached at the previous session of the Committee

#### Noted.

## Item II: Proposed I.L.O. Convention and Recommendation on Conditions of employment of Plantation workers

The Committee endorsed the amendments to the definition of the term "Plantation" given in the texts of the proposed Convention and Recommendation suggested by the Government of India.

### Item III: Amendment of the Plantations Labour Act, 1951

It was agreed that fragmentation of estates into small units in order to evade the obligations under the Plantations Labour Act which was said to exist in certain places was an undesirable practice both from the point of view of labour welfare and the interests of the industry and that it should be discouraged. Suitable steps should be considered for the prevention of such fragmentation. Care should, however, be taken to ensure that no new burdens were imposed on small units already in existence.

Other amendments to the Act proposed were generally agreed to. The question of the bazsis for the calculation of wages during the period of leave should, however, be examined further.

### Item IV: Extension of the Industries (Development and Regulation) Act, 1951 to Plantations

There was general agreement that though closures due to neglect and mis-management may not be widespread, all possible steps should be taken to ensure that a high level of efficiency is maintained in the industry and closures due to deterioration of assets and management are minimised. The State Governments might after consultation with the Central Government, take necessary remedial measures for this purpose.

### Item V: Wage Boards for the Plantation Industry

- (1) It was agreed that a Wage Board would be the most suitable machinery for the determination of the wage structure in the industry. In view, however, of the existing agreements on wages in certain States, the question as to when and in what manner a Wage Board should be set up for the plantation industry should be examined by a Sub-Committee to be set up for this purpose.
- (ii) The Committee also recommended that, as the previous bonus agreement for the plantation industry in North East India did not cover the payment of bonus from the year 1957, on-wards, a Sub-Committee should be set up to consider the question of payment of bonus by the tea gardens in Assam, West Bengal and Tripura.

# Item VI: Ratification of the Code of Discipline in Industry by Organisations of employers and employees in the Plantations

- (i) It was agreed that the Code of Discipline already adopted by the Indian Labour Conference and the Standing Labour Committee was basically suitable. A Sub-Committee should, however, be appointed to consider whether supplementary provisions might be added to the Code to suit the special circumstances of the plantations industry.
- (ii) The Committee recognised that inter-union rivalry was often an important cause of labour unrest and recommended the drawing up of an agreed Code of Conduct which the Unions should observe in their relations with one another. While this was primarily a matter to be arranged by the trade union organisations between themselves, the Central Government might, if necessary, convene a conference of these organisations to consider the question.

# Item VII: Discharge and eviction of Tea garden workers in West Bengal following dismissal of the head of the family

The Committee was of the view that there should be no discharge or eviction of other members of the family consequent on the dismissal of the head of the family. In cases of practical difficulty, the matter should be dealt with locally and settled through mutual adjustment.

### Item VIII: Housing for plantation workers

It was agreed that while there should be no relaxation of the existing statutory obligations in respect of provision of houses for workers, the question of providing loans on easier terms for building houses should be studied by the Sub-Committee to be appointed for examining the feasibility of setting up a Wage Board for the plantation industry. In view of the scarcity of steel, cement and other building materials, suitable local building materials could be used freely. The State Housing Advisory Boards should prescribe necessary specifications for this purpose.

Dns:

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

### INDIA - FEBRUARY 1958

### CHAPTER 6. GENERAL RIGHTS OF WORKERS

The Payment of Wages (Amendment) Act, 1957 (No.68 of 1957) (Gazette of India, Extraordinary, Part II, Section 1, dated 30 December 1957.)

#### CHAPTER 9. SOCIAL SECURITY

Kerala Maternity Benefit Act. 1957 (Kerala Gazette, Extraordinary dated 9 November 1957.)

Dns:

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  - ii) Budget of the Railway Revenue and Expenditure
  - iii) Explanatory Memorandum on the Railway Budget of the Government of India, 1958-59
    - iv) Demands for Grants for the Expenditure of the Central Government on Railways for 1958-59
    - v) Works, Machinery and Rolling Stock programmes of Railways for 1958-59, Part I Summary, Part II Detailed programme
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<sup>\*</sup> Publications received in this Office.