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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - FEBRUARY 1954.

11. Political Situation and Administrative Action.

Joint Consultative Board to reconstitute itself into a Non-Official Bipartite Body.

The fifth Session of the Joint Consultative Board of Industry and Labour was held at New Delhi on 4 and 5 February 1954, Mr. Gulzarilal Nanda, Union Minister for Planning presiding. The meeting was attended, among others, by Mr. M.R. Masani, Mr. G.M. Mackinlay and Mr. Lakshmi Pat Singhania (employers' representatives) and Mr. S.R. Vasavada, Mr. G.D. Ambekar and Mr. Dinkar Desai (workers' representatives), Mr. V.V. Giri, Minister for Labour, Mr. V.T. Krishnamachari, Deputy Chairman of the Planning Commission, Mr. K.C. Neogy, member of the Planning Commission, and Mr. V.K.R. Menon of this Office. The Board decided to reconstitute itself on purely non-official bipartite and voluntary basis so as to enable it to effectively serve its purpose. The Government members (except the Chairman) and Mr. Menon did not attend the two meetings held after this decision was reached.

Agenda.- The agenda before the meeting were the following:-

(1) alteration of conditions of service during conciliation and adjudication proceedings - proposed amendment of section 33 of the Industrial Disputes Act, 1947, and section 22 of the Industrial Disputes (Appellate Tribunal) Act, 1950;

(2) I.L.O. Productivity Project - studies in the textile industry at Bombay and Ahmedabad - the proposed Productivity Centre - the future programme of productivity studies;

(3) matters in respect of which norms and standards should be formulated; and

(4) the organisation and functioning of the Joint Consultative Board.

The Ministry of Labour has submitted memoranda on these items; a brief review of some of these is given below.

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1) Amendment of Industrial Disputes Act, in relation to alteration of conditions of service during conciliation and adjudication. - Section 33 of the Industrial Disputes Act, 1947, as originally enacted read as follows:-

"No employer shall during the pendency of any conciliation proceedings or proceedings before a Tribunal, in respect of any industrial dispute, alter to the prejudice of the workmen concerned in such dispute, the conditions of service applicable to them immediately before the commencement of such proceedings, nor, save with the express permission in writing of the Conciliation Officer, Board or Tribunal as the case may be, shall he, during the pendency of such proceedings, discharge, dismiss or otherwise punish any such workmen, except for misconduct not connected with the dispute".

This section did not place any restriction on the right of the employer to discharge, dismiss or otherwise punish a workman concerned in the proceedings for misconduct not connected with the dispute constituting the subject matter of the proceedings. There were complaints that certain employers had taken advantage of that provision to victimise active trade union workers under the plea that the action taken was for misconduct not connected with the dispute. The only remedy available was fresh adjudication, for it would have been almost impossible for workers to prove in a criminal court that the action taken was because of the proceedings connected with the dispute under conciliation or adjudication. As allegations of victimisation occurred on a fairly large scale, the law was amended to read, "During the pendency of any conciliation proceedings or proceedings before a Tribunal, in respect of any industrial dispute, no employer shall - (a) alter, to the prejudice of the workmen concerned in such a dispute, the conditions of service applicable to them immediately before the commencement of such proceedings; or (b) discharge or punish whether by dismissal or otherwise, any workmen concerned in such dispute, save with the express permission in writing of the Conciliation Officer, Board or Tribunal, as the case may be".

Similar provisions are contained in the Industrial Disputes (Appellate Tribunal) Act, 1950 also (vide, Section 22). As a result, large number of applications for permission have been filed with Industrial Tribunals and the Labour Appellate Tribunal. Consequently serious delays have, from time to time, occurred in the disposal of such applications. Employers have persistently been complaining that on account of the amended provisions they have been unable to get rid of even employees guilty of gross misconduct or indiscipline, such as misappropriation or violence, for long after the commission of the offence. This question was discussed at the fourth meeting of the Joint Consultative Board, June 1952 and at the twelfth session of the Indian Labour Conference, October 1952. The latter Conference remitted this issue to a committee of seven representing employers and workers for evolving an agreed formula. Although this committee was not able

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to produce an agreement, the employers put forward a formula which had some measure of support from some of the worker members.

The memorandum suggests that existing law may be amended, based on this formula, in the following manner.

(i) Clause (a) of Section 33 of the Industrial Disputes Act, 1947, should remain as it is. In other words, the employer should not during the pendency of any conciliation proceedings or proceedings before a Tribunal, alter to the prejudice of the workers concerned in the dispute the conditions of service applicable to them immediately before the commencement of the proceedings. That was also the law before the amendment of 1950.

(ii) As much of the wrath of unscrupulous employers is directed against the office-bearers of unions, it is necessary to afford special protection to workers who are office-bearers. At the same time unions should not be permitted to abuse this privilege by unduly increasing the number of office-bearers or by claiming protection for the large number of employees who sometimes form the executive of the union. It is, therefore, suggested that the President, the senior most Vice-President, the General Secretary, the senior most Deputy or Assistant to the General Secretary and the Treasurer of every union, the members of which are parties to the conciliation or adjudication proceedings should not, during the pendency of such proceedings, be transferred, dismissed, discharged, suspended or in any way punished without the express permission in writing of the Conciliation Officer, Board, or Tribunal, as the case may be. Any such action taken without prior permission should be deemed illegal, and the Conciliation Office, Board, or Tribunal should, on an application from the aggrieved worker, order cancellation of the action taken by the employer without going into the merits of the decision.

(iii) In the case of other workers, there are two alternatives, namely, either a reversion to the provisions of the Act as they were before the 1950 amendment or the evolution of some new procedure. The former as already mentioned, proved ineffective in actual practice. An alternative, if feasible, would, therefore, be preferable. The formula put forward in the Committee on Industrial Relations might be considered. According to that formula where an employer wishes to dismiss, discharge or remove a worker during the pendency of proceedings before a Conciliation Officer, Board, or Tribunal, he should give one month's wages to the worker, which might be said to be in lieu of notice and ask him not to attend. There will be no formal suspension of the worker. The employer will simultaneously file an application before the Conciliation Officer, Board, or Tribunal seeking permission to dismiss, discharge or remove the worker. Priority of disposal should be given to such applications. If the authority gives permission eventually, the employer will have no further liability in regard to the worker. If, on the other hand, such permission is refused, the

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employer will be required to take back the worker on payment of wages for all the back period after making allowance for the one month's wages already paid.

II. I.L.O. Productivity Studies.- This memorandum reviews the work of the I.L.O. Productivity experts in India and further proposals in regard to further work in textile industry and the proposed National Productivity Centre. The memorandum states: "As a result of the attitude taken by the employers and the workers, the activities of the Productivity Experts in the textile industry have come to a standstill. Now that it has been finally decided to set up the National Productivity Centre, the existing deadlock in the textile industry has to be resolved because it is only then that it would be possible to start effective work in other industries. It is also necessary to decide which industries should be covered by the centre to begin with, in order of priority, so that personnel with suitable qualifications is obtained for the centre".

III. Matters in respect of which norms and standards should be formulated.- The resolution on industrial truce adopted at the Industries Conference in December 1947, visualised the establishment of a machinery for the determination of norms and standards which should govern the mutual relations and dealings between the employers and workers and settlement of industrial disputes. The Planning Commission suggested that the most suitable machinery for the purpose would be a tripartite body consisting of representatives of employers, employees and Government.

Certain broad principles in respect of regulation of wages have emerged ~~also~~ result of the various Commissions and Committees appointed by the Central and State Governments. But they still do not form an adequate practical basis for uniform policy in determining wages and effecting wage adjustments. The Planning Commission has suggested that the tripartite body suggested by it may evolve norms and standards which should guide wage boards or tribunals in settling questions relating to wages. The question of setting up permanent wage boards ~~will be~~ discussed at the 13th session of the Indian Labour Conference (January, 1954).

A kind of profit sharing in the form of periodic bonuses usually awarded by industrial courts and tribunals exists in the country. The Profit Sharing Committee in its majority report submitted certain recommendations in 1948. Efforts were made to evolve a statutory profit-sharing scheme. The subject of norms for bonus was also considered by the Joint Consultative Board at the third and fourth meetings. The Appellate Tribunal has, however, laid down some broad principles of calculation of bonus for the guidance of industrial tribunals. Apart from bonus and wages there are also other matters regarding which norms may be formulated. The views of the Board are invited as to the matters regarding which norms and standards should be formulated and as to how such norms can best be formulated.

Mr. Nanda's address.- Mr. Gulzarilal Nanda addressing the board emphasised the necessity for joint consultation in an economic democracy and peaceful development in the country. He said the machinery of joint consultation must be developed and made more effective.

Recalling the circumstances under which this Board came to be constituted, he said: "I remember the circumstances in which it came into being. The question is whether these circumstances still exist. It was felt then that the official formal machinery for settlement of disputes was not sufficient for the purpose of peace and progress and that much more could be done outside the framework of that machinery for concluding truce, reaching a suitable understanding and for evolving methods of arriving at agreements in respect of difficult questions, in respect of matters which are essential for the purpose of peaceful development but are not easy to settle because of differences of approach.

"We had some experience of working together in the days when the Joint Consultative Board was started and just before that there was a committee which worked on some of these difficult problems, problems of rationalisation, etc., and by mutual goodwill, it was possible to arrive at understandings which proved to be satisfactory. Whether they were implemented or not is a different matter. Then, it was felt that this arrangement should be given a permanent form and that led to the idea of a Joint Consultative Board. The idea was that it should be a small body so that it could function effectively. But at one of the meetings, perhaps the last meeting, we also considered the question of extending its scope and giving it a machinery which would extend downwards, so that there may be contact with the actual processes of business in the country, the various branches of industry, with the problems and the difficulties that arise and if we should be in a position to help in the implementation of the understanding that is arrived at, we should be in contact with the problems that arise and thereby make the work of the Board effective".

Mr. Nanda said the future of this machinery had to be given careful consideration. He urged that it should not be kept up merely for the sake of form or appearance. He felt that if it did not serve its purpose, it should be dissolved. The question of failure did not arise as the joint consultative method attempted to solve differences as far as it could.

He emphasised that it was necessary to have some common grounds before the joint consultative machinery could be of use. "When we accept that fact then we can go ahead", he said. "After having evolved such a formula, there has to be earnestness in carrying it out to the extent of the possibilities and capacities of the parties. We therefore, will have to explore that ground. When we stated we felt that this was the common ground. We met in circumstances which have not very largely changed. The country was in a very ~~difficult~~ difficult economic situation. We wanted more production. And we knew that this country if it has to stand, if it has to progress, will need more work on the part of everybody.

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And work cannot be carried on if there is going to be interruption, if everybody does not put in his best labour as well as the management. And we also felt that the interests of both parties will be served better ultimately by reaching adjustments. Those adjustments have to be related to those certain objectives.

"Now, the objectives that we then had before us, are the same. We feel that we must have peaceful development in the country. Therefore, the idea that there should be no interruption of work either by strikes or slow-downs or by any method which keeps production down or prevent it from increasing to the maximum. The other aspect is that the large masses and their aspirations and their claims have to be considered to their full satisfaction. We have our Constitution, there are directives and principles, for our guidance. Both parties accept that we have to see ~~that~~ the fullest measure of their implementation. The standard of income has to be raised. There has to be also that consideration of bringing greater equality - economic equality among the people. Within this framework of social policy we have to function.

"If these large objectives that there has to be peace, increased production, increased employment, and also greater social justice, are clearly understood and accepted, then there is a common ground. And very probably, I believe personally that the common ground in this matter, that is the community of interests in respect of these objectives is so large that that part which might be the ground for dispute and differences is relatively very small. And that if we ignore this community of interests and we fight for those respective rival claims, we get lost even if we concentrate on this ground where our common interests can be seen, and served. Therefore, this body can only have its value and reason for the existence, if there is a strong and keen appreciation of this fact. And there has to be give and take, in the spirit that the representatives of labour see what the position of the other party is and where their real difficulty lies. Therefore, the Joint Consultative Board only functions if there is this understanding that each party will try to see the situation of the other party and not make things more difficult so that they cannot deliver the goods and cannot function at all."

Mr. Nanda felt that the joint consultative method had not been given a trial. "There have been these production councils and works committees but there has been very little disposition to give them a proper place and to have enabled them to function effectively. It has been considered a nuisance, which is amazing. But, I believe that if we could make that a success we could possibly avoid other developments - undesirable developments. We cannot stand where we are and we have agreed about a progressive directive. We have to go forward - to advance in social and economic terms. We, therefore, feel that we must develop this machinery of working together and making it effective. I am thinking of the Joint Consultative Board as the top storey of that construction".

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Decisions: a) Reconstitution of board.- The Joint Consultative Board of Industry and Labour decided to reconstitute itself on a purely non-official bipartite and voluntary basis so as to enable it to effectively serve its original purpose.

Under its new composition, the Board will consist of eight members, i.e. two representatives each of the four organisations (two of workers' and two of employers' respectively) which originally came together to bring it into being. In addition, an independent chairman will be elected by agreement between the members of the Board. The Board may associate in its proceedings any official or non-official persons as occasion arises.

For the purpose of promoting harmonious industrial relations and strengthening the economy of the country by means of frequent exchange of views, the Joint Consultative Board will endeavour to establish healthy conventions, create conditions for the avoidance of disputes and facilitate the ^{settlement} ~~establishment~~ of disputes on a fair, and rational basis. The Board will take steps to secure effective implementation of agreements and conventions and help in the growth of the bipartite machinery at all levels.

The representatives of labour as well as industry on the Board accepted the chapter on Labour in the Five-Year Plan as their common ground, but this may be modified by agreement between the parties.

The new Board will also offer advice and co-operation to Government in regard to all matters concerning industrial relations. It will be at the disposal of Government for any consultation that may be desired. The Board hopes to receive help and co-operation from Government in all aspects of its work and is confident that Government will give their recognition and support to the agreed conclusions of the Board so as to ensure their effective and speedy implementations. The Board will set up its own office at a suitable place to be decided shortly.

b) Industrial Disputes Act.- The difficulties arising out of Section 33 of the Industrial Disputes Act 1947 were discussed at length and various suggestions to meet those difficulties were put forward by both parties. A final decision regarding these and other major difficulties arising out of the operation of the Act will be taken up at the next meeting.

c) Productivity studies.- The Board reviewed the progress of work in connection with productivity studies and the setting up of a productivity centre. The basis and procedure to be adopted for such studies and the list of industries to which they will be applied will be decided at the next meeting.

(Documents of the Meeting received in this Office;
The Hindustan Times, 5 and 6 February, 1954)

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CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

INDIA - FEBRUARY 1954.

22. Regional Governmental Organisations.

UN Seminar on Housing and Community Improvement,
New Delhi, 21 January - 17 February 1954.

The United Nations Regional Seminar on Housing and Community Improvement was held at New Delhi from 21 January to 17 February 1954. The Seminar has been sponsored by the U.N. Technical Assistance Administration in collaboration with the ECAFE. It was held simultaneously with the International Low-Cost Housing Exhibition, and was attended by delegates from Burma, Ceylon, Fiji Islands, Hong Kong, India, Indonesia, Iran, Iraq, Japan, Laos, Pakistan, Puerto Rico, Singapore, Thailand and Vietnam and by representatives of various international organisations interested in housing activities. The ILO was represented by Mr. V.K.R. Menon.

Dr. S. Radhakrishnan, Vice-President, who inaugurated the Seminar emphasised the need for planning houses which not only provided shelter but also "expressed social and spiritual values". Urging them to plan for the masses, the Vice-President said that in this age disrespect for the common man could be a source of danger for world peace. Millions of Asians without shelter or living in slums were a threat to peace.

While solving the problem of housing, he suggested a "healthful balance" between urban and rural areas. They must not plan only for the population in urban and industrial areas and neglect the countryside. In India, he said, they were faced with the serious problem of a steady migration from the villages to the towns. This migration could not be stopped unless they made life attractive in the villages.

Earlier, Dr. P.S. Lokanathan, Executive Secretary to ECAFE, said that the U.N. Mission on Tropical Housing had estimated that 100 to 150 million families lived in crowded and insanitary sub-standard houses in Asia's urban and rural areas. Asia, he said, had a plentiful supply of materials which could replace costly traditional materials such as cement, steel and teakwood. What they needed to do was to develop methods of making them technically and economically usable in house building.

The Seminar devoted the first week to a study of building techniques including methods of increasing the use and production of local building materials. Later, they discussed housing and community development programmes. The last phase of the seminar was devoted to studying subjects such as urbanland policies and education of planners.

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The delegates and observers ~~was~~ also visited community development areas and refugee colonies around Delhi and Chandigarh, the newly constructed capital city of the Punjab State.

Conclusions.- The Seminar's major conclusions were the following:

(1) The social importance of housing and community improvement programmes is now generally recognised. The Seminar concluded that provision of education, health and adequate housing must accompany, if not precede, resource development, if serious obstacles to economic activity are to be avoided, and the high cost of future blight ~~maximized~~ prevented.

(2) The intensity of the housing crisis in metropolitan areas and in large production centres emphasises the necessity for bringing the cost of housing within the reach of the average wage-earner and within the means of Governments. Highly productive building and building materials industries must, therefore, be developed.

(3) The discussions on land problems too have pointed out the urgent need for converting generalisations into constructive policies, and for reconciling the rights of the individual with the public interest, before the full force of industrialisation has stratified urban land patterns and made reordering difficult. The enactment of requisite land legislation where it does not exist, and its proper application where it does, is essential.

(4) With respect to physical planning, the Seminar concluded that a regional approach alone can assure an integration of natural and man-made development factors into an orderly pattern. The Seminar stressed the importance of team work, and the need for reconciling economic requirements with those of human welfare. The physical plan must be conditioned by this consideration.

(5) To secure qualified and experienced personnel for all phases of housing and community improvement programmes, and to gain popular support for such programmes, the Seminar suggested that Governments and universities increase training and research facilities as well as pilot projects. No real progress can be achieved without developing the people who can carry out the programmes.

(6) The importance of good design was stressed by many in the Seminar as well as the need to mobilise the best talents available. In this way could be created more graceful neighbourhoods, bringing greater security to the citizen, privacy and the facilities for a ~~healthier~~ healthier family life and the richer feeling of community which sadly is lacking in many areas now in process of development.

At the final meeting of the Seminar Sardar Swaran Singh, Minister for Works, Housing and Supply, Government of India, announced that the Government of India would shortly establish a national building organisation.

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Second Session of the Inter-Secretariat Working Party.

The Second Session of the Inter-Secretariat Working Party on Housing and Building Materials was held from 18-23 February 1954 at the WHO South East Asia Regional Office, Patiala House, New Delhi. Representatives of ECAFE, FAO, ILO, UNESCO, U.N. Department of Social Affairs, and WHO and certain observers attended the meeting. The ILO was represented by Mr. V.K.R. Menon and Mr. R. Ramamurthi.

The Working Party received a message of welcome from Dr. P.S. Lokanathan, Executive Secretary, Economic Commission for Asia and the Far East, in which he thanked the United Nations Department of Social Affairs and the Technical Assistance Administration for having made it possible to contribute their experience to the deliberations of the meeting. He expressed the hope that with the concurrence of the governments, it would be possible to invite their experts to take part in the next meeting of the Working Party. This would make it possible to deal in greater detail with the particular problems of individual countries.

Representatives of each of the participating agencies briefly outlined the progress made since the first meeting of the Working Party and this information enabled the Working Party to form an appreciation of the present capacity of each (taking into account budgetary and staff limitation and other factors) to participate individually and jointly in the programme of work for 1954-55.

Report of Seminar.- The Working Party considered the conclusions of the Seminar along with suggestions as to how best these conclusions might be implemented. The Working Party agreed that ECAFE should undertake to transmit immediately to governments of the region the conclusions of the Seminar. It was also agreed that attention of the governments should be drawn to such recommendations considered as having particular relevance to the specific problems in individual countries.

Regional housing centres: Indonesia.- Mr. K. Hadinoto, Head, Department of Peoples' Housing, Indonesia, gave a brief account of the progress made in the establishment of the housing centre for the tropical humid region at Bandung in Indonesia. The proposed centre would be based upon the development of six existing research institutes in or near Bandung. The research at present being carried out by the institutes will continue and expenses will be met by the Government of Indonesia while the cost of special research envisaged at the request of the regional centre which would be of regional significance would be the responsibility of the regional centre. At the request of the Government of Indonesia, UN is providing an expert to confer with the Government on ways and means of formulating the detailed procedure in setting up the regional centre and to advise on measures whereby the UN might provide assistance.

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India.- Mr. S. Ranganathan, Secretary, Ministry of Works, Housing and Supply, Government of India, stated that the Government of India would welcome the establishment of a regional housing centre for tropical dry region at a suitable place in India. He stated that informal consultations on the subject had already ~~been~~ taken place between the Government and the Working Party. He said that the existence of several model houses in the International Low-Cost Housing Exhibition in New Delhi, the programme of Government construction for a number of years and the setting up of the National Buildings Organisation to disseminate the results of ~~various~~ researches carried out in the various laboratories in the country are factors which point to the location, with advantage, to the proposed regional housing centre in India.

The Working Party invited the attention of the Technical Assistance Board to the regional character of these centres and stressed the need that appropriate provisions be made in the programmes of the United Nations and the specialised agencies for the assistance required and requested the United Nations (ECAFE in co-operation with TAN, SOA) to negotiate with the governments of the region the necessary arrangements to ensure their participation in the financing and international staffing of the centres.

Other items considered at the meeting related inter alia, to the various reports submitted to the meeting by the Specialised Agencies and work programmes and priorities for 1954-55.

(A detailed report of the meeting was sent to Geneva with this Office Minute No.F.4(e)/321/54 dated 6 March 1954).

(Documents of the Meeting received in this Office).

UNESCO Round Table Conference on the Teaching of Social Sciences, in South Asia, Delhi, 15-19 February 1954.

A UNESCO Round Table Conference on the Teaching of Social Sciences in South Asia was held at Delhi from 15 to 19 February 1954. Dr. S. Radhakrishnan inaugurated the Conference and Prof. T.H. Marshall presided. Mr.N.N. Kaul of this Office attended the meeting as observer.

The Conference made a careful scrutiny of the situation of the social sciences in each of the seven participating countries - namely Burma, Ceylon, India, Indonesia, Malaya/Singapore, Pakistan and Thailand. Although this survey revealed many important differences between these countries, it was found that a number of recommendations could be adopted which would apply to all, or at least to several, of them.

As regards teaching methods it was agreed that closer contact should be established between teachers and students and that the students should be assisted to link their theoretical studies with social realities by means of visits to observe conditions in the world around them.

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It was agreed that there was need for social science textbooks to be specially written to suit the needs of the region, since the translation or adaptation of Western textbooks would not be satisfactory. It was hoped that UNESCO would consider giving assistance in this matter. Proposals were also made for the provision of other types of reading material specially designed for use within the region.

It was felt that the conditions of employment of ~~university~~ university teachers should be such as to attract the best people. Not only senior teachers, but also the younger lecturers should have sufficient time for study and research.

Considerable attention was given to the question of the employments open to social science graduates. In one or two of the countries the demand for such graduates still exceeds the supply, but in India and Pakistan and to a lesser degree in Ceylon and Malaya, there is scope for increasing the demand especially by widening the existing openings. This, it was suggested, could be done in public administration, especially at provincial and local levels, in social welfare work, development projects and the social surveys which should accompany them, in labour departments and other agencies concerned with labour relations, and in the training of school teachers. It was further recommended that, in co-operation with the universities courses should be provided for in-service training of Government officers in such departments as the Foreign Service, Health, Labour, ~~and~~ Rural Development, Tribal Affairs, etc.

Finally, the conference suggested that national social science research councils might be set up to sponsor and co-ordinate research and to act as consultants to Governments and other interested bodies in the matter of social research.

The realisation of the aims of this Conference will, it was felt, depend in part on assistance given by UNESCO, in part on direct co-operation within the region and in all cases on the response of the participating countries themselves.

(The Statesman, 23 February 1954).

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24. Non-Governmental Organisations (International Regional and National) other than Employers' and Workers' Trade Organisations.

India - February 1954.

South-East Asia Regional Conference of the International Federation of Housing and Town Planning, New Delhi, 1-5 February 1954.

The South-East Asia Regional Conference of the International Federation for Housing and Town Planning was held at New Delhi from 1-5 February 1954. Delegates from Burma, Ceylon, Hong Kong, India, Indonesia, Pakistan, Singapore, Thailand and Vietnam took part in the conference. Mr. Jawaharlal Nehru, Prime Minister inaugurated the conference.

Mr. M. Fayazuddin, President of the Institute of Town Planners, India, in his address of welcome said that provision of houses to low-income groups was the primary concern of every State claiming or aspiring to a civilised stature.

Inviting Mr. Nehru to inaugurate the South-East Asia Regional Conference of the Federation, Sir George S. Pepler, Honorary President of the Federation said that the International Federation for Housing and Town Planning, had evolved primarily from the International Garden Cities and Town Planning Association, founded in 1913. The aims of the Federation had continuously expanded as the rallying point of all those in all parts of the world, who desired to improve the housing conditions and environment of all people, and to facilitate the social and economic development of all land, for the betterment of the population.

Regional conference.- Referring to the South-East Asia regional conference, Sir George said: "The Federation is most anxious that such conference should be arranged, sandwiched in between its congresses and indeed had arranged for a South-East Asian conference to be held, last August, in Singapore, when India stepped into the field with its great International Low-Cost Housing Exhibition, and the U.N. agreed to organise, concurrently, a seminar on housing and town planning.

"The Federation with the willing consent of the Government of Singapore was glad to fall in with these new arrangements and to fit its conference into the seminar. We should have been glad had it been possible to allow us time to co-operate more fully with the exhibition".

He was happy that the U.N. had a section devoted to housing and town planning and that it as an organisation representative of Governments, recognised the necessity for the existence of the International Federation for Housing and Town Planning as an unofficial voluntary body.

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Inaugurating the Conference, Mr. Nehru described India's housing problem as 'terrific' but said he was confident that it would be solved 'if a proper approach is made'. Mr. Nehru's brief address at the conference contained an important reference to the structure of the second Five Year Plan. The new Plan, he said, would be different from the first inasmuch as "we are starting from the villages and working our way up to State Governments and the Planning Commission". The proposals to be incorporated in it would originate from the village panchayats.

Referring to the country's efforts to solve the housing problem, Mr. Nehru said they wanted houses which were "cheap and graceful". These two qualities should not be difficult to combine. The houses must represent the individuality of the nation in an attractive manner. It pained him to see the type of houses which were being built.

The Conference discussed three subjects chosen primarily because of their importance to the countries comprising the region. The first of these subjects, "Re-development Housing" was considered in relation to slum clearance and city replanning programmes, damage done by war and natural causes such as floods and storms and its economic implications. "Rural Configuration" which formed the second subject of discussion is closely allied to the community improvement programmes discussed in the U.N. Seminar. The third subject related to implementation of planning.

Housing redevelopment.- The session heard a number of papers on housing related to redevelopment. The papers mainly emphasised: (1) Slum clearance should be undertaken in a comprehensive manner and a programme for slum clearance should fit into the master plan of a city; (2) As an ameliorative measure for slum improvement, the proper thing to do would be to introduce various amenities and services in the slum areas. Prevention of slums is more important, feasible and financially manageable than slum clearance; (3) Town planning legislation should provide for the possibility of the recovery of funds for partial slum clearance; and (4) In India as industrial housing schemes are taking so much time, energy, activity and money slum clearance is not yet opportune. Therefore, prevention of new slums coming into existence should be pursued.

Land policy.- After discussion, the conference divided itself into three working groups dealing with the problems of slums, new housing development and financial aspects of housing.

The important conclusions of the group meetings are:

(a) It is desirable that Governments, municipalities and improvement trusts should revise the traditional practice of selling land in their possession at exorbitant prices as it is, in a large measure, responsible for upsetting land prices almost everywhere.

(b) Fact-finding surveys of the existing social and economic conditions, including data of group incomes, health, habits and ways of living, should be carried out to provide the background for the preparation of housing schemes.

(c) Legislation should be devised so as to make land available at the cheapest possible rates.

(d) A tax on vacant lands in urban areas should be levied to discourage people from hoarding land and to reduce the element of speculation and local authorities or development boards should acquire sufficient land in or outside the city well in advance of their housing programme, not essentially for the purpose of development but with a view to stabilizing the prices of land and also holding sufficient reserve of land to curb speculation by private owners.

Rural housing.- The Conference examined at some length the question of housing in rural areas. Its two groups, which studied a series of papers on the subject, came to the conclusion that while consolidating holdings in village sufficient land should be reserved for future expansion. This land, they felt, could also be utilised to provide greater community facilities.

Among the findings of the two groups was one which related to the need of all-weather roads in rural areas. All villages should be accessible by such roads. While they suggested development of cottage industries as a basis of rural economy, they also urged reduction of the burden on land by such means as family planning.

Planning.- The important conclusions of the session on implementation of planning are:

1) There ought to be in each country and in each State of this region a specific Ministry which will be called the Ministry of Town and Country Planning, Housing and Local Government.

2) Planning must be national, regional, and local including rural areas at every level because the solution of many problems is not located where difficulties arise; new activities have to counter-balance the attractive forces of big cities. All planning should be based on careful social economic investigation.

3) There should be administrative bodies at every level to provide the necessary machinery to formulate schemes for development and to control their implementation. These bodies entrusted with social requirements must act as arbitrators between all others.

4) A comprehensive law must be enacted in every country in this region setting up consultative commissions or different bodies interested in this subject and providing a statute on urban land as useful as the statute on agricultural land.

5) This law should provide the planning bodies the necessary means to raise funds by means of fiscality as good planning benefits all.

6) It is recommended that for all planning purposes, trained planners and appropriate technical experts should be made use of.

In its concluding session on 5 February 1954, the Conference discussed the reports on the three subjects and adopted them with some modifications and passed resolutions stressing the desirability of holding such regional conferences under the auspices of the International Federation for Housing and Town Planning and to the necessity of establishing a regional body to organise regional conferences with objects and functions similar to those of the International Federation.

(The Statesman, 2 and 5 February 1954;
The Hindustan Times, 4 February 1954;
Preliminary Report of Proceedings
8 February 1954).

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29. International Co-operation.

India - February 1954.

U.S. Economic Aid to India: Agreement concluded
for Supply of Fertilisers.

Under a supplementary agreement signed at New Delhi on 8 February 1954, between the Government of the U.S.A. and India, 5,000 long tons each of urea and ammonium sulphate-nitrate would be imported for the purpose of demonstrating, popularising and testing such fertilisers in India. The total estimated cost of acquisition and distribution of the fertilisers is \$ 1,150,000 and this amount will be made available by the Government of the U.S.A.

These fertilisers are comparatively new and not tried in India. If this demonstration programme proves successful, it will enable the farmers to obtain nitrogenous fertiliser even cheaper than in the already popular and accepted form of sulphate of ammonia.

There is a proposal under consideration to produce quantities of these new fertilisers at Sindri in addition to the 300,000 tons per annum of sulphate of ammonia now being produced there.

A substantial part of these imported fertilisers will be distributed free of cost to cultivators for demonstration purposes. The remainder will be sold and the proceeds utilised by the Government of India for purchase and distribution of locally produced fertilisers which will include ammonium sulphate, superphosphate and mixed fertilisers, without cost to the cultivators to the extent of 8,000 tons for similar demonstration programme.

The demonstration programme will be carried out primarily in the Community Projects, National Extension blocks and village-level workers training centres, although it is intended that the demonstration fertilisers should also be available for use in other parts of the country.

Under another agreement signed the same day, the period during which the engineering consultant services of the Narza Engineering Company of Chicago, Illinois, would be made available to the Damodar Valley Corporation has been extended up to 30 June 1956. For this purpose, the U.S. Government will make available a sum of \$ 632,000 of technical assistance funds.

(The Hindustan Times, 7 February 1954).

CHAPTER 3. ECONOMIC QUESTIONS.

INDIA - FEBRUARY 1954.

31. General Economic Situation.

India's Per Capita Income estimated at 265.2 Rupees for 1950-51: National Income Committee's Final Report.

The National Income Committee which has submitted its final report to the Union Government recently has estimated India's National Income during 1950-51 at 95,300 million rupees and the per capita income at 265.2 rupees. The corresponding figure for 1949-50 was 90,100 million rupees while the revised figure for 1948-49 was 86,500 million rupees. The per capita income at current prices thus works out at 265.2 rupees in 1950-51, 253.9 rupees in 1949-50 and 246.9 rupees in 1948-49. The per capita incomes, when calculated in real terms, however, show no appreciable change during the period.

The main findings of the Committee are shown in the table given below:-

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Items	1950-51	1949-50	1948-49
Population (Millions)-----	350.33	354.82	350.38
National Income (Million rupees)-----	95,300	90,100	86,500
Per capita income (rupees)-----	265.2	253.9	246.9
Net Domestic Product at factory cost (million rupees)-----	95,500	90,300	86,700
Net National product at market prices (million rupees)-----	100,300	94,600	90,600
Net output of Government enterprises (million rupees)-----	2,900	2,700	2,400
Net output of Government administration (million rupees)-----	4,300	4,100	4,000
Net output of private sector (million rupees)-----	88,300	83,500	80,300
Government share in national expenditure (million rupees)-----	8,200	8,100	8,500
Government draft on private income (million rupees)-----	7,700	7,100	6,900

The National Income Committee was set up in August 1949 with Prof. P.C. Mahalanobis as chairman (vide pp. 25-26 of the report of this Office for August 1949) and its terms of reference were to prepare a report on national income and related estimates, to suggest measures for improving the quality of the available data and for the collection of further essential statistics and to recommend ways and means of promoting research in the field of national income. The committee was also required to guide the National Income Unit of the Government of India in compilation of authoritative estimates of national income. The first report of the committee was released in April 1951 (vide pp. 23-34 of the report of this Office for May 1951). This report considered various general questions

on national income and related estimates, and presented estimates of national income for 1948-49.

The report presents estimates of national income for 1950-51, 1949-50 and 1948-49 in different economically useful forms. With four chapters and four appendices, the report is a comprehensive document replete with a large volume of statistical information. The longest chapter is devoted to the estimates of national income. A section each has been devoted for describing the generation of national income in a particular industrial sector.

The treatment of procedure of estimation and the examination of data is very detailed in most of the cases. For example, in the agricultural sector, the Committee fully examines the available area statistics, price statistics and the various materials needed for getting the net value. Regarding price statistics, various alternative price data have been examined from the standpoint of their usefulness for national income estimation. For calculating the net value, it has considered among other things the question of depreciation of implements, cost of materials required for cultivation and for repairs and maintenance of bunds, irrigation works, etc., uses of various kinds of manures and fertilizers, availability of data on seed rate, and fee of livestock.

The most important finding is about the stability of per capita real income during the three years. Regarding the sectoral estimates, the industrial enterprises as a whole show a decline during the period, while Government activities including Government enterprises depict a marked increase.

The following table shows the contribution of different industrial sectors to national income:-

Items	1950-51 Net output (Rs.ab,ja*)	1949-50 Net output (Rs.Ab,ja#)	1948-49 Net output (Rs.ab,ja*)
Agriculture:			
Agriculture, animal husbandry and ancillary activities-----	47.8	43.8	41.6
Forestry -----	0.7	0.7	0.6
Fishery -----	0.4	0.4	0.3
Total of Agriculture -----	48.9	44.9	42.5
Mining, Manufacturing and Hand Trades:			
Mining-----	0.7	0.6	0.6
Factory establishments-----	5.5	5.4	5.5
Small enterprises -----	9.1	9.0	8.7
Total of mining, manufacturing and hand Trades -----	15.3	15.0	14.8
Commerce, Transport and Communications:			
Communications(Post & Telegraphs)-----	0.4	0.3	0.3
Railways -----	1.8	1.8	1.7
Organised banking and Insurance -----	0.7	0.6	0.5
Other Commerce and Transport -----	14.0	13.9	13.5
Total of commerce, transport and communications-----	16.9	16.6	16.0

*abja - 100 crores - 1000 million.

P.T.O.

(Table continued)

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Items	1950-51 Net Output (Rs.abja*)	1949-50 Net output (Rs.abja*)	1948-49 Net output (Rs.abja*)
Other Services:			
Professions and liberal arts -----	4.7	4.5	4.3
Government services (Administration)-----	4.3	4.1	4.0
Domestic service -----	1.3	1.2	1.2
House property -----	4.1	4.0	3.9
Total of other services -----	14.4	13.8	13.4
Net domestic product at factor cost-----	95.5	90.3	86.7
Net earned income from abroad -----	-0.2	-0.2	-0.2
Net national output at factor - National income-----	95.3	90.1	86.5

#abja - 100 crores - 1000 million.

The table given above, it should be noted, gives revised figures for 1948-49. Thus, the national income in 1948-49 is now put at 86,500 million rupees as against 87,100 million rupees given in the Committee's first report. This revision is mainly due to availability of fresh data.

In so far as incomes in money terms are concerned, the ~~same~~ table ~~is~~ indicates a steady rise in income generated in agriculture and a relative stagnation in industries, as also in some other sectors. However, when appropriate adjustments are made for the price changes, as has been done by the Committee in an appendix, it becomes clear that this tendency is more apparent than real.

Working population.- When the first report was prepared, data collected during the 1951 census were not available to the Committee. Now, this material has been used for estimation purposes for all the three years. The revised estimates of the working force as derived by the Committee are presented below:-

	(Figures in thousands)		
	1950-51	1949-50	1948-49
I. Agriculture and animal husbandry-----	102,711	101,135	99,591
Forestry -----	350	349	348
Fishery -----	579	578	577
Total -----	103,640	102,062	100,516
II. Mining -----	780	778	777
Factory establishments-----	2,969	3,070	3,065
Small enterprises -----	11,521	11,323	11,230
Total -----	15,270	15,171	15,072
III. Communications-----	195	175	169
Railways-----	1,178	1,181	1,192
Banks and Insurance -----	147	147	147
Other commerce and transport-----	9,533	9,437	9,343
Total -----	11,053	10,940	10,851

P.T.O.

(Table continued)

	(Figures in thousands)		
	1950-51	1949-50	1948-49
IV. Professions and liberal arts -----	6,425	6,191	6,016
Government administration -----	3,886	3,765	3,597
Domestic service -----	2,947	2,847	2,751
House Property -----	-	-	-
Total -----	13,258	12,803	12,364
V. Total working force -----	143,221	140,976	138,803

It may be seen that about 72 per cent of the working population is engaged in agriculture and allied activities, while about 11 per cent are engaged in mining and industries. The remaining 17 per cent are engaged in the tertiary enterprises.

Share of Government in domestic product and expenditure. - The following table shows the role of Government in the National economy:-

	(Figures in Rs.abja*)		
	1950-51	1949-50	1948-49
<u>Government share in generation of net domestic product:</u>			
1. Net output of Government enterprises-----	2.9	2.7	2.4
2. Net output of Government administration-----	4.3	4.1	4.0
3. Net output of the private sector -----	88.3	83.5	80.3
4. Net domestic product-----	95.5	90.3	86.7
<u>Government share in national expenditure:</u>			
5. Government current expenditure on commodities and services (Government administration)-----	5.6	5.4	6.4
6. Government administrative capital expenditure-----	1.0	1.2	1.0
7. Government enterprises capital expenditure-----	1.6	1.5	1.1
8. Net national expenditure at market price-----	100.3	94.6	90.6
<u>Government draft on private income:</u>			
9. Direct taxes -----	2.5	2.2	2.4
10. Indirect taxes -----	4.3	3.9	3.5
11. Miscellaneous fees, etc.-----	1.1	1.0	0.9
12. Private income-----	95.7	90.5	87.0
<u>Government capital formation and finances:</u>			
13. Surplus on current account and maintenance provision -----	1.9	1.6	0.1
14. Government borrowing at home -----	0.5	0.1	2.7
15. Government borrowing abroad-----	0.1	0.2	(-)2.2
16. Extra budgetary receipts and adjustments for RRRS cash balance -----	0.2	0.8	1.5
17. Gross capital formation on Government account-----	2.7	2.7	2.1

*abja - 100 crores - 1000 million

A table gives the net output per engaged person by different types of industries. Another is concerned with a classification of productive sectors by large and smallscale enterprises. Three tables elaborate the international transactions of the country. A number of tables give detailed accounts of the public authority sector as a whole. Current transactions for the administrative departments and the public enterprises are given in two separate tables while all capital transactions have been consolidated in a single table. One table gives the generation of national income in various Government activities in considerable detail. Lastly, there is a table which depicts the relations between the different national aggregates such as domestic product at factor cost, national income, private income, national income at market prices, etc.

(The Statesman, 26 February 1954).

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32. Public Finance and Fiscal Policy.

India - February 1954.

Central Budget for 1954-55 presented: Deficit of 142.1 Million Rupees ~~estimated~~ estimated: Increased Development Expenditure and Deficit Financing Proposed.

Mr. C.D. Deshmukh, Union Minister for Finance, presented the Budget for the year 1954-55 to the Parliament on 27 February 1954*.

The Budget estimates a revenue deficit of 142.1 million rupees, after providing for a few additional taxation measures, including levy of import and excise duties on certain products.

The Finance Minister gave an encouraging account of the general economic situation in the country. Improvement in industrial and agricultural production had been generally maintained. Food prospects for the coming year were reassuring.

For the coming year increased developmental expenditure and assistance to States were likely to leave an overall deficit of 2,500 million rupees. In the present circumstances, the Finance Minister considered that no undue risk was involved in deficit financing to this extent.

The following table shows the main features of the budget for 1954-55:-

* Government of India: Budget, 1954-55: Finance Minister's Speech, pp.34.

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REVENUE

	(In Millions Rupees)		
	Budget 1953-54	Revised 1953-54	Budget 1954-55
Customs -----	1,700.0	1,600.0	1,750.0
Union Excise Duties-----	940.0	935.5	926.0
Corporation Tax			x 118.5*
Corporation Tax -----	366.2	384.0	383.5
Taxes on Income other than Corporation Tax-----	680.8	693.1	708.7
Estate Duty -----	-	-	2.5
Opium -----	20.0	20.7	18.5
Interest -----	30.5	27.8	27.8
Civil Administration-----	111.8	103.4	104.8
Currency and Mint -----	156.9	154.1	204.2
Civil Works -----	15.3	16.2	16.3
Other Sources of Revenue-----	86.9	106.9	79.2
Posts and Telegraphs - Net contri- bution to general revenues-----	23.0	20.2	15.0
Railways - Net contribution to general revenues-----	76.5	75.0	73.7
Extraordinary Items -----	184.7	-	102.1
Total - Revenue	4,392.6	4,136.9	4,410.3 x 118.5*

EXPENDITURE

Direct Demands on Revenue -----	324.9	309.2	321.9
Irrigation -----	1.9	1.9	1.6
Debt Services -----	371.7	388.5	400.0
Civil Administration-----	712.7	685.7	860.8
Currency and Mint -----	25.7	25.6	26.3
Civil Works and Miscellaneous Public Improvements -----	150.6	147.5	155.4
Pensions -----	83.6	85.9	84.5
Miscellaneous - Expenditure on refugees -----	126.7	126.7	102.3
Subsidy on foodgrains-----	-	17.7	-
Other Expenditure -----	83.4	99.8	97.4
Grant to States, etc. -----	263.7	263.6	324.8
Extraordinary Items -----	244.8	157.6	239.7
Defence Services(Net)-----	1,998.4	1,996.8	2,056.2
Total-Expenditure	4,388.1	4,306.5	4,670.9
<u>Surplus(x)</u> <u>Deficit(-)</u> -----	x4.5	-169.6	-142.1

*Effect of Budget Proposals.

Mr. Deshmukh's speech: Review of economic conditions. - Reviewing the main features of the country's economy during the current year, Mr. Deshmukh stated that India like other countries, was going through a process of return to normal conditions after the war, which had been delayed by the Korean War and its aftermath. The return to 'normality' began in 1952 and had continued to 1953. At the end of December 1951, the price index of

all commodities had risen from 397.1 immediately before the ~~and~~ commencement of the Korean War to 432.2; by the end of December 1952 it had fallen to 374.5, well within the level reached at the time of the outbreak of war in Korea. In 1953 the variations of prices were within a narrower range than in the previous year and at the end of December 1953 the index number had risen by a little under 5 per cent and stood at 392.6. Throughout the earlier months of the year and until about the middle of August there had been a continuous but moderate rise in prices largely caused by temporary factors. The supply position had been slightly difficult and the difficulty was aggravated by expectations of lower output in certain important commodities like black pepper, sugar, cotton and groundnuts. The demand for certain commodities like sugar and cotton also rose owing to increased internal consumption and the psychological effect of all these factors ~~was~~ was to generate an upward movement of prices. Measures were ~~tk~~ taken from time to time to improve the supply position and bring down prices. Among these were the imposition of the ban on the export of sugar and gur, restriction on the export of groundnut oil, liberalisation of imports of coconut oil and copra, reduction in import duties on palm oil, copra, sugar and cotton seed oil, the opening of fair price shops, the issue of a larger quantity of food-grains and the reduction in the price of imported wheat supplied by the Centre. These measures played an important part in arresting the upward movement of prices and between August and December there was a continuous decline. The general index number at the end of December was 20 points less than the peak figure reached in the middle of August. Since then there had been a slight increase but there was as yet no evidence that this was not due to purely temporary and seasonal causes.

Increases in industrial production.- There had been a marked increase in production over a wide field in 1953. The domestic production of cloth and cement had touched new records. Most of the other industries had also shown a significant increase in production. The general index number of industrial production which stood at 128.7 in 1952, the highest for any post-war year, was exceeded in 1953, the average for the first nine months being over 133. Though later figures were not yet available, there was good reason to believe that 1953 would be the best year yet for industrial production. "This achievement", the Finance Minister said, "is noteworthy", because in some very important industries e.g. steel, jute, and sugar, production was below normal owing to certain special factors. The fact that, in spite of the drop in production in some individual industries, the general index number of industrial production in 1953 will be higher than in 1952 gives an indication of the progress.

Food situation.- Food situation in 1953 had continued to improve. This had made it possible to relax control in several directions, e.g. on gram and wheat. The year 1953 closed with a comfortable stock of about 1.5 million tons of foodgrains of which about 0.5 million tons were held in the Central Reserve. "The prospects for the coming harvest" the Finance Minister said,

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"are generally good and if the monsoons do not disappoint us next year, the good prospects may be said to be reassuring". The production of cash crops had also been generally good except jute ~~xxxx~~ which had been affected by adverse weather conditions.

Unemployment.- Mr. Deshmukh then referred to the aggravation of the problem of unemployment. He pointed out that unemployment was not a short term phenomenon calling for short term remedies. It was one which called for long term measures and ultimately it was only by a considerable increase in economic activity that it would be possible to absorb the increasing number of men and women who came out of our schools and universities year by year. This meant an increase in the tempo of development "in which both the public and the private sectors have to take their due share". So far as the public sector was concerned; the Planning Commission had recently expanded the Plan by 1,750 million rupees, mainly to assist in meeting the situation created by unemployment in rural and urban areas. "Measures for increasing employment opportunities" he pointed out "have become an integral part of the Plan and in the orderly implementation of the Plan lies", he went on to say, "the most promising method of easing the position".

In relieving unemployment, Industry had also a role to play, Mr. Deshmukh observed. Existing industries had to expand and new industries ~~xxxx~~ providing wider opportunities for employment should spring up in the country. To assist in such a development Government had under consideration the question ~~xx~~ of setting up an Industrial Development Corporation to stimulate the flow of capital into new industries. The Government was also exploring possibilities of bringing ~~xxx~~ into existence, with the co-operation of private interests both in this country and outside, of another Corporation to promote the expansion of industry; in these discussions, the International Bank of Reconstruction and Development was also taking interest.

Balance of payments position.- Discussing the balance of payments position, the Finance Minister observed that, taking the year 1953 as a whole, a moderate surplus was likely to emerge as was evident from the sterling balances held by the Reserve Bank which had risen from 7,060 million rupees at the end of December 1952 to 7,230 million rupees at the end of 1953. This overall improvement had been achieved at a reduced level of trade. Export receipts for the first nine months of 1953 had amounted to only 5,750 million rupees, 1,250 million rupees less than the corresponding figure for 1952. This decline had however been more than balanced by a decline in the payments for imports.

The fall in the country's export earnings was not due to a contraction of exports but to a fall in export prices. It was not enough to maintain the present quantities of exports but they have to be expanded to increase export earnings. During the course of the year many export duties had been abolished or readjusted with this end in view. The duties on hessian, linseed, linseed oil were reduced while the duties on some

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cotton goods and on selected jute manufactures like twist yarn, rope, twine, hessian other than cloth and bags and all other descriptions of jute manufactures had been totally abolished. "These measures", the Finance Minister said, "appear to have had a healthy effect and trade in the three principal commodities figuring in our export trade, namely, jute, tea and cotton textiles appears, in recent months, to have recovered from the difficulties which faced it in selling these goods abroad".

Discussing the fall in imports in 1953, the Finance Minister pointed out that heavy imports of wheat and cotton had accounted for the high level of imports in 1952. The improvement in the food position and the increase in the internal production of cotton had led to a contraction of imports of both these commodities. While industrial production has, on the whole, remained buoyant, the demand for supplies for raw materials from abroad has not been on a level commensurate with the higher output.

The dollar position of India had also reported improvement in 1953. Against a deficit of 1,270 million rupees on current account in the first nine months of 1952, there was a surplus of 180 million rupees in the corresponding period of 1953. This improvement was largely due to smaller payments for food and cotton purchases from the United States.

In view of the satisfactory balance of payments position the Finance Minister announced that the Government proposed to repurchase from the International Monetary Fund a portion of India's currency which was sold to the Fund in 1948 in exchange for dollars deficit. Out of the total outstanding of \$ 100 million, it was proposed to repurchase the equivalent of \$ 72 million, \$36 million next month and the balance in the coming year. This would result in a saving of the interest charges paid to the Fund.

Turning to external assistance received from friendly foreign countries the Finance Minister mentioned that in the Budget for the next year the total assistance would amount to 450 million rupees. India also, as a Member of the Colombo Plan, was to provide assistance to some of the neighbouring countries and the value of such aid would amount to about 20 million rupees.

Financial year 1953-54.- Turning to the revised estimate for the current year the Finance Minister indicated that the revenue surplus of 2.5 million rupees would be converted into a deficit of 169.6 million rupees. This was mainly accounted for by the non-receipt from Pakistan of the debt instalments due from her. The Finance Minister mentioned that he had been having discussions with the Finance Minister of Pakistan and both hoped that it would be possible to commence repayment in the coming year. Customs revenue was expected to show a drop of 100 million rupees and Union Excises 5 million rupees, but this would be partly counterbalanced by an increase of 60 million rupees in income tax of which nearly 30 million rupees would be absorbed by increased payments to the States.

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Defence expenditure during the year will be just within the budget but civil expenditure was expected to show an improvement of 81.6 million rupees. It was mainly due to a short fall in developmental expenditure; but increased interest payments, a carry over of certain payments to sugar factories from the previous year and assistance to Travancore-Cochin to subsidise food in the State, partly counterbalanced the saving.

Budget for 1954-55.- The Finance Minister estimated the revenue at 4,410.3 million rupees and the expenditure at 4,670.9 million rupees leaving a deficit of 260.6 million rupees. The revenue from Customs would be 150 million rupees higher, while Union Excise duties were likely to show a drop of 10 million rupees. Income tax would be at the same level as in the current year. He had taken credit for 40 million rupees from Estate Duty but the bulk of it would accrue to the States. He had also taken credit for an instalment of debt repayment from Pakistan. Receipts from the Reserve Bank were expected to be 50 million rupees more. Defence expenditure in the coming year was placed at 2,056.2 million rupees, an increase of roughly ~~at~~ 60 million rupees over the current year. Civil expenditure next year was expected to be 305 million rupees more. This was largely accounted for by increase in developmental expenditure. Expenditure on education ~~projects and national~~ would be 80 million rupees more; community projects and national extension services will also cost 85 million rupees more. A lump provision of 36 million rupees had been made for possible assistance to Kashmir under a scheme of financial integration under discussion with the State.

Capital budget.- The Finance Minister then gave an account of the provision for capital expenditure. The Revised Estimates had been put at 639 million rupees as against 766.4 million rupees in the original estimates. The saving of nearly 130 million rupees had occurred mainly under Defence, Civil Works and Government Trading. For the coming year the provision for Capital Expenditure had been considerably increased and put at 1,475.5 million rupees. This large increase in expenditure, the Finance Minister pointed out, reflected the rising tempo of development expenditure. "In the first 3 years of the Plan, developmental expenditure was necessarily somewhat smaller than the proportionate outlay for that period. This is partly due to the essential time taken in the preparatory work on new schemes. It is also partly due to the fact that in the earlier period of the Plan, Government had to be cautious in going forward with expenditure so as to keep inflationary trends under control. Now that the economic climate is better suited for stepping up investment and the schemes themselves are gathering momentum, and in some cases nearing completion, the expenditure during the last two years is bound to be much more than in the current year".

Answering the question whether it would be possible for the Government to incur additional expenditure of this order, the Finance Minister pointed out that the savings in development expenditure of the current year as also of the previous years which reflected slower progress of development schemes had been a matter of some concern to the Government. A senior officer was conducting a quick examination of the existing procedure in regard to the drawing up, sanction and execution of development schemes and the causes leading to the present unsatisfactory position. "Government attach greatest importance", he observed, "to the implementation of the Five Year Plan within the period contemplated in the Plan and it is their intention to take all measures possible to remove the procedural and other impediments to the progress of the development schemes. I hope it will be possible to take early decisions on the findings of this enquiry".

Ways and means position.- Discussing the Ways and Means position, the Finance Minister said that the overall deficit in the current year would be 1,280 million rupees against 1,380 million rupees in the Budget Estimates. The opening balance for the year had been 190 million rupees more than ~~the~~ was expected, the improvement reflecting the lapses in the provision made under various heads of expenditure. The market loan during the year amounted to only 750 million rupees against the budget anticipation of 1,000 million rupees. But this shortfall had been more than offset by an improvement of 400 million rupees in the cash outgo on the repayment of debt, because, of the large holdings of the maturing loan in the cash balance investment account, only 760 million rupees had to be paid in cash against the estimate of 1,160 million rupees. The yield from Small Savings had been "rather disappointing"; the yield might not amount to more than 400 million rupees against the 450 million rupees expected from this source.

For the coming year the Finance Minister expected an overall deficit of 2,500 million rupees largely due to increased provision for developmental schemes. Two maturing loans with an outstanding of 480 million rupees will be paid off. Credit had been taken for 750 million rupees from market loans and 450 million rupees for small savings. Taking the budget as a whole he said that it would be necessary to expand the treasury bills by 2,500 million rupees to balance the budget overall.

Summarising the position the Finance Minister pointed out that Government would have to find next year 260 million rupees for meeting the Revenue deficit, 3,950 million rupees for financing essential capital outlay and assisting the State Governments, Local Bodies etc. for financing their development schemes and 530 million rupees for the repayment of the matured debt. Against this it was hoped to raise 750 million rupees from the market. Foreign assistance and dollar loan might bring in 480 million rupees and Small Savings 450 million rupees. Other Miscellaneous debt and remittance ~~transaction~~ transaction would bring in 560 million rupees. This would leave a gap of 2,500 million rupees in the available resources to balance

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the budget. As the cash balance would just provide the necessary till money and could not be drawn down any further, the whole of this gap would have to be met by the issue of Treasury Bills.

Mr. Deshmukh then dealt with "the wisdom of launching upon deficit financing on this scale". The period of inflationary stresses was now over and there were signs that the high levels of production attained in the various lines could not be sustained without some increase in money supply. The effects of a budgetary deficit might well be neutralised by a balance of payments deficit. There were indications that the optimum level or tempo of development had yet to be reached. "I have given the most careful thought to this question", said the Finance Minister, "and, on a balance of considerations, I am convinced that, in the conditions as they now are and are likely to be in the near future, we are not ~~likely to be~~ taking any undue risks in going forward in the manner I have indicated.... Indeed it can be said that deficit financing subject to safeguards, has a definite part to play in bringing into use the unutilised resources in the system.....With domestic food production at a satisfactory level, and with the outlook for larger imports from abroad better, should need arise, the budgetary deficit envisaged will, I expect, prove deflationary rather than inflationary". Government policies would have to be reconsidered if major changes in the economic situation occurred but it was important, Mr. Deshmukh emphasised, "for us not only to live within our means but also to live upto our means". The Finance Minister appealed to the States for greater efforts in raising additional resources.

Budget proposals: changes in taxes.- Turning to the Budget proposals for the coming year Mr. Deshmukh announced certain proposals for changes in taxation measures. The Finance Minister's first proposal was to increase the preferential import duty on betelnuts by 6 1/2 annas a pound. Profit margins on betelnuts had for sometime been high and he saw no reason why those profits should be left with the importer and the middleman. This increase which would yield 30 million rupees would not, in any way, affect available supplies or occasion any significant increase in prices. He also proposed certain changes in import duties, as part of the normal readjustment of these duties, which were under constant review. These readjustments, such as the increase in the duties of certain articles like plastic and rubber insulated cables, electric fans, electric conduits, etc., were expected to result in an increase of revenue of 12.5 million rupees. He then announced the abolition of the import duties on raw cotton and certain categories of steel. The ~~main~~ whole problem of regulating the import duty on essential raw materials had come under review and it had been felt that a move towards the gradual replacement of import duties on raw materials by excise duties on the goods manufactured from them could be made. "This replacement" Mr. Deshmukh pointed out, "seems more or less inevitable as the country is progressively industrialised; it will also make the export trade simpler by removing the complication involved in the grant of rebates of import duty". In pursuance of this policy, the import

duty on raw cotton and the duties on steel sheets, plates and rails would be abolished. The loss of revenue from cotton was estimated at 40 million rupees and from steel at 2.5 million rupees.

The Finance Minister then turned to changes in Union Excise Duties. The excise duty on superfine cotton cloth would be raised by 6 pies per yard and the duty on other varieties by 3 pies a yard to yield 65 million rupees. This was designed to partly replace the loss of revenue from the abolition of the import duty on raw cotton and partly to rationalise the structure of excise duties. It would also assist in preventing the diversion of manufactures from one tariff category to another and ease the current pressure on Indian cotton. His next proposal was to levy an excise duty of one anna and six pies per yard on art silk fabrics. There was no reason why these fabrics which competed with cotton cloth to some extent should be exempt from taxation. Further, art silk fabrics would be placed in the same position as mill-made cotton textiles by the levy of an additional three pies per yard for the benefit of the handloom industry. The yield will be 16 million rupees.

The Finance Minister pointed out that, with the progress of industrialisation, customs duties were bound to be a less stable source of revenue, making it necessary to turn increasingly to indigenous industries for replacing the loss of revenue from customs. It was appropriate that industries, which had developed under protectionist policies should, when fully developed, make a fair contribution to the exchequer. It was also necessary to broad-base the excise duties. He, therefore, proposed to levy a moderate duty on cement, soap and footwear. The incidence of these duties would not generally exceed 10 per cent of the value. Cement would pay 5 rupees per ton, washing soap in bars of one pound and more 5 rupees 4 annas per cwt., other washing soap 6 rupees 2 annas per cwt., and ~~toilet~~ toilet and other soaps 14 rupees per cwt. The duty on footwear would be an ad valorem duty of 10 per cent. The total revenue from these new duties was estimated at 37.5 million rupees.

The changes in import duties would cancel out and leave the net revenue from Customs unchanged at 1,750 million rupees. The changes in Union excises would in all yield 118.5 million rupees, reducing the prospective revenue deficit for the coming year from 260.6 million rupees to 142.1 million rupees. The Finance Minister proposed to leave the deficit uncovered.

Conclusion.- The Finance Minister concluded his speech by a brief review of the achievements of the last seven years after independence. "Seven years", he said, "are not a long period in the history of a nation, but in the life-time of a generation they certainly count for something. One can, therefore, understand the continuous urge for improvement and the frequent criticism that the progress achieved has not been sufficient. Such criticism is always welcome, both as a corrective and as a spur to further

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effort; but it is apt to obscure the sum of our achievement and place the problem of development out of its proper perspective". In 1947 India inherited a weakened administration, a war ravaged economy and a country with only the rudiments of a welfare State. Immense problems of rehabilitation of displaced persons and integration of over 500 princely States "of varying sizes and in widely disparate stages of development" had to be faced. In these seven years, the country's economy had been strengthened, inflationary stresses eliminated and production expanded. The transport system had been largely rehabilitated and large irrigation and power schemes taken in hand. Vital industries had been started and effective steps taken to step up steel production and assist basic industries like shipping. The rehabilitation of displaced persons was nearing completion while the integration of the Princely States had been completed. A well-knit national Plan was in process of implementation and what was more vitally important, "the people have been encouraged successfully to co-operate in the fulfilment of this high endeavour". In this task the country had received a significant and important measure of assistance from friendly countries for which it was grateful. "No idea of the vast upsurge in the national life can be conveyed", said the Finance Minister, "by translating all this in terms of money or compressing it into a classified table of estimates and expenditures. The face of the country is changing and changing for the better. We know - and none more than those on the Government Benches - that much still remains to be done. But we can bend our energies to the tasks ahead fortified by the knowledge that, in spite of mistakes and difficulties, we have made progress and, conscious that we are on the right road, however, long and arduous it may be, we shall persevere, with a stout heart, with the task of building up a more prosperous India".

Surplus Railway Budget for 1954-55 presented:
New Travel Concessions announced.

Mr. Lal Bahadur Shastri, Union Minister for Railways and Transport, presented to the Parliament on 19 February 1954, the Railway Budget for the year 1954-55*. The Budget estimates a net surplus of 51.4 million rupees for 1954-55. Receipts are estimated at 2,732.5 million rupees. There is a provision of 950 million rupees for works, machinery and rolling stock during 1954-55. The dividend to the general revenues will be 355.0 million rupees.

* Government of India: Ministry of Railways: Speech of Shri Lal Bahadur Shastri, introducing the Railway Budget for 1954-55 on 19 February 1954. pp. 25.

The Minister announced no revision in the passenger or freight rates, but indicated that the Government was determining certain adjustments in the fare and freight rates structure. Although there was no relief in the matter of ~~xx~~ freights and fares, the Railway Minister announced travel concessions in a number of cases.

The following table shows the ~~xxxxxxx~~ details of the budget:-

	(Rupees in Millions xxxxxx)			
	Actuals. 1952-53	Budget 1953-54	Revised 1953-54 Estimate	Budget 1954-55
Gross Traffic Receipts -----	2,705.6	2,722.8	2,720.0	2,732.5
Working Expenses -----	1,881.7	1,912.0	1,978.7	1,945.3
Net Miscellaneous Expenditure---	52.1	70.0	64.9	80.8
Appropriation to Depreciation Reserve Fund -----	300.0	300.0	300.0	300.0
Total -----	2,233.8	2,282.0	2,343.6	2,326.1
Net Railway Revenues-----	471.8	440.8	376.4	406.4
Dividend to General Revenues----	339.9	347.7	344.6	355.0
Net Surplus-----	131.9	93.1	31.8	51.4

Mr. Shastri's address: Financial Year 1952-53. Mr. Lal Bahadur Shastri began his budget speech with a resume of the financial position of the Indian Railways as disclosed in the completed accounts for 1952-53. The actual gross traffic receipts and ordinary working expenses for the year were 2,705.6 million rupees and 1,879.6 million rupees against the revised estimates of 2,695.5 million rupees and 1,888.5 million rupees respectively. After allowing for contribution to the Depreciation Reserve Fund and payments of miscellaneous expenditure and Dividend to General Revenues, the actual ~~xxxxxx~~ ~~xxxxxxx~~ net surplus stood at 131.9 million rupees against the revised estimate of 94.8 million rupees. A sum of 120.0 million rupees out of the surplus was appropriated to the Railway Development Fund and the balance of 11.9 million rupees to the Revenue Reserve Fund.

Revised estimates for the year 1953-54. The Minister said that the revised estimate of surplus for the current financial year was 31.8 million rupees against 93.1 million rupees estimated in the budget. The fall was mainly due to an increase in the working expenses on account of the acceptance of the recommendations of the Gadgil Committee to treat 50 per cent of the dearness allowance paid to employees as pay, which involves an additional expenditure of 30 million rupees annually and to the increased diversion of coal by sea for the Southern, Central and Western Railways.

Budget estimates 1954-55. The Minister stated that for the budget year 1954-55, passengers earnings had been placed at 1,915.1 million rupees which was nominally higher than the revised estimate but slightly lower than the original estimate for the current year.

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As regards goods earnings, there were reasons to be more optimistic on account of increasingly encouraging trends of industrial production. ~~was also reassuring.~~ He had, therefore, placed goods earnings at 1,486 million rupees or 1 per cent higher than the revised estimates for 1953-54. The overall estimate for gross receipts had ~~then~~ thus been placed at 2,732.5 million rupees against 2,720 million rupees, in the revised estimates for 1953-54.

The ordinary working expenses for 1954-55 had been placed at 33.2 million rupees lower than the revised estimates for the current year. The appropriation to the Depreciation Reserve Fund had been maintained at the same level as in the current year, viz., 300 million rupees. After providing for a net miscellaneous expenditure of 80.8 million rupees and a dividend of 355.0 million rupees to the general revenues, the surplus expected to accrue in 1954-55 had been placed at 51.4 million rupees.

The Railway Minister referred to "the trend of continued increase in the working expenses of the Railway and the progressive diminution of the Railway surplus", and said: "Although there has been a slow improvement of the position. I cannot see in the present conditions any indications to expect in the near future a marked spurt in passenger traffic. At the same time working expenses have been going up owing to factors over which we have but little control.

"The budget estimates for 1954-55 show an increase of nearly 500 million rupees over those for 1948-49. Except for 100 million rupees which is due to the taking over of the State Railways, the bulk of this increase is attributable to the liberalisation of benefits to staff. The fuel bill accounts for an increase of about 70 million rupees. This is consequent on expansion of services to meet the demands of traffic".

Progress under Five Year Plan and Development.- In a brief reference to the progress made under the Five Year Plan, the Minister said that the Railways actually spent 1,310.4 million rupees during the first two years of the Plan period and 778.8 million rupees was likely to be spent during the current year, leaving a balance of about 1,810.8 million rupees out of 4,000 million rupees allowed to the Railways under the Plan. He said that arrangements had been made to increase expenditure on works and also to increase the procurement of rolling-stock during the remaining two years of the Plan so as to ensure that the targets were reached.

Giving details regarding the progress of development works the Minister said satisfactory progress was being made on the Champa-Korba line and work on the Gandhidham-Kandla link had already begun. Work was expected to start in the near future on the Khandwa-Hingoli, Gop-Katkola and Gua-Manoharpur lines.

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The Chunnar-Robertsganj line was being shortly opened for goods traffic and was expected to be ready for passenger traffic by May 1954. The diversion of the railway line via Chandigarh had been completed, as also the Budni-Barkhera double line. A portion of the Sanganer Town-Tods Rai Singh extension had been completed and opened for traffic. The Madnepura-Nurliganj line was expected to be completed during 1954-55. Out of the 96 lines of the Quilon-Ernakulam railway, the Ernakulam-Kottayam section, 37 miles long, was expected to be opened for traffic in 1955.

Arrangements for the collection of materials and equipment required for the construction of the Ganga Bridge at Mokamesh and the ancillary training works had also been completed.

As regards the dismantled lines, the Minister stated that the following had been restored during the current year:-

- (i) Shoranpur-Angadipuram (part of Shoranpur-Nilambur).
- (ii) Vasad-Kathana.
- (iii) Balamau-Madhoganj (part of the Unao-Madhoganj).
- (iv) Madura-Usilampatti (part of Madura-Bodinayakanur).

In addition, the restoration of the Nagrota-Joginder-nagar and Bhagalpur-Mandarbill branches had been almost completed and they would be opened for traffic shortly.

Rolling Stock position.- Referring to expenditure on works machinery and rolling stock the Minister stated that 950 million rupees were to be spent during 1954-55 which was the highest amount ever proposed. The budget estimates for works provided for an increased outlay of about 17 per cent over the revised estimates for 1953-54 and about 44 per cent over the actuals for 1952-53.

The provision made for rolling stock reflected a heavier procurement programme than in the past. Orders for a large number of locomotives were placed abroad recently to accelerate the rehabilitation of railways.

During the Plan period, it was expected that a total number of about 1,600 locomotives would be received. This ~~situation~~ should result in an overall improvement in the power position of the railways. The Minister acknowledged the assistance from Canada under the Colombo Plan for supply of 120 broad gauge passenger locomotives and from the U.S. Government under their foreign aid programme for 100 broad gauge locomotives.

The Minister said that the objective of utilizing indigenous resources, to the maximum extent continued to guide and regulate all orders. It was his intention to increase the production target of the Chittaranjan Locomotive Works from 120 to 150 and thereafter to 200 average sized locomotives in the next four years. The Tata Locomotive and Engineering Company had so far produced and delivered 50 locomotives in all but they were expected to reach their target of 50 locomotives a year in 1954-55.

As regards wagons, practically all the increased procurement had been planned on indigenous production. New manufacturers had come into the field and established manufacturers had agreed to expand their production capacity. Orders for 11,000 wagons were being placed against the 1954-55 programme with manufacturers in India. The Minister said that 5,000 wagons were also expected to be received under the foreign assistance programme of the U.S. Government.

The ~~policy~~ policy of not placing new orders for passenger coaches abroad was being continued this year. The capacity of the Hindustan Aircraft Limited and of railway workshops was being increased. The construction of the Integral Coach ~~Plant~~ Factory at Perambur was making satisfactory progress, and coach body-shells would start coming out during the second half of 1955.

The Minister said that he had decided to set up a committee to advise how the manufacture of certain special types of wagons, narrow gauge locomotives and other stock and fittings, which were still being imported, could be established in the country.

He hoped that the Indian industry would rise to the occasion and take to the manufacture of specialised railway items in increasing numbers.

Major Projects under operation.- The Minister said that in 1954-55 it was proposed to concentrate on the execution of the works already in hand, although certain new major works would also be undertaken. A major project that had been included was the electrification of the suburban services in the Calcutta area and work on the electrification of the Howrah-Burdwan main line section of the Eastern Railway would begin forthwith. Provision had also been made for a traffic survey for rail connection to Garo Hills in Assam. In addition, the construction of the Pathankot-Madhampur broad gauge line 7.04 miles in length, was proposed to be undertaken to facilitate movement to Jammu and Kashmir State. The line was estimated to cost 3.5 million rupees.

Proposals for new construction under examination include the Indore-Ujjain broad gauge line, rail connection to Etah, the Mangalore-Hassan, the Diva-Dasgaon, the Teldanga-Khajuria-Malda, the Bhavnagar-Tarapur and the Fatehpur-Churu lines.

The question of providing electrification for the operation of the Quilon-Ernakulam line was also under consideration. Extension of electrification to Tambaram-Vilupuram section of the Southern Railway was receiving attention.

Work for augmenting the line capacity in congested sections was being programmed on a larger scale, 31 million rupees having been provided in the budget year against 21 million rupees in the current year.

The Minister said that he would invite the House during the present session to set up a committee to go into the question of the rate of dividend payable by the Railways to general revenues of the Central Government. Such a review was provided for the resolution passed by the Constituent Assembly (Legislative) in 1949 defining the relationship between railway finance and general finance.

The Minister said that considering the vast areas which were awaiting economic exploitation through the introduction of satisfactory transport facilities, he felt that it was necessary to adopt a bold policy of development and expansion of the railways. But the prospects of increased financial resources were none too bright. Against 3,200 million rupees to be contributed by the Railways for the execution of the Five Year Plan, the contribution for the first three years was likely to be 1,650 million rupees only and a short-fall of about 600 million rupees was expected during the Plan period.

The Railway Minister said: "I am examining in the above context the implications and practicability of certain suggestions for adjustments in our fare and freight rate structure which it is claimed are necessary for a developmental economy".

There was also the need for maintaining and if possible, accelerating the pace of construction of new lines. The present high levels of the cost of materials and labour involved unremunerative investment, at least for some time to come. The balances in the Development Fund were rapidly dwindling. "The only way in which new construction seems to be possible is to provide for a recovery of charges on the basis of inflated mileage for a limited period so that the projects may not be burdensome. The device may also profitably be adopted in cases where a shorter route is provided reducing the cost of transportation substantially, the whole of which need not be passed on to the consumer".

Efficiency Bureau.- The Minister disclosed that an Efficiency Bureau had been set up in the Railway Board to investigate and eliminate outmoded and costly practices and to evolve suitable techniques for achieving efficiency and economy in diverse fields of railway operation and management.

Passenger amenities.- As regards passenger amenities, Mr. Shastri stated that it was his intention in the Budget year to see that more of these amenities were provided at small and wayside stations.

The amenities included provision of improved platform and waiting facilities, electrification, improved lighting and foot over-bridges at a large number of stations. A representative Amenities Committee had been set up on each Railway.

Mr. Shastri said that the fears entertained about the effects of the abolition of the first class on Railway earnings had proved to be without foundation. Moreover, with the abolition of the first class, it had been possible to increase the lower class accommodation.

Efforts had been continued to reduce overcrowding in passenger trains. Between April 1953 and November 1953, 190 new trains were introduced and 126 trains extended. During 1952-53, 186 broad gauge and 135 metre gauge third class coaches were put on the line. While the number of the third class passengers decreased from 1.163 million in 1951-52 to 1.120 million in 1952-53; the number of seats provided for third class passengers increased from 856,000 to 864,000. The position was expected to improve further.

Travel concessions.- The Minister said that although he had not found it possible to offer at present any relief in the matter of freight and fares generally, the following travel concessions were being introduced:-

(i) Circular Tour Tickets for distances of 1,500 miles and over at concessional fares of 3/4 the public tariff rates for second, inter and third classes. These concession tickets will apply not only to the standard circular tours notified by Railways but also to circular tours suggested by parties themselves and approved by the Railways.

(ii) Round Tour Tickets for students available for 45 days at the usual concessional rates when they undertake travel in parties of not less than four instead of in parties of not less than 10 as at present. The existing concession for educational tours in parties of not less than 10 will also apply to such students travelling in parties of not less than four.

(iii) Students' Concessional Monthly Tickets in non-suburban areas, for students proceeding daily from their homes to attend schools or colleges and returning therefrom. These monthly tickets will be issued from stations not more than 30 miles distant from the station of the school or college attended, on payment of 12 single journey fares.

(iv) Concessional Hill ~~Station~~ Station return tickets at 1 1/2 single journey fares to certain selected hill stations during April to October for second, inter and third classes, available for three months from all stations from which the chargeable distance is 150 miles or more.

Personnel relations.- Turning to railway services, Mr. Shastri referred to ~~the~~ the merger of part of dearness allowances with pay and stated that the additional expenditure involved was 30 million rupees per year approximately.

The negotiating machinery at all levels had functioned well. Many issues including complicated ones have been ironed out successfully. Certain important issues which remained unresolved for some time had been referred to a Ad Hoc Tribunal and referred to it five specific points.

Certain principles had been formulated for determining the seniority of the staff of the integrated railways, and the railway administrations had been instructed to frame seniority lists in accordance with these principles and to complete the work as expeditiously as possible. The procedure for filling selection posts had also been finalized.

Housing.- Referring to the steps taken for housing of railway staff, the Minister stated that while the standard of amenities in some of the existing quarters was being improved construction of 18,432 new quarters was expected to be completed during 1953-54 and 1954-55. ~~Nearly~~ Nearly 46.0 million rupees had been provided for the construction of staff quarters in the budget year against 40 million rupees in the current year. The total provision for staff quarters and for staff amenities in the budget year was 58.5 million rupees.

The Minister made a special reference to the decision to construct annexes in suitable sanatoria, one for each zone, so that railwaymen suffering from tuberculosis may get treatment nearer their homes. Provision of one annexe each on the Eastern and Southern Railways had already been made in the budget programme.

Mr. Shastri said that the railways had had another year of very cordial relations between labour and management which augured well for the future. The two former railway federations had merged into a new organisation during the year, called the National Federation of Indian Railwaymen. This was a healthy development and would, he was sure, prove beneficial.

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33. Full Employment Policy.

India - February 1954.

Bombay: Measures to Meet Unemployment Situation.

Mr. Shantilal Shah, Labour Minister, Bombay, outlined in the Bombay Legislative Assembly on 24 February 1954 the measures being taken and proposed to stimulate the development activities under the Five Year Plan with special reference to the employment aspect of the Plan.

Mr. Shah stated that according to a sample survey carried out by the Bureau of Economics and Statistics, the total number of unemployed males in the age group 15-55 in the State was about 200,000 on an average during the period June-December 1952.

Though comprehensive statistics of unemployment were not available, the number of applicants on the live registers of the employment exchanges in the State (including Saurashtra) on 1 September 1953, was 76,118 while the number of educated unemployed on the ~~live~~ live registers was 25,865 on 30 November 1953.

Referring to the steps taken by the State Government for relieving unemployment the Minister said the Government had authorised the district school boards to appoint 4,000 additional primary teachers.

The other measures were:

- 1) Assistance to persons establishing small industries.
- 2) Encouragement to small-scale and cottage industries.
- 3) Facilities were being given to industrialists to start industries in Ulhasnagar refugee township near Kalyan (about 40 miles from Bombay).
- 4) Preliminary arrangements for employing educated unemployed on medium and minor irrigation works, "wherever possible, on camping basis", were being taken.
- 5) Proposed expansion of training facilities both in technical and commercial subjects in order to enlarge the scope of employment among the educated classes.

Mr. Shah said if "the figures relating to applications on the live registers of the employment exchanges are any guide, the measures proposed to be taken will afford considerable relief to the educated unemployed".

(The Hindustan Times, 26 February 1954).

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34. Economic Planning, Control and Development.

India - February 1954.

Economic Trends in India: Favourable Report by International Monetary Fund Mission.

The International Monetary Fund Mission which visited India in January-March 1953, has submitted its report to the Government recently. The Mission consisted of Mr. E.H. Bernstein, Director, Department of Research, International Monetary Fund, and Mr. Richard Goode, Mr. Morris Freidberg and Mr. I.G. Patel, technical advisers on fiscal and monetary problems in the International Monetary Fund. The Mission had discussions with the Ministries of the Government of India, the Reserve Bank of India, professional economists and representatives of industry, finance and banking.

The report which was published simultaneously from Washington and New Delhi, analyses the economic situation in India as it developed in the years immediately preceding the Five Year Plan period, the economic objectives of the Plan and its progress, the availability of internal resources for its implementation and the efforts that are proposed to be made for the realisation of the objectives laid down in the Plan.

The Government of India, in a foreword to the report, welcomes it "as an independent view of the fiscal, monetary and economic policies and the progress of the Five Year Plan" and observes that "while the views expressed in the report are entirely those of the Mission and the Government of India are not committed to them, they will take them into consideration in the framing of their future policies within the framework of the social and economic objectives set forth in the Five Year Plan."

Resources for Five-Year Plan. - On the question of the resources available for the Five Year Plan the Mission says that in view of the low per capita income prevailing in India and the modest increases that may occur, it is difficult to believe that the public savings desired for the implementation of the Plan will come about automatically. Net savings investment which has hitherto been about 4 to 5 per cent, is hardly sufficient to meet the growing needs of the population, expanding at 1.25 per cent. Aggregate production has to rise more rapidly than population. The Plan is intended to raise the level of investment to a little over 7 per cent.

With a steadily expanding income the Mission believes that the capacity of the economy to provide savings for further developments will be somewhat greater. Careful consideration will need to be given to policies that will stimulate savings by both business firms and individuals and to make up a deficiency in voluntary savings. The Mission feels that it may be necessary to rely on compulsory measures such as social security contributions taxes and higher prices for services of public enterprises.

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In the sphere of small savings, the Mission has found the record during the last few years encouraging, the figures rising from 300 million rupees in 1948-49 to 440 million rupees (revised estimate) in 1952-53. Additional efforts in this regard might take the form of extension of postal savings facilities to more post offices, particularly in villages and more publicity and promotion of small denomination savings certificates and stamps.

Social security.- As regards the introduction of social security measures, the report suggests certain precautions based on the experience of other countries where these measures have been adopted, and advocates gradual establishment of a comprehensive social security system covering all persons engaged in commerce and industry in firms employing say, 10 or more persons.

The Mission notes that so far, the progress of the States in achieving additional resources has been disappointing. It seems ~~the~~ most doubtful at this stage that the States will be able to find their share of resources unless they impose new taxes in the coming years and reduce their non-developmental expenditure.

In the sphere of taxation, the report suggests that special attention be given to the possibility of increasing (a) taxes that have not kept pace with the rising prices and revenue requirements over the past 10 or 15 years; (b) taxes and charges that will claim a part of additional income directly attributable to the Five Year Plan; and (c) taxes that will restrain unnecessary consumption.

Betterment levies and water charges which have been proposed by the Planning Commission in connection with multi-purpose irrigation projects, are considered by the Mission as "among the most desirable means of capturing by the Government a part of the additional income directly attributable to the Five Year Plan".

The report appreciates the importance given to the public sector in the Plan. It considers that this position is necessary in a predominantly agricultural country. As primary needs are better met the role of private investment in agriculture and industry will become greater.

Industrial development.- As regards industry, the report considers that power, transport and communications have been given due priority in the Plan. It also suggests that measures should be considered to encourage greater development of industries of small and medium-size enterprises in the rural regions, which could provide full and part-time employment for people now engaged exclusively in agriculture.

Even after making reasonable efforts to raise additional resources, it is, however, certain, the report observes, that available home resources will fall short of the amount needed to proceed with the modest development programme laid down in the Five Year Plan and will have to be augmented from outside.

Food problem.- Special steps to ensure an adequate supply of food during the Plan period ~~xxxxxx~~ is stressed by the report. In countries like India, the report points out where the crop is dependent upon the vagaries of the monsoon, sub-normal crops must be expected from time to time and a widespread failure of crops may occur at any time. In order to ensure that the foreign exchanges resources needed for the Five Year Plan are not drained away because of a bad crop, ~~special arrangements should be of a bad crop,~~ special arrangements should be made by India for an emergency supply of wheat, the world supplies of which "are adequate to meet any extraordinary future needs of India without affecting world market conditions". Such arrangements, the report says, could be made with the U.S.A., Canada and possibly Australia. Ordinary imports of foodgrains would continue to be made by purchases out of current earnings.

External Aid.- The Mission also suggests additional foreign aid to India. "The Five Year Plan", the report says, "is so essential to the well-being of the people of India that it should be possible to find an agreed basis for additional foreign aid to India. To the extent that such aid is available on a grant basis, the strain on the Indian economy will be reduced. Income levies are so low and domestic savings so limited that repayment of credits would necessarily slow down the rate at which consumption standards can rise and development be accelerated in the future".

Economic trend favourable.- The report refers appreciatively to the inherent strength of Indian economy and the efficacy of the steps that have been taken to put it on a sound footing. Observing that the predominant factor in Indian economy after the war was high inflation, the Mission's report says: "The monetary and fiscal authorities have succeeded in purging the economy of the forces of inflation during the last few years. The piled-up latent inflation of the past has at last disappeared. Indian prices have been reasonably stable". The index of working-class cost of living has also showed reasonable stability. The deficit in the balance of payments has been reduced to what can properly be met by the use of sterling reserves.

The report, however, cautions that while the balance of payments may be regarded as satisfactory for the time being, it is necessary to strengthen the payments position, primarily by expanding exports in order to meet larger import requirements on foreign capital for the Five Year Plan. With this restoration of economic stability, the country is now in a position to undertake a larger volume of investment without risk of inflation that could get out of hand. As an instance, the report points out the price indices of the last three or four years and observes: "There are few ~~xx~~ countries in which the price rise over the past five years has been so moderate".

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The price level.- Discussing the price level, the Mission makes the interesting point that it will ~~not~~ no longer be possible to return to the pre-war price level. "That price level", the Mission says, "is now very largely a matter only of historical interest. Its significance as a base for price indices which might serve as a guide to current problems and current policies is negligible. It would do much to clarify thinking on economic questions if economic indices were based on a recent post-war year". The report discusses the inflationary potential of the Five Year Plan and makes the point that if the real resources for development are adequate, there will be no inflation although functional price adjustments may have to be made. It discourages any temporary spurt in investment induced by inflationary means. Development with stability should be regarded as basic economic policy. This does not rule out flexibility of prices on a ~~functional~~ functional basis, which can be distinguished from inflationary rises. On the other hand, if excessive credit is created to finance the Plan, because of a deficiency in savings, it will almost certainly lead to inflation. The policy to be pursued should, therefore, be one of caution, "bold without being reckless".

Deficit financing.- The Mission accepts the need for a certain amount of deficit financing for the implementation of the Five Year Plan. It says: "Deficit financing which is used to secure an appropriate money supply and to direct real resources to the Government for its investment is clearly essential to the success of the Plan. Whether deficit financing is desirable or not, it depends fundamentally on the amount, the environment in which it is undertaken and the policies that go along with it". It agrees that, at present, circumstances are favourable to undertake a certain amount of deficit financing "provided the amount of such financing is limited to what is necessary for a sound credit policy and provided other measures are taken to avoid excessive expansion of the money supply. There is no formula by which one may determine the amount of deficit financing that may properly be undertaken in the near future. As in most matters involving credit policy, this is ultimately a matter of judgment".

Controls.- The Mission has also dealt with the problem of controls. In its view, with the major exceptions of rationing of foodgrain and restrictions on imports, the controls still in effect in India are largely nominal. The report takes note of the fact that in India, with the change in the economic situation, controls have been relaxed in various spheres. It suggests the need for further reviewing the existing controls, for example, wheat rationing, may be discontinued wholly and the needs of consumers met through larger imports.

(The Statesman, 8 February 1954).

West Bengal Development Corporation Bill, 1954.

The Government of West Bengal published on 12 March 1954 the text of the West Bengal Development Corporation Bill, 1954, proposed to be introduced in the Legislative Assembly of the State. According to the Statement of Objects and Reasons, it has been felt for some time past that it is necessary to create a Development Corporation to undertake certain development schemes aimed at promoting public welfare. The Bill seeks to set up such a Corporation and to provide for the proper working thereof. The Corporation is to be semi-autonomous and may constitute one or more Executive Boards to carry out the various schemes.

The State Government may authorise the Corporation to undertake development ~~schemes~~ schemes in respect of such objects as may be specified and in particular in respect of reclamation and improvement of land for establishing townships or for executing housing schemes or for agriculture, water supply, drainage and irrigation, disposal of sewage and manufacture of sewage gas, fisheries, dairy farms, poultry and live-stock and manufacture of salt. The capital is to be raised partly by funds supplied by the State Government and partly by shares. The shares will be guaranteed by the State Government as to the payment of the principal and as to the payment of dividend at such rate not being less than five per cent per annum as may be fixed by the State Government. The Corporation is also empowered to borrow money with the previous approval of the State Government and the repayment of such money with interest thereon will be guaranteed by the State Government. Provisions have been made for ensuring proper budgeting and audit.

Calcutta
(The Gazette, ~~of India~~ Extraordinary,
12 March 1954, pp. 313-320).

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36. Wages.

India - February 1954.

Earnings of Factory Workers during the Year 1951.

A review of the trends of earnings of factory workers during the year 1951 is contained in the Indian Labour Gazette, Vol.XI, No.7, January 1954, based on the annual returns received under the Payment of Wages Act from all Part A States and the Centrally administered States of Delhi, Ajmer and Coorg.

The provisions of the Payment of Wages Act apply to all employees, including salaried personnel, whose monthly earnings do not exceed 200 rupees. The annual returns are statutorily collected from establishments and consolidated returns from a State are furnished to the Bureau by the State Authorities. The number of establishments furnishing returns may not be the same from year to year and this, to some extent, may vitiate the trends from year to year. Further, the Act defines wages as 'all remuneration capable of being expressed in terms of money' and it is not unlikely that there may be difference in the interpretation of the term 'remuneration' and the computation of the cash value of concessions in kind. Moreover, the coverage of the statistics has been enlarged with the coming into force of the Factories Act, 1948. Under the revised Factories Act, 1948 which came into force in 1949, the scope of the definition of 'factory' has been extended to include all factories working with the aid of power and employing ten workers, or more, as also those working without the aid of power but employing twenty workers or more. The coverage of the statistics has undergone a further change in 1951. Owing to lack of uniformity in the statistics relating to the Defence establishments such as ordnance factories the statistics were not received from three States, i.e., Bombay, Bihar and Uttar Pradesh. The figures relating to these States especially those on total earnings for all industries are, therefore, not strictly comparable with the figures for previous years. Railway workshops are also not covered in these data. It will be well to bear in mind these limitations of the data in order that their true significance may be properly appreciated.

During 1951 the average daily number of workers employed in the establishments furnishing returns was 2,288,695 and the total wages paid to them amounted to 2,055 million rupees. Compared to 1950 there was a large increase in 1951, in the total wages paid although the increase in the number of workers was not considerable. The table given below gives details regarding the total earnings of factory workers drawing less than 200 rupees per month for the years 1939 and 1945 to 1951 for the 9 Part 'A' States and the Part 'C' States of Delhi, Ajmer and Coorg.

State	1939	1945	1946	1947	1948	1949	1950	1951
Assam -----	5649*	10585*	10684	13660	17022	18768	21271	23549
Bihar -----	29375	58142	59259	82920	106275	123080	135102	166002&
Bombay-----	144367	524903	486655	591839	713024	846271	765325	799117&
Madhya- Pradesh-	**	33553	26279	42714	47010	61061	62858	59197
Madras-----	24622	78147	88823	123439	136153	180039	185295	200713
Orissa-----	515	2049	1929	3027	4449	4554	4988	8786
Punjab-----	38290	186400	178570	14454	20282	26703	34637	36812
Uttar - Pradesh-	25485	124911	119904	133432	174352	198685	190264	167790&
West Bengal	1134240	2827350	2673070	337875	432025	489577	480941	533408
Ajmer-----	1049	2878	3167	3186	3971	3600	4776	4946
Coorg-----	**	6	6	15	11	15	76	111
Delhi-----	5145	24412	25971	26078	36426	41154	42270	55336

* Figures relate to undivided Assam.

**Not available.

@ Estimated.

& Information relating to Defence establishments not included.

It will be seen that except in the States of Madhya Pradesh and Uttar Pradesh the total wages paid to workers showed an increase in 1951 as compared to 1950 in all the States. While in Madhya Pradesh the fall in total earnings appears to be due to a drop in the average earnings especially in the textile industry, the apparent reduction in the wages bill in Uttar Pradesh is entirely attributable to the exclusion of defence establishments. Bombay and Bihar showed increases in total earnings despite the exclusion of defence establishments. The highest increase was registered in West Bengal, where the wage bill in 1951 was 10.9 per cent more than in 1950.

The table below gives the average annual earnings of workers statewide for the years 1939 and 1945 to 1951:-

State	1939	1945	1946	1947	1948	1949	1950	1951
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Assam---	263.7	660.5	687.5	755.5	795.8	942.8	1018.6	1017.9
Bihar---	415.5	538.7	544.0	819.8	946.2	983.9	1059.1	1241.5&
Bombay--	370.4	814.7	812.3	977.9	1141.9	1210.1	1170.3	1270.5&
Madhya Pradesh. **		530.6	479.7	572.3	609.2	841.9	936.8	862.0
Madras--	175.9	357.6	422.2	560.3	611.8	726.6	591.2	664.9
Orissa--	161.8	417.2	440.1	493.6	612.6	527.0	680.6	762.4
Punjab--	296.0	578.8	602.0*	628.2	675.9	858.7	771.3	756.0&
Uttar Pradesh. 235.6		551.7	593.6	672.8	887.1	993.0	933.0	960.4
West Bengal. 248.7		465.5	496.3	567.7	723.9	839.0	877.5	942.3
Ajmer---	163.7	419.8	447.8	445.3	527.2	552.0	660.0	694.2
Delhi---	309.4	699.9	837.2	877.7	1047.3	1028.4	1061.6	1292.6

Note: Excludes, besides Railway workshops, the groups Food, Beverages, Tobacco and Gins and Presses. 2

** Not available.

* Estimated.

& Information relating to Defence establishments not included.

The averages shown for each State exclude the industry groups of food, beverages, tobacco, gins and presses where the industry is mostly of a seasonal nature. The data given in this table thus represent average earnings in perennial industries only. A separate set of all-States averages for the four mainly seasonal groups of industries referred to above and for all industries including both perennial and seasonal groups is presented in the following table:-

(Please see table on the next page)

Code No.	Industry	1951	1950
01	Processes allied to agriculture -----	154.9	157.2
20	Food except beverages -----	479.5	456.2
21	Beverages -----	969.0	896.1
22	Tobacco -----	392.2	421.8
23	Textiles -----	1,044.0	971.4
24	Footwear, other wearing apparel and made up textile goods-----	989.3	851.0
25	Wood and cork except furniture -----	653.8	602.9
26	Furniture and fixtures -----	940.0	668.0
27	Paper and paper products -----	959.9	910.0
28	Printing, publishing and allied industries-----	1,052.9	962.1
29	Leather and leather products (except footwear)-	752.3	640.7
30	Rubber and Rubber products -----	1,325.1	1,164.6
31	Chemicals and Chemical products -----	868.9	871.4
32	Products of petroleum and coal -----	1,131.8	1,047.0
33	Non-metallic mineral products -----	690.2	729.2
34	Basic metal industries -----	1,368.2	1,175.6
35	Manufacture of metal products -----	917.3	798.7
36	Manufacture of machinery -----	998.5	1,000.7
37	Electrical machinery, apparatus, etc. -----	1,237.6	1,195.3
38	Transport equipment -----	1,170.7	1,052.4
39	Miscellaneous industries -----	1,067.3	1,014.8
51	Electricity, gas and steam -----	1,229.2	1,198.9
52	Water and sanitary services -----	907.9	951.8
83	Recreation Services -----	968.6	980.0
84	Personal Services -----	852.9	799.1
	All Industries -----	898.3	849.9
01		417.8	408.8
to			
22			
23			
to			
84		1,035.6	966.8

It is seen that the average annual earnings of workers in perennial industries in all States increased from 966.8 rupees in 1950 to 1,035.4 rupees in 1951. During the same period average annual earnings in the four seasonal groups rose from 408.8 rupees to 417.8 rupees. The all industries average increased from 849.9 rupees in 1950 to 898.1 rupees in 1951. While the average earnings in most of the industries increased in 1951, as compared to 1950, there were a few minor industries such as 'tobacco' 'non-metallic mineral products', 'water and sanitary services' and 'recreation services', in which the average earnings in 1951 were lower than in 1950. Among the important industries which recorded large increases in average earnings were: textiles; printing, publishing and allied industries; products of petroleum and coal; basic metal industries; manufacture of metal products; transport equipment; etc. A study of the increases in 1951 in average earnings statewise, would show that while most of the important States such as Bombay, Madras and West Bengal registered increases in average earnings in 1951 as compared to 1950, a few States such as Madhya Pradesh and Punjab

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showed a fall in the average earnings. The increases in average earnings in perennial industries in 1951 as compared to 1950, were, from 1,170.3 rupees to 1,270.5 rupees in Bombay, from 591.2 rupees to 664.9 rupees in Madras, from 877.5 rupees to 942.3 rupees in West Bengal and from 933.0 rupees to 960.4 rupees in Uttar Pradesh.

Generally speaking the increases in earnings are due to bonuses granted by Adjudicators, Tribunals, etc., and partly to the fact that the loss of man-days due to industrial disputes was less in 1951 than in 1950. In Bombay the increase in earnings was marked in the group of 'textiles' and 'rubber and rubber products'. It may be mentioned that the earnings in the cotton textile industry in Bombay in 1950 were low mainly due to the loss of earnings during the general strike in the industry in Bombay city. In Madras most of the industries showed an increase in average earnings although such increases were marked in certain industries like furniture, and fixtures, printing, publishing, and allied industries, products of petroleum and coal, and the engineering industries. In West Bengal, the industries that registered considerable increases in earnings in 1951 as compared to 1950 were: Paper and Paper Products, Rubber and Rubber Products and the Engineering Industries.

Draft Orissa Minimum Wages Rules, 1954.

The Government of Orissa published on 19 February 1954 the draft of the Orissa Minimum Wages Rules, 1954, proposed to be made in exercise of the powers conferred under the Minimum Wages Act, 1948. The rules prescribe, inter alia, the terms of office of the members of the Board, Committee and Advisory Committee and their qualifications, the procedure for the summoning of witnesses by the Committee, Advisory Committee and the Board, the mode of computation of the cash value of wages and the deductions permissible from the wages, the number of hours of work which constitute a normal working day, the procedure for claims under the Act and the scale of costs in proceedings under the Act. The draft rules will be taken into consideration by the Government after 15 March 1954.

(The Orissa Gazette, Part III, 19 February 1954, pp. 173-189).

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

INDIA - FEBRUARY 1954.

41. Agriculture.

447 Rupees Average Annual Income Per Agricultural
Labour Family: Labour Minister Reviews Findings
of Enquiry Committee.

Mr. V.V. Giri giving details of the findings of the Agricultural Labour Enquiry Committee, the final report of which is under preparation, in the House of People on 25 February 1954, stated that the average annual income per agricultural labour family in India was 447 rupees.

The inquiry revealed that the average annual expenditure per family was 468 rupees including the average expenditure of 7 rupees incurred on ceremonies against an average annual income of 447 rupees. About 45 per cent of the agricultural labour families were indebted and the average debt per indebted family was 105 rupees. The main purpose for which debts were incurred was consumption which accounted for 78 rupees out of the total debt of 105 rupees. The main sources of borrowing were the moneylenders and the employers, the amounts borrowed from them being 38 rupees and 22 rupees respectively.

According to the findings men agricultural labourers formed 55 per cent of the hired labour force on an average for 189 days in agricultural labour and 29 days in non-agricultural labour during the year. Women, who formed 40 per cent of the total number of agricultural labourers, were employed for 120 days in agricultural labour and 14 days in non-agricultural labour.

Data on unemployment were collected only for adult male workers. The inquiry revealed that men agricultural labourers were unemployed for 100 days and self-employed for 50 days during the year. It was difficult to say whether during the period of self-employment they worked for the full day. There might be considerable hidden underemployment therein.

Child labourers formed 5 per cent of the hired labour force. On an average they were employed on wages for 165 days in a year, 150 days in agricultural and 15 days in non-agricultural labour.

As regards weighted average daily wage of agricultural labourers, the survey ~~data~~ revealed that the average daily wage of casual workers was: men 17.5 annas, women 10.8 annas and children 11.1 annas. Child labourers were employed only in some parts and hence their wage rates were not directly comparable with those of men or women. Attached labourers were mostly men and their average daily wages were about 12.5 annas.

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The average annual income per agricultural labour family was 447 rupees. Income from agricultural wages formed 64.2 per cent and that from non-agricultural labour 11.9 per cent. The average annual income per capita worked out to 104 rupees.

Of the total average expenditure of 468 rupees, 85 per cent was incurred on food and 6 per cent on clothing and footwear. The percentage expenditure on fuel and lighting, house rent and repairs and services and miscellaneous groups was 1.1 per cent, .8 per cent and 6.5 per cent respectively. About 79 per cent of the food budget was spent on cereals.

The first stage of the inquiry related to general village survey. It disclosed that 43 per cent and 42 per cent of the sample villages were under the ryotwari and zamindari systems. The remainder were other tenures. About 56 per cent of the total area of the sample villages was under ryotwari and 20 per cent under the zamindari tenures. The position had, however, changed materially due to the abolition of the zamindari system in some States. The ryotwari tenure had now gradually become universal.

So far as attached workers were concerned, the permanent working force was largely composed of men. The average monthly earnings of attached workers in Part A, B and C States generally ranged from 38 rupees to 50 rupees from 25 rupees to 44 rupees and from 15 rupees to 60 rupees respectively.

Casual workers formed the bulk of the agricultural labour force and wages were paid according to time or piece.

The second stage of the inquiry related to general family survey. The report is now under print. The inquiry reveals that the total population in the sample villages consisted of 51.7 per cent males and 48.3 per cent females. The earners formed 30.4 per cent, 22.5 per cent being men, 6.9 per cent being women and 1 per cent children. About 19 per cent of the population were helpers, men forming 7.5 per cent and women 9 per cent.

Dependents formed 50.7 per cent of the total population, 35 per cent being children, 13.5 per cent women and 1.3 per cent men.

According to the data collected during the general family survey, the agricultural land owners' families constituted 22.2 per cent, tenants, 27.2 per cent and agricultural workers 30.4 per cent (15.2 per cent being with land and 15.2 per cent without land) of the total number of rural families.

The over average size of families was five. The average number of persons in the families of agricultural land owners was 5.45 while that in the families of tenants and agricultural workers was 5.39 and 4.70 respectively.

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The average number of earners per family was 1.53 composed of 1.13 men and 0.35 women.

The average size of cultivator's holdings possessed by the families residing in the sample villages was 7.53 acres, the corresponding figures for the families of agricultural land owners, tenants and agricultural workers being 11.37, 7.74 and 2.86 acres respectively. The families of agricultural landowners held 34.71 per cent of the total number of holdings and tenants 34.7 per cent.

(The Statesman, 26 February 1954).

Plantation Industries: Inquiry Committee set up.

The Government of India has set up a committee to inquire into all aspects of the three plantation industries - tea, coffee and rubber.

The committee, inter alia, will inquire into the ownership of industries, character and volume of capital invested, cost and methods of production, and financing and marketing. It will also inquire whether the industries have adequate finances.

The committee will examine methods by which the producer could receive fair price for his produce. It will also suggest possibilities of further expansion of the acreage under coffee and rubber.

Mr. P. Madhava Menon will be the chairman of the committee. It will have two other members representing the industries and workers.

(The Hindustan Times, 17 February 1954).

Tea Gardens in West Bengal: Most resume Working.

Mr. K. P. Mookerjee, Labour Minister, West Bengal, stated at the West Bengal Legislative Assembly on 10 March 1954, that most of the tea gardens in Darjeeling and Jalpaiguri, which had closed down early in 1953, had since been reopened. Of the 13 gardens in Darjeeling and three gardens and one factory in Jalpaiguri, nine gardens in Darjeeling and three gardens and one factory in Jalpaiguri were again working. Nearly 9,000 workers were affected but ~~the~~ he believed that most of them had been taken back by the managements concerned.

(The Hindustan Times, 10 March, 1954).

West Bengal Estates Acquisition Act, 1953
(No. I of 1954).

The West Bengal Estates Acquisition Bill (vide pages 45-46 of the report of this Office for November 1953) as passed by the West Bengal Legislature received the assent of the President on 12 February 1954 and has been gazetted as Act I of 1954. The Act provides for the State acquisition of the estates, of rights of intermediaries therein and of certain rights of raiyats and under-raiyats (non-agricultural tenants).

The Act empowers the State Government to declare by a notification that all estates and the rights of intermediaries shall vest in the State free from all encumbrances from a specified date. An intermediary will however be entitled to retain his homesteads, land comprised in buildings, non-agricultural land not exceeding 15 acres, agricultural land not exceeding 25 acres, tank fisheries, ~~tea~~ gardens or orchards, mills, factories and workshops. All the intermediaries retaining possession of such lands are treated as tenants holding directly under the State.

Provision is made for the payment of compensation to landlords whose estates would be acquired under a slab system varying between 20 and two times the annual net income. The following rate of compensation has been fixed.

Net income.	Amount of compensation payable
For the first 500 rupees or less of net income----	Twenty times of such net income.
For the next 500 rupees or less of net income-----	Eighteen times of such net income.
For the next 1,000 rupees or less of net income---	Seventeen times of such net income.
For the next 2,000 rupees or less of net income---	Twelve times of such net income.
For the next 10,000 rupees or less of net income--	Ten times of such net income.
For the next 15,000 rupees or less of net income---	Six times of such net income.
For the next 80,000 rupees or less of net income---	Three times of such net income.
For the balance of the net income-----	Two times of such balance of net income.

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Compensation to landlords having a net income of 250 rupees or less will be paid in cash and compensation to other landlords will be paid partly in cash and partly in bonds carrying three per cent interest payable in 20 equal instalments.

Other provisions of the Act deal inter alia, with procedure for assessment and payment of compensation, acquisition of rights of intermediaries directly working mines, preparation of record-of-rights, acquisition of certain khas lands and rent-receiving interests.

(Calcutta Gazette, Extraordinary, 12 February, 1954, pp. 155-176).

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44. Merchant Marine and Fisheries.

India - February 1954.

All-India Seamen's Federation formed at Calcutta.

A Convention of Seamen was held at Calcutta on 7 February 1954, under the joint auspices of the United Seamen's Union, Calcutta Saloon Committee, Seafarers' Union of India and the Quartermasters' Union of India, Mr. Syed Nausher Ali, presiding. The meeting was attended by 86 delegates and 259 visitors representing about 35,000 organised seamen serving from Calcutta.

The Convention decided that a new organisation, the All-India Seamen's Federation, be formed with the four organisations participating in the Convention as constituent members to start with. The Constitution and Rules of the Federation were also approved. The following office-bearers were ~~chosen~~ elected: President - Mr. Syed Nausher Ali; Vice-Presidents - Mr. M.A. Syed, Mr. Mojiuddin Ahmad Serang, Dr. A.M.D. Ghani, and Mr. Bibhutā Nandy; Joint Secretaries - Mr. S.A. Salaque, and Mr. Shorab Ali; Organising Secretary - Mr. Abdul Halim Khan.

Resolutions.- The Convention also adopted resolutions on various problems relating to seamen; a brief summary of the more important of these resolutions is given below.

Recruitment.- The Convention criticised the present arrangement for the recruitment of seamen as unsatisfactory and unipartite and suggested that it should be reorganised on a strictly rational basis through a tripartite board of recruitment.

Medical examination.- The Convention expressed strong opposition to the introduction of pre-entry medical examination of seamen by the Government. The standards were extremely stiff compared to the average Indian health standard. As a result of the stiff standard and the still more stiff method of examination, ~~that~~ about 15,000 seamen had been virtually eliminated from sea-service, their only source of livelihood. The meeting demanded immediate relaxation of these standards.

Hours of work.- In a resolution, the Convention stated that though I.L.O. Conventions recommended for seamen a maximum of 8 hours a day with right to compensatory time off for all workers other than recognised overtime, in excess of 48 hours a week and though many Asian countries had adopted this as the basis for fixation of the hours of work for their seamen, it was regrettable that there was no fixed hours of work for seamen who sometime worked even 15 to 16 hours a day without any overtime being paid. The Convention, therefore, urged the Government to immediately amend the Indian Merchant Shipping Act fixing the hours of work for seamen serving under Indian Articles strictly on the basis of 8-hour day and 48-hour week.

Social Security.- The Convention called upon the Government to introduce a suitable scheme of social security for seamen without delay.

(Proceedings of the Seamen's Convention held on 7 February 1954, received in this Office).

Welfare Facilities for Seamen: Home opened at Calcutta.

Dr. B.C. Roy, Premier of West Bengal opened a Nabik Griha (Seamen's Home) at Calcutta on 12 February 1954. The home, which has been built on a 15-acre plot at a cost of 1.2 million rupees, forms the first phase of a 25 million rupees project, to house about 5,000 seamen who live in the city while awaiting employment. The home is a two-storeyed residential block containing 52 well-ventilated rooms accommodating 260 men. A separate dining hall has also been built which will be utilised at present for recreation purposes. Facilities for indoor and outdoor games have also been provided.

(The Statesman, 14 February 1954).

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CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - FEBRUARY 1954.

50. General.

Factories (Amendment) Bill adopted by Council of States:
Measure to implement I.L.O. Conventions relating to
Prohibition of Employment of Women and Young Persons
during Night in Factories.

The Council of States adopted on 9 March 1954, the Factories (Amendment) Bill, (vide pp. 50-52 of the report of this Office for September 1953), which among other things gives effect to the I.L.O. Conventions Nos. 89 and 90 prohibiting employment of women and young persons during night in factories. The Bill also seeks to carry out largescale amendments in respect of provisions in the Act for annual leave with wages and to remove certain practical difficulties experienced in the working of the Act.

Debate in the Council. - Mr. Abid Ali Jaferbhoy, Deputy Minister for Labour, who moved for consideration of the Bill, said that certain difficulties were experienced in the working of the original Act. Amendment of the Act was also necessary to enable incorporation in it of certain I.L.O. Conventions relating to prohibition of employment of women and young persons during night in factories. One amendment sought to simplify the original provision relating to annual leave. A period of 240 days has now been fixed as the minimum attendance necessary during a calendar year to qualify for leave with wages. The leave would be exclusive of holidays occurring during the leave period. The condition of qualifying service would not be applicable to workers who are discharged during the course of the year.

Mr. Satyapriya Banerjee (Forward Block-Marxist) urged that no time-limit of service should be fixed to make a worker qualify for earned leave. Speaking generally about Government's labour policy, he felt the Government encouraged labour legislation which went to curb the militancy of the trade union movement.

Mr. S.N. Mazumdar (Congress) said that factory inspecting staff was inadequate. Many accidents, fatal and serious, took place in the factories, but the Government did not make a proper study of their occurrence with a view to removing their causes.

He said that the Labour Minister had given an assurance that something would be done about entitling workers in railway running sheds to benefits under the Factory Act.

Mr. S.P. Dave (Congress) said that it was wrong for capitalists to say that the cost of production had increased on account of labour. In terms of real wages, labour was today given less than what they got in pre-war days. He had reason to suspect that some members of the Government 'listen more carefully to the counsel of employers than to the counsel of employees and their representatives".

Mr. B.K. Mookerjee (Congress) while congratulating the Minister for bringing forward the Bill, pointed out that the inspectorate of factories did not discharge their functions in accordance with the Act. The Central Ministry should instruct State Governments to ask the inspectors to find out the type of accidents as well as their causes.

Replying to the debate, Mr. Abid Ali said that the views of members in regard to occurrence of accidents would be communicated to the States and all that was possible would be done to reduce accidents. The number of factory inspectors would be increased. An industrial hygiene survey had been carried out industrywise.

He said that conditions in railway running sheds and factories managed by Government were better than in the private sector.

Referring to Mr. Dave's observation, Mr. Abid Ali said that the only influence that moved the Government was the welfare of workers and that the whole of the Government was working as a team in this respect.

(The Hindustan Times, 10 March 1954).

Conditions of Labour in the Iron and Steel Industry in India.

A survey of labour conditions in the iron and steel industry in India appears in the Indian Labour Gazette, Vol. XI, No. 7, January 1954, based on replies from important iron and steel works in India in December 1952 and other available published information.

Employment.- In September 1952, the total number of persons employed in these units was 59,997. Of these 53,634 were employed directly by the units and 6,363 through contractors. Since 1948 the total number of persons employed directly by these units increased by about 8 per cent. The Tata Iron and Steel Co. Ltd., which is the biggest concern of its kind in this country accounted for over 54 per cent of the total labour force employed in these units. The following table shows details regarding employment in the different units.

Concern	Direct Labour							
	Permanent				Temporary			
	Piece-rated	Time rated Men	Time rated Women	Total	Piece-rated	Time rated Men	Time rated Women	Total
Tata Iron and Steel Co. Ltd., Jamshedpur.....	--	26937	2122	29059	..	1969	286	2255
Indian Iron and Steel Co., Kulti	951*	6067	145	6212	177*	1216	159	1375
Indian Iron and Steel Co. Ltd., Burnpur.....	..	8943	164	9107	..	34	..	34
Tinplate Co. of India Ltd., Golmuri.....	..	3289	203	3472	..	183	..	183
Kamani Metals and Alloys Ltd., Bombay.....	..	180	..	180	..	31	..	31
Indian Steel Rolling Mills, Nagapatam.....	..	413	6	419	..	179	..	179
Total...	951	45809	2640	48449	177	3612	445	4057

*All men.

Concerns	Total Direct labour			Contract labour (paid through contractors)			Total labour force
	Men	Women	Total	Men	Women	Total	
Tata Iron and Steel Co. Ltd., Jamshedpur.....	28906	2408	31314	944	548	1492	32806
Indian Iron and Steel Co., Kulti	8411	304	8715	2145	..	2145	10860
Indian Iron and Steel Co. Ltd., Burnpur....	8977	164	9141	1532	454	1986	11127
Tinplate Co. of India Ltd., Golmuri.....	3452	203	3655	518	172	690	4545
Kamani Metals and Alloys Ltd., Bombay.....	211	..	211	211
Indian Steel Rolling Mills, Nagapatam....	592	6	598	49	1	50	648
Total.....	50549	3085	53634	5188	1175	6363	59997

It is reported that women are generally engaged in light work such as sweeping and cleaning and occasionally for helping men in loading and unloading material.

The data received goes to show that more than 51 per cent of the workers in respect of whom information was available have put in more than 10 years' service.

Labour turn-over. - The labour turnover in the six concerns during the year ending 30 September 1952 is given in the following table:-

Name of the concern	Total No. of workers on 30-9-52	No. of workers			Total of Cols. 3, 4 and 5
		Discharged	Left of their own accord	Retired or died	
(1)	(2)	(3)	(4)	(5)	(6)
Tata Iron and Steel Co. Ltd., Jamshedpur....	31314	6634	136	373	7143
Indian Iron and Steel Co., Kulti.....	8715	342	184	94	620
Indian Iron and Steel Co. Ltd., Burnpur	9141	179	84	33	296
Tinplate Co. of India Ltd., Golmuri.....	4248	303	72	11	386
Kamani Metals and Alloys Ltd., Bombay.....	211	150	14	..	164
Indian Steel Rolling Mills, Nagapatam	598	196	10	14	220
Total	54227	7804	500	525	8829
		(14.39)	(0.92)	(0.97)	(16.28)

Figures in brackets indicate percentage to the number of workers on rolls.

Figures relating to absenteeism show that the rate of absenteeism is the lowest in the unit at Nagapatam, ranging from 4.9 per cent to 10.4 per cent and the highest in the unit at Kulti varying from 14.3 per cent to 20.2 per cent. In the Tata Iron and Steel Co. Ltd., Jamshedpur, the percentage of absenteeism varies from 9.0 to 11.6.

Recruitment.- Recruitment of skilled workers is done either through local employment exchanges or through advertisement in newspapers. Preference is given to ex-employees and the relatives of the workers. The TISCO maintains a Labour Bureau under the charge of a Director of Personnel who exercises supervisory control in the matter of recruitment. All concerns provide training facilities and take apprentices. There is a Graduate Apprenticeship Course in TISCO and in the factories at Burnpur and Kulti. The duration of the course is two years. Graduates Apprentices are paid a maintenance allowance of 150 rupees per month in the Tatas, while in the Burnpur and Kulti Works they are paid 85 rupees during the first year and 100 rupees during the second year. Apprentices are also trained by the Tata Technical School on behalf of the Tinplate Co. The Kamani Metals and Alloys, Bombay and the Indian Steel Rolling Mills take up apprentices but do not pay any allowances to them during the training period.

Wages and earnings.- There is a wide variation in wages and earnings in similar occupations in different concerns. The table given below shows the average basic wages and average earnings of workers in certain selected occupations in September 1952:-

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Serial No.	Occupations	Tata Iron and Steel Co.Ltd., Jamshedpur.				The Indian Iron & Steel Co.Ltd., Kulti Works.				Indian Iron and Steel Co.Ltd., Burnpur.			
		Basic wages		Total		Basic wages		Total		Basic wages		Total	
		Rs.	A.P.	Rs.	A.P.	Rs.	A.P.	Rs.	A.P.	Rs.	A.P.	Rs.	A.P.
1	Fitters	73	3 4	188	8 5	69	6 0	130	10 2	46	8 0	132	14 0
2	Masons	45	6 3	104	10 7	49	8 0	103	8 6	33	0 0	102	12 0
3	Moulders	73	5 6	175	8 2	52	2 0	107	1 10	42	0 0	111	12 0
4	Carpenters	66	6 0	167	3 7	66	11 4	127	2 10	42	0 0	111	12 0
5	Turners	97	2 9	237	8 9	61	4 2	119	9 2	46	8 0	132	14 0
6	Welders	79	13 7	191	13 9	63	11 8	122	14 10	46	8 0	132	14 0
7	Electricians	144	14 0	344	0 10	96	0 0	171	6 10	93	0 0	229	0 0
8	Mazdoor(Male)	23	0 10	68	3 0	28	8 0	65	10 4	24	0 0	76	10 0
9	Mazdoor(Female)	19	4 7	58	15 1	21	12 0	56	7 2	-	-	-	-

Serial No.	Occupations	Tinplate Co.of India Ltd., Golmuri.				Kamani Metals and Alloys Ltd. Bombay.				Indian Steel Rolling Mills, Nagapatam.			
		Basic Wages		Total		Basic Wages		Total		Basic Wages		Total	
		Rs.	A.P.	Rs.	A.P.	Rs.	A.P.	Rs.	A.P.	Rs.	A.P.	Rs.	A.P.
1	Fitters	76	6 4	189	8 4	88	1 8	136	12 9	48	10 3	103	8 4
2	Masons	73	12 7	178	8 1	89	5 0	127	11 8	49	3 0	114	14 9
3	Moulders	-	-	-	-	77	5 0	128	11 0	52	0 0	112	7 0
4	Carpenters	73	6 3	159	9 0	-	-	-	-	36	15 0	84	13 5
5	Turners	79	6 0	168	14 0	63	13 3	111	14 9	54	5 7	116	2 8
6	Welders	75	7 10	182	13 0	-	-	-	-	45	4 0	103	0 4
7	Electricians	-	-	-	-	-	-	-	-	65	0 0	135	0 0
8	Mazdoor(Male)	25	0 0	72	5 4	29	13 6	69	13 4	18	14 6	48	15 4
9	Mazdoor(Female)	20	6 1	62	14 10	-	-	-	-	18	2 0	46	11 1

Bonuses are given in varied forms in all the concerns. The two types of bonuses which are common in all the six concerns are production bonus and profit ~~share~~ sharing bonus. The amount of production bonus depends on the individual output. No bonus, however, is paid if the output falls below a certain level. Employees with over one year's service are eligible for profit-sharing bonus in all the units. The Tatas give 27 1/2 per cent of the net profits as profit bonus to their employees. The Kulti and Burnpur Works pay two days' wages as bonus for every one per cent of dividend declared. Other bonuses and allowances paid by the units are: attendance bonus, heat bonus, incentive bonus, rent allowance and food subsidy allowance. Heat bonus is given to the production workers in the Indian Steel Rolling Mills, Nagapatam. Incentive bonus is paid by the Tatas as a percentage of basic wages which depends on the group performance, to those who are eligible for production or maintenance bonus. In September 1952, it was about 25 per cent of the basic wages. Attendance bonus is also admissible in the Tatas and is paid at the rate of 10 per cent of basic wages to daily-rated staff getting production or maintenance bonus and at the rate of 20 per cent to all other daily-rated staff and to weekly paid staff. It is not payable if an employee is absent or on leave without pay for more than two days in a month.

Food subsidy is paid to workers drawing basic wage up to 250 rupees per month in the Tinsplate Co, at the rate of 17 rupees per month if married and 12 rupees 8 annas if bachelor. The corresponding rates for persons drawing more than 250 rupees per month are 4 rupees 14 annas and 3 rupees 10 annas per month. In the Burnpur Works, the Company concedes 6 rupees 7 annas for each worker in the issue of 4 cwt. of coke breeze per month at a concessional rate of 8 annas only. In the Tatas, the concessions in kind include cheap electricity and fuel supply, housing and education facilities, free supply of water and conservancy services, etc.

Hours of work and other working conditions follow the provisions of the Factory Act, 1948.

Welfare work.- All the six units provide free medical aid to employees and their families. Besides the Tatas and the unit of Burnpur have provided full-fledged and well-equipped hospitals. Canteens and Creches and facilities for education have also been provided at all the six units. In Jamshedpur, there are 40 schools which impart education to about 20,000 children of whom 14,000 are the children of the employees. There are four high schools which give free education to the children of workers who get below 75 ~~max~~ rupees per month. Other welfare facilities provided at all these centres relate to grainshops and co-operative societies and recreational facilities.

Housing.- Out of the six concerns, five have provided housing accommodation to their workers. The percentage of workers housed to the total number of workers was 40 in the TISCO and 2.5 in the Indian Steel Rolling Mills. The minimum monthly rent charged is 1 rupee 8 annas in the TISCO and 2 rupees in the Indian Steel Rolling Mills. In the Burnpur Works, the percentage of workers housed is 29.4. In this unit no rent is charged. Those employees who have not been provided with accommodation get a monthly rent allowance of 4 rupees. In the Kulti Works also a rent allowance of ~~at~~ 4 rupees per month is given to employees not occupying Company's quarters. As a rule, the accommodation provided by the units consists of one or two rooms, besides a kitchen and a small verandah. Public bath rooms and latrines for a block of quarters are generally provided.

Provision for the future.- All concerns have ~~provident fund schemes~~ provident fund schemes in operation. All permanent workers who have put in more than one year's service are entitled to become members of the provident fund scheme. The contribution of every member of the fund in TISCO is 6 1/4 per cent of his total monthly emoluments or 8 1/2 per cent of his basic salary whichever is higher. In the Kulti and Burnpur Works, the rate of contribution is 8 1/2 per cent. In the Tinsplate Co., Golmuri, the rate is 6 1/4 per cent. The rate of contribution of the managements is equal to that of the employees. Members of the fund receive the amount lying at their credit at the time of retirement but in case of dismissal for misconduct or any such reason, they receive the amount contributed by them only without the company's contribution. The Kamani Metals and Alloys and the Indian Steel Rolling Mills had reported that they will regulate the Provident

Fund Scheme in accordance with the Employees' Provident Funds Act, 1952. All the units except the Indian Steel Rolling Mills pay gratuity to their employees. This unit was also contemplating introduction of a gratuity scheme. The usual rate of payment is half a month's salary for each completed year of service subject to a maximum of 15 months' salary. In the Tata, Kamani, Burnpur and Kulti Works, the qualifying condition is 15 years' continuous service by the employees.

Industrial relations.- With the exception of the Kamani Metals and Alloys, all other units have framed standing orders for regulating the conditions of service of the employees. The grievances of workers are enquired into by the Welfare Officer in each unit. All units have Works Committees which attend to workers' complaints after they have been duly heard by the Labour or Welfare Officers. In the Tatas the appeal of an aggrieved employee lies to the Personnel Officer or the Works Committee. There is another Committee also viz., Non-Factory Employees Works Committee for considering the grievances of those employees who do not come under the Factories Act. Production Committees are functioning in the Kamani Metals and Alloys, and Tinsplate Co. of India. These committees consist of an equal number of representatives of the management and the Union of Employees. From the report received, it would appear that the Committees are functioning successfully.

Trade Unions are functioning in all the units. They are registered under the law and all except the Kamani Kamgar Panchayat have been recognised by the management.



Industrial Dispute in Coal Mines referred to Special Tribunal for Adjudication.

In exercise of the powers conferred under the Industrial Disputes Act, 1947, and by a notification dated 22 February 1954, the Central Government has constituted an All India Industrial Tribunal (Colliery Disputes) consisting of three members with Mr. J.N. Mazumdar as chairman and by an order referred to the tribunal for adjudication an industrial dispute relating to certain matters in dispute between the workers and employers in 939 coal mines specified in the order. The matters in dispute relate to (1) wages of all categories of workers employed in coal mines, including in particular the following matters: (i) grading; (ii) standardisation; (iii) equal wages for men and women for equal work; and (iv) the wages of: (a) time-rated trammers; (b) miners other than gallery-faced pick miners; (c) workers engaged in stone-cutting and dressings; and (d) other unskilled workers, male and female. (2) Inclusion of pay for lead and/or lift in wages for calculation of ~~KAMA~~ bonus and provident fund. (3) Return railway fare. (4) Concessional supply of uniforms and footwear. (5) Paid festival holidays. (6) House rent. (7) Continuance of the present

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foodgrains concessions to workers.

(S.R.O.690 and 691 dated 22 February 1954;
the Gazette of India, Extraordinary, Part I,
Section 3, 22 February 1954, pp. 227-255).

Draft Mines (Certifying Surgeons) Rules, 1954.

The Government of India published on 6 March 1954, the draft of the Mines (Certifying Surgeons) Rules, 1954, proposed to be made in exercise of the powers conferred under the Mines Act, 1952. The draft rules prescribe the powers and duties of certifying surgeons, the procedure for the grant of certificate of fitness, re-examination and fresh examination and the issue of metal tokens to every adolescent to whom a certificate of fitness is granted. The draft rules will be taken into consideration by the Central Government after 15 June 1954.

(The Gazette of India, Part II, Section 3,
6 March 1954, pp. 486-487).

Bombay: Amelioration of Scavengers' Living
Conditions*.

The February issue of the Labour Gazette, Bombay, contains a report of the recommendations made by the Scavengers' Living Conditions Enquiry Committee appointed under the chairmanship of Mr. V.N. Barve. The Government of Bombay has accepted most of the recommendations of the Committee which relate to pay-scales of the conservancy staff and their other emoluments, provision of housing and better conditions of work, etc. The local bodies have been asked by the Government to implement the recommendations as far as possible. An account of ~~the~~ some important recommendations of the Committee is given below.

Minimum Wages.- The Committee recommended that the pay-scale of Rs.30-1/2-35 laid down by the Central Pay Commission and which had been adopted by the Government of Bombay and applied to the permanent full-time scavengers and sweepers in its employ, was generally quite proper as a minimum wage for scavengers and sweepers in the

*
Amelioration of Scavengers' Living Conditions',
Labour Gazette, Vol. XXXIII, No. 6, February 1954,
pp. 648-651.

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employ of local bodies, but it suggested the following modifications to suit different conditions in different areas:-

Greater Bombay (Rs.35-1-40 with a selection grade for 15 per cent, i.e., Rs.40-2-45).

Poona Municipality (For Scavengers - Rs.30-1-40 without a selection grade); (For Sweepers - Rs.30-1/2-35 with a selection grade for 15 per cent, i.e.Rs.35-1/2-40).

Ahmedabad (Rs.30-1/2-35 with a selection grade for 15 per cent, i.e. Rs.35-1/2-40).

Borough Municipalities (Rs.30-1/2-35 with a selection grade for 15 per cent, i.e. Rs.35-1/2-40).

District Municipalities (Rs.25-1/2-30 with a selection grade for 15 per cent, i.e. Rs.30-1/2-35).

Notified Area Committees and gram panchayats (Rs.20 per mensem without any time scale).

Dearness and Unclean allowance.- The Committee recommended that the dearness allowance sanctioned by the Government for its own class IV servants of the lowest grade from time to time should be paid by all local bodies, including gram panchayats, and notified area committees for their full-time permanent scavengers and sweepers. Over and above this payment of an "unclean" allowance to scavengers at the rate of 7 rupees per mensem in Bombay City, 5 rupees in Ahmedabad and Poona Municipalities, 3 rupees in Boroughs and District Municipalities and 2 rupees in Notified Area Committees and Gram Panchayats was recommended by the Committee.

Housing accommodation.- The Committee recommended that local bodies should ascertain the housing needs for their conservancy workmen and prepare plans for constructing suitable houses for them in the near future. It also suggested encouragement to scavengers to form their own housing co-operative societies.

House rent allowance.- Where the minimum accommodation prescribed by the Committee could not be provided to the scavenging staff, payment of house rent allowance as follows was recommended:-

Greater Bombay	-- (Rs.10 per month to the head of the family and Rs.5 per month each to other members of the family in employ).
Poona and Ahmedabad Municipal Corporation and the Sholapur Municipality.	(Rs.7 per mensem to the head of the family, and Rs.3-8-0 per mensem each to other members of the family in employ).
Other Borough Municipalities.	(Rs.5 per month to the head of the family and Rs.2-8-0 per month each to other members of the family in employ).
District Municipalities.	(Rs.4 per month to the head of the family and Rs.2 per month each to other members of the family in employ).

Notified Area Committees (Rs.2 per month to the head of the family and Rs.2 per month each to the other members of the family in employ).
and gram Panchayats.

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Conditions of Work.- As regards lightening the work of scavengers, the Committee's recommendations were elimination, as far as possible, of the process of removal of night soil by hand; introduction of the system of water carriage and flush and of septic tanks for big habitations such as hostels, police lines, jails, etc., and for public latrines and aqua privies for private houses in all big cities and towns, wherever possible; construction of pucca trench latrines of the Bardoli type and compost latrines of the Gopuri type, pit privies or well privies, etc.

As suggested by the ~~State~~ Committee, the Government has asked the public health staff to advise the people in the matter of construction of suitable latrines and, wherever possible, while securing good sanitation, to help in preparing compost manure in all villages and small towns. They have also been asked to launch a concerted drive to discourage the construction of receptacle latrines.

Local bodies have also been asked by the Government to implement, as far as possible, the Committee's recommendations that there should be two half off-days in a week for scavengers and sweepers, but where scavengers usually work only in the morning and are not required to put in any work in the afternoon or evening, they would not be entitled to any extra off-time in a week.

The Committee's other recommendations which were accepted by the Government and on which action was called for by the local bodies concerned are the abolition of gharki system or the system of customary rights of scavenging private latrines, employment of adequate relieving staff by local bodies and enlisting public co-operation in carrying out measures of improved sanitation, etc.

The Government is considering the recommendations made by the Committee that five hours of scavenging work per day should be maximum, considering the dirty nature of scavenging work, and if the same workman is required to scavenge and also to sweep, four hours of scavenging and two hours of sweeping work should be the maximum.

55. Protection of Minors.

India - February 1954.

Meeting of Central Advisory Board of Education,
New Delhi, 8 and 9 February 1954: Recommendations
of Secondary Education Commission endorsed.

The 21st meeting of the Central Advisory Board of Education was held at New Delhi on 8 and 9 February 1954, Maulana Azad, Union Minister for Education, presiding. The session was attended by 75 representatives of the State and Central Governments and educationists.

The Board endorsed the recommendations of the Secondary Education Commission (vide pp.61-63 of the report of this Office for September 1953). The Board recommended that the eventual pattern of education should be eight years of integrated elementary (basic) education and three or four years of secondary education where there would be diversification of courses providing training in humanities, sciences, technical, commercial and agricultural subjects, fine arts and home science. In the case of the States where most of the schools are Government schools, the programme should envisage their conversion into multipurpose schools in the course of the next seven years. Special attention is to be given under this programme to agricultural education in rural schools. Financial assistance by the State and Central Governments has been recommended for high schools in order to enable them to run diversified courses and special pay has been recommended for teachers in technical subjects in view of the shortage of personnel.

The Board has also suggested that no State Government should recognise ordinarily a new high school unless it provides for teaching in at least one practical group in addition to the academic group.

In every State suitable machinery may be set up to enable high school students to seek employment of a kind for which they may be suited by training and aptitude. The Board also recommended that the suggestion made by the Secondary Education Commission for lowering the maximum age for recruitment to public service and for making the high school examinations the normal qualification for entering Government service should be examined by every State Government and its practical implications worked out. Finally, the Board recommended that there should be a unit in the Central Ministry of Education, assisted, if necessary, by a standing advisory committee, to watch the progress of the implementation of the recommendations of the Secondary Education Commission's Report.

(The Hindustan Times, 8 and 9 February 1954).

56. Labour Administration.

India - February 1954.

Mysore: Administration Report of the Labour Department for the Year ~~ended~~ ended 31 March 1953.

The Government of Mysore published on 25 February 1954 its remarks on the administration report of the Labour Department for the year ended 31 March 1953.

According to the Government order there were 106 industrial undertakings (excluding plantation estates) coming under the purview of the labour enactments during the year as against 91 in the previous year. The total number of operatives employed in the industrial undertakings was 80,552 as against 93,475 in the previous year. The marked decrease in the number of operatives was due to the drastic retrenchments effected in some of the industrial concerns due to adverse conditions of trade.

Security of service.- Security of service is ensured to workers employed in large industrial undertakings coming under the purview of the Industrial Disputes Act, 1947, and the Industrial Employment(Standing Orders) Act, 1946. Some major industrial concerns like the Mysore Iron and Steel works, Bhadravathi, have conferred upon their workmen certain special benefits of security such as retirement gratuity and death gratuity. Provident fund benefits are also in operation in many major industries. The provident fund scheme under the Central Act is being brought into force in all industries in the State to which the provisions of the Act apply.

Labour conditions.- The general labour conditions in the State during the year, were on the whole normal and peaceful, although the number of strikes increased from 10 during the previous year to 23 during the year under report.

Conciliation.- During the year under report 92 disputes were conciliated upon by the conciliation officers and of these, as many as 37 disputes ended in agreement. Except in Bangalore division, conciliation has proved a success in other divisions.

Adjudication by the industrial tribunal.- Due to failure in the settlement of disputes by conciliation on account of the intransigence of either the workers or managements, as many as 41 disputes were referred as a last resort to the tribunal for adjudication and the tribunal has passed awards in 21 disputes.

Labour Welfare.- The two recreation centres started by the department at Bangalore, one at Cottonpet and other at Chamaraajpet, continued to work satisfactorily attracting the working class in large numbers. Certain private industrial concerns are also stated to have provided a good number of amenities in varying degrees.

(The Mysore Gazette, Part I, 25 February 1954,
pp. 86-87).

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66. Strike and Lockout Rights.

India - February 1954.

Uttar Pradesh: Hosiery Industry declared a
Public Utility Service.

In exercise of the powers conferred under the U.P. Industrial Disputes Act, 1947, and by a notification dated 18 February 1954, the Government of Uttar Pradesh has declared the hosiery industry and every undertaking connected with the manufacture or distribution of hosiery to be a public utility service for the purposes of the said Act for a period of six months from 1 March 1954.

(Notification No. 1082 TD/XXXVI-A-194(TD)-48,
dated 18 February 1954; Uttar Pradesh
Gazette, Part I, 27 February 1954, page 228).

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CHAPTER 8. MANPOWER PROBLEMS.

INDIA - FEBRUARY 1954.

81. Employment Situation.

Employment Exchanges: Working during December 1953.

According to the review of work done by the Directorate General of Resettlement and Employment for the month of December 1953, the improvement in the number of placements effected by employment exchanges during the month of November 1953 continued during the month of December to the extent of over 2,500. The upward trend in the number of vacancies notified, also continued. On the other hand, the month of December brought an increase of over 18,000 fresh ~~registrations~~ registrants to the exchanges, reversing the welcome decline in the number of registrations which occurred during the October and November. The result was that the total number of registered unemployed reached another record figure (522,360) by the end of the December. Placements in both the Government and private sectors increased during the the month, though the number of fresh vacancies notified by private employers declined. For the fourth month in succession the number of discharged Central and State Government employees increased despite an improvement in the number of placements effected.

A shortage of stenographers, typists, compounders, nurses, midwives, doctors, sheet-metal workers, refrigerator mechanics, and electrical foremen was reported by a number of exchanges. Applicants belonging to the clerical category, unskilled office workers, untrained teachers, carpenters, motor drivers and semi-skilled technicians were reported to be surplus by a number of exchanges.

Registrations and placings.- The following table shows registrations for employment and placings during the month as compared to the previous month.

	December 1953	November 1953
Registrations -----	125,817	107,077
Placings -----	15,215	12,703

Registrations recorded an increase of 18,740 as compared to the previous month. Employment Exchanges in all the States except Madras, Bhopal, Mysore and the Punjab showed an increase in registrations. A notable increase was recorded in Uttar Pradesh (4,111), Bombay (3,457), Madras (3,197), West Bengal (2,234), Bihar (2,047), Madhya Pradesh (1,490) and Orissa (1,197).

Of the total number of placements effected 4,029 were placed with private employers and 11,186 in Central and State Government establishments. There was thus an overall increase of 2,512 in placements as compared to

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the preceding month. Comparatively large increases in placements were recorded in the States of Orissa(1,110), Uttar Pradesh (503), Bihar (385), Bombay(362) and Madras (279).

Placings by wage groups.- The following table shows the placings by wage groups.-

<u>Wage groups</u>	<u>Number placed</u>
101 rupees and above -----	1,854
61 rupees to 100 rupees -----	5,951
30 rupees to 60 rupees -----	7,148
Below 30 rupees -----	262

Vacancies notified and submissions.- The number of employers who used the exchanges during the month was 3,929 as against 3,909 during the November. The number of vacancies notified by them was 20,344 as against 19,843 during the previous month i.e. an increase of 501. Of the vacancies notified 14,231 were by Central and State Governments establishments and 6,113 by private employers. There was an increase of 1,789 in Government vacancies and a decline of 1,288 from the private sector. A notable increase in the number of vacancies notified was recorded in the States of Orissa(1,434), Uttar Pradesh(889), Madras (482) and Bombay(375). Employment exchanges in the Punjab, West Bengal and Assam, on the other hand, showed a fall of 920, 788 and 713 respectively, as compared to previous month.

The number of persons submitted to employers during December 1953, was 68,886 as against 65,112 during the previous month.

Employment of displaced persons and ex-servicemen.- During the month under report 7,788 displaced persons were registered and 797 were placed in employment as against 7,198 and 850 respectively during November 1953. Of those placed in employment 278 were migrants from East Pakistan and 519 were migrants from West Pakistan. There were 44,027 displaced persons still requiring employment assistance at the end of the month.

A total of 7,307 ex-service personnel were registered during December 1953, and 1,122 were placed in employment. The number still requiring employment assistance at the end of the month was 27,834.

Placement of scheduled caste and tribal applicants.- A total of 13,734 scheduled caste applicants registered at the employment exchanges during December 1953, as against 12,237 during November 1953. One thousand nine hundred and twentyeight such applicants were placed in employment as against 2,456 during the previous month. Of the total number of such applicants placed, 1,002 were placed in Central Government ~~xxx~~ vacancies, 447 in State Government vacancies and 479 in other vacancies. Two hundred and ninetythree vacancies specifically reserved for scheduled caste applicants, were notified to the exchanges during the month. A total of 47,428 such applicants remained on the live register of exchanges seeking employment

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assistance at the end of the month, of whom 2,340 were women.

The number of scheduled tribe applicants registered by the employment exchanges during December 1953, was 1,267 as against 961 during the previous month. Two hundred fortythree such applicants were placed in employment. The number of vacancies notified specifically for this type of applicants was 100 as against 38 during the previous month. At the end of the month 3,593 scheduled tribe applicants remained on the live register seeking employment assistance.

Re-employment of surplus and discharged Central and State Government employees.- A total of 2,152 surplus and discharged Central and State Government employees were registered during the month as against 1,815 during the previous month and 835 were placed in employment as against 716 during November 1953. Of those who were found employment 401 were discharged Central Government employees and 434 were ex-State Government employees. At the end of December 1953, 8787 such applicants remained on the live register, of whom 4,825 were discharged Central Government employees and 3,962 were ex-State Government employees.

Employment of highly qualified applicants.- A total of 1,026 applicants possessing high technical, scientific, professional or administrative qualifications and experience were registered during the month as against 874 during the previous month and 94 such applicants were placed in employment. At the end of the month there were 5,495 such applicants still requiring employment assistance.

Placement of women.- Three thousand eight hundred and sixtyone women applicants were registered for employment assistance as against 3,615 during the previous month and 457 were placed in employment as against 685 during November 1953. There were 18,111 women registrants on the live register of exchanges seeking employment assistance at the end of the month.

Live register.- The number of persons still seeking employment assistance through the exchanges on the last day of December 1953, was 522,360. This was 14,721 more than the figure on the last day of November 1953, the highest on record. Of those on the live register, 2,631 were known to be employed persons who desired further employment assistance.

Special investigation: Survey of unemployed in Delhi.- In view of the reported increase in urban unemployment, the National Sample Survey arranged to conduct, at various places in India, a number of detailed surveys to bring out some of the relevant facts. Such a survey was recently carried out in Delhi and in that place a representative sample of the registrants of the Delhi exchange were interviewed by trained staff and important information elicited. For the purpose of the enquiry, data was collected from the households of 800 applicants selected at random from the 20,911 registrants as on 24 August 1953. On the date of the selection of the sample the composition of the live register by broad trade

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categories was as follows: clerical group 44 per cent, unskilled group 30 per cent, technical group 14 per cent, appointments branch registrants 3 per cent, educational group 2 per cent, all other men 1 per cent and women 6 per cent.

The Survey brought out some interesting facts about the registrants at this particular exchange. Of the sample of 800 registrants drawn from a total of 20,911 (including 1,213 women) only 712 persons could actually be contacted. As many as 36 per cent of the applicants who, at the exchange, had certified themselves as unemployed, were found to be in fact employed or partially employed and were seeking to better their prospects with the help of the employment service. This was perhaps due to the fact that the majority of such persons (73 per cent) were in receipt of an income of less than 100 rupees per month. The percentage of ~~known~~ disguised earners was higher in the case of men than women and was greater in the "Educational" and "Technical" groups than in other groups.

Of the unemployed, 35 per cent of the men and 25 per cent of the women had been without employment for more than a year. Fourteen per cent of the men and 16 per cent of the women had been unemployed for between six months and a year and 51 per cent of the men and 59 per cent of the women had been without employment for less than six months. Ten per cent of the registrants were found to be degree holders, 6 per cent had passed the intermediate examination, 44 per cent were matriculates; 26 per cent had studied up to primary or middle standard and 14 per cent had practically no educational qualifications. An interesting feature, however, was that 20 per cent of these registered for unskilled office jobs, were matriculates. The proportion of graduates and post graduates was slightly higher among women (14 per cent) than among men (10 per cent).

More than half of the unemployed (54 per cent) had no technical or professional qualifications. This was true of 43 per cent of the matriculates and 57 per cent of the graduates and under-graduates. Twentyeight percent of the registrants had professional or technical experience but were not in possession of a degree or diploma. Eighteen per cent had professional or technical degrees or diploma.

Income expected.- Only 3 per cent of the unemployed registrants expected an income of more than 200 rupees per month and only 3 per cent expected an income of 50 rupees per month or below. Fortysix per cent said they would be satisfied with an income of between 51-100 rupees per month and 44 per cent expected an income of between 101 rupees to 150 rupees per month only 4 percent of the applicants fell in the range between 101 rupees to 200 rupees per month.

Willingness for work.- Of all the men, who responded to a question as to their willingness to accept certain types of employment, 55 per cent of them said they were willing to accept jobs as rural extension or village workers and as many as 47 per cent were willing to become

village school teachers. Twentynone per cent positively refused to consider acceptance of manual work.

Training desired.- Thirtythree per cent (237) of those interviewed expressed a desire for various types of training. Seventytwo were willing to consider training as teachers, 36 as technicians, Others expressed the desire to become engineers, electricians, draftsmen, overseers, telephone/telegraph operators, accountants. Women were keen on being trained as teachers and telephone operators.

Analysis of unemployed persons declared as 'priority' applicants.- Another interesting study was made during the month analysing the degree of unemployment among persons declared ~~for~~ by the Government of India as 'priority' personnel for purposes of employment assistance. The analysis revealed that one all-India priority group, i.e., ex-servicemen (who are counted as discharged Central Government employees) is of disturbing numerical strength. Their number was 27,360 on the date of the report. About 7,000 such persons registered every month. Ex-servicemen were found to be in heavy concentration in the States of Madras(5,288), Uttar Pradesh(3,580), the Punjab(3,518), Bombay(2,866) and Andhra (1,966). These five States accounted for 63 per cent of the ex-servicemen on the live registers. In the Eastern Zone, (Bengal, Assam, Bihar and Orissa) displaced persons from East Pakistan have a special priority. Despite this priority, 27,076 such persons were still in need of employment assistance. A total of 24,108 or 89 percent of them were found concentrated in West Bengal.

Another important priority group is the discharged Central Government employees (other than ex-servicemen) of whom 5,202 still required employment assistance on the date of reporting. The priority system has, with a few minor set backs, steadily reduced the number of such persons which was 13,000 in August 1950 when the system was initiated. About 1,000 such persons are registered each month.

(Review of work done by the Directorate General of Resettlement and Employment during the month of December 1953; issued by the Ministry of Labour, Government of India).

Compensation for Involuntary Unemployment for
Textile Workers in Madras States Special Tribunal's
Award.

The special tribunal, appointed by the Government of Madras in a dispute between managements and workers of textile mills in the State of Madras over the demand for payment of compensation for involuntary unemployment, has awarded compensation for involuntary unemployment caused by a cut in supply of electric power.

Due to the failure of monsoon and the consequent shortage in the production of electric energy, the Electricity Department of the State Government made a cut in the electric power supplied to the textile mills in the State. Consequently, the managements of the textile mills were not able to give full employment to workers employed in their mills and the workers were paid only for the days they worked. The workers ~~an~~ claimed compensation for involuntary unemployment due to power-cut but the management denied their liability to pay compensation on the ground that the unemployment due to power-cut was due to causes beyond their control. As there was no possibility of a settlement of the dispute, the Government referred the dispute to a Special Tribunal for adjudication.

After enquiry, the Tribunal submitted an award recommending that the workers who have been denied employment by reason of the cut in the supply of power by the Government are entitled to the compensation for such involuntary unemployment. Such compensation shall be limited to a total period of 45 days in each of the calendar years 1952 and 1953, when the total period of unemployment is 45 days or in excess thereof, and in other cases, to the actual number of days of unemployment. It shall apply only to employees who have been permanent employees on the rolls of the Mill, i.e. persons who have been employed for one year or more. The number of days of such unemployment would be gathered from the registers of the connected mills. The ~~quantum~~ quantum of such relief shall be 50 per cent of the total of basic wage and dearness allowance.

The Tribunal has also ordered that 68 of the 74 textile mills involved in the dispute should pay 30 rupees each towards the costs of the workers, and that the amounts should be remitted to it for distribution ~~of~~ to the representatives of the workers' unions or workers' unions concerned.

(The Hindu, 14 February, 1954).

83. Vocational Training.

India - February 1954.

Labour Ministry's Training Scheme: Progress during December 1953.

Training of adult civilians.- According to the review of work done by the Directorate General of Resettlement and Employment for the month of December 1953, the number of trainees on the rolls of various training institutes and centres on 31 December 1953, was 3,323. There were 1,625 trainees in the technical trades and the remaining in the vocational trades.

Training of displaced persons.- The total number of displaced ~~xxx~~ trainees on the rolls, at the end of December 1953, was 1,274; of them 247 were in technical trades. The remaining were undergoing training in Vocational trades.

Apprenticeship training for displaced persons.- A total of 549 displaced persons were undergoing training as apprentices in industrial undertakings and establishments in West Bengal and Uttar Pradesh against 700 seats sanctioned. They were recruited and posted direct to the undertakings and establishments concerned.

Training of women.- A total of 388 women were undergoing training at the end of the month at the three women's training institutes in New Delhi, Dehra Dun and Madras. In addition 56 women at Industrial Training Institute Almora, 4 women at Industrial Training Centre, poor cottage industry, Cuttack and 15 women at Industrial Training Institute Kakinada were undergoing training along with the men.

Training of supervisors and instructors.- In the 12th regular Session at the Industrial Training Institute for instructors, ~~and~~ Koni-Bilaspur (M.P.), the total number of supervisors and instructors under training on 31 December 1953 was 142.

The State Governments of Bihar, Bombay, Hyderabad, Orissa, Rajasthan, West Bengal and Uttar Pradesh deputed their nominees for training in this session; in addition 9 industrial establishments and institutions (Government and private) also deputed their nominees for training at this Institute.

Out of 107 supervisors and instructors who appeared in the examination held for the 11th session, 95 were declared successful and 5 ~~xxxxx~~ of the supervisors and instructors passed with credit.

Consequent of the passing out of the trainees in the technical trades and as the next session is not likely to start before July 1954, 30 supervisors and instructors from the Directorate General of Resettlement and Employment had been deputed to undergo training in the 12th session.

Trade tests in technical trades.- A departmental test in technical trades was held for those who had failed last month in the all India trade test, and of those appeared 180 including 43 displaced persons came out successful during the month under report. In addition 1,890 trainees including 176 displaced persons are also known to have passed the all India trade test held in November 1953.

(Review of work done by the Directorate General of Resettlement and Employment during the month of December 1953; issued by the Ministry of Labour, Government of India).

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85. Migration and Colonisation.

India - February 1954.

Indo-Ceylon Pact on Citizenship Rights for
Indian Settlers ratified.

The Government of India and Ceylon ratified on 14 February 1954 the agreement reached in New Delhi on 18 January 1954 between the Prime Ministers of the two countries on the problems of people of Indian origin in Ceylon (vide pp.79-80 of the report of this Office for January 1954).

The instruments of ratifications were exchanged at a formal ceremony at Colombo on 22 February 1954.

(The Statesman, 14 and 23 February 1954).

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CHAPTER 10. SOCIAL AND INDUSTRIAL MEDICINE.

INDIA - FEBRUARY 1954.

102. Maintenance of Community Health.

Expectation of Life in India: Official Census
Estimates.

The expectation of life in India is officially estimated at 32.45 years for males and 31.66 for females, according to an actuarial report of the investigations in 1951 census data by Mr. S.P. Jain, the Census Actuary. The last official estimate, made by Mr. Vaidyanathan on the basis of 1931 census, was 26.91 for male and 26.56 for females. The latest figures record an increase of a little over 5 years in the Indian expectation of life as between the two estimates, which relate to periods separated by two decades. No ~~xxx~~ official estimate of the expectation of life based on 1941 census was made, but Prof. Kingsley Davis in his book "Population of India and Pakistan" has estimated the expectation at 32.09 for males and 31.37 for females.

The latest estimates show an increase in the Indian expectation of life by practically 1/2 of a year over the 1941 figures. A significant departure in the 1951 census was the single year age tabulation of a 10 per cent systematic sample of the entire population. It ~~was~~ enabled a detailed study of the peculiarities of the Indian age returns and the adoption of methods appropriate to the features shown. This could not be done on the previous occasions, as the information on age was compiled in predetermined age groups for the entire population, and the actuary had to make the best use of it in conjunction with the single year age distribution shown by the population of small representative tracts.

(The Statesman, 8 March 1954).

CHAPTER 11. INDUSTRIAL SAFETY.

INDIA - FEBRUARY 1954.

111. Prevention of Accidents.

Draft Travancore-Cochin Boiler Rules, 1953,
Draft Travancore-Cochin Boiler Attendants
Rules, 1953, and Draft Travancore-Cochin
Economiser Rules, 1953.

The Government of Travancore-Cochin published on 2 February 1954 the draft of (1) Travancore-Cochin Boiler Rules, 1953, (2) Travancore-Cochin Boiler Attendants Rules, 1953, and (3) Travancore-Cochin Economiser Rules, 1953, proposed to be made in exercise of the powers conferred under the Indian Boilers Act, 1923 (V of 1923). The Travancore-Cochin Boiler Rules prescribe, inter alia, the duties of the chief inspector and inspectors, administrative instructions for the registration of boilers and for inspection of boilers, investigation of accidents and the procedure for appeals.

The Travancore-Cochin Boiler Attendants Rules require, inter alia, that the owner of a boiler shall not use it or permit it to be used, unless it is placed under the charge of a competent person possessing a certificate of competency as an attendant. The Rules also prescribe the conditions and the mode of examination for granting such certificates.

The Travancore-Cochin Economiser Rules, 1953, prescribe, inter alia, the procedure for registration and inspection of economisers, investigation of accidents to economisers and procedure for appeals.

The draft Rules will be taken into consideration by the Government after 2 April 1954.

(Travancore-Cochin Gazette, No. 5 dated 2 February 1954, Part I, Section 1, pp. 1-23; Part I, Section IV, pp. 1-19; and pp. 1-14).

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Draft West Bengal Boiler Attendants Rules, 1954.

The Government of West Bengal published on 11 February 1954 the draft of the West Bengal Boiler Attendants Rules, 1954, proposed to be made in exercise of the powers conferred under the Indian Boilers Act, 1923. The rules require, inter alia, that the owner of a boiler shall not use or permit it to be used, unless it is placed under the charge of a competent person possessing a certificate of competency as an attendant. The rules also prescribe the conditions and the mode of examination for granting such certificates. The draft rules will be taken into consideration by the Government after 31 March 1954.

(The Calcutta Gazette, Extraordinary,
11 February 1954, pp. 135-152).

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Record of Principal Decisions on Labour
and Allied Subjects

India - February 1954

CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION

Fifth Meeting of the Joint Consultative Board of
Industry and Labour, New Delhi, 4-5 February 1954.

Agreement reached between Employers and Workers'
representatives on the Organisation and functioning
of Joint Consultative Board.

At the meeting of the Board on 5 February 1954, Mr. G.L. Nanda, Minister for Planning and Chairman of the Board announced that agreement had been reached on the following points between the employers' and workers' representatives:-

- "(1) The existing Board should be dissolved;
- (2) A fresh set-up should be created which should be a purely non-official one and on voluntary basis;
- (3) The Board would not be under any official auspices and have no connection with any official organ of the Government;
- (4) This set up would be composed of eight members - two from each participating organisation, these being two employers' and two workers' organisations represented on the Board;
- (5) There would be no fixed names of the representatives of the parties but a measure of continuity of membership would be maintained. Official or non-official persons would be associated with the proceedings as occasion arise;
- (6) In addition to the eight members there would be an independent neutral chairman to be chosen by the parties unanimously;
- (7) The new Board would also be called the Joint Consultative Board;
- (8) The Board would make its own arrangements for its staff and secretariat and they would be maintained with contributions from parties;
- (9) The question of the budget of the Secretariat and the rate of contributions were to be settled by the organisations;
- (10) The Board would settle its headquarters and meetings could be arranged from time to time according to convenience at different places;
- (11) There would be two Joint honorary secretaries (one from each side), one paid executive secretary, one investigator and some other staff;
- (12) The new Board would expect and seek co-operation of the Government and give utmost co-operation to the Government. At an appropriate stage the Labour Ministry's or the Planning Commission's help and guidance would be sought and it would be given;

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(13) The representatives of labour as well as of industry accepted the Chapter on Labour in the Five Year Plan as their common ground but this might be modified by agreement between the parties;

(14) The Joint Consultative Board would endeavour to establish healthy conventions, create conditions ~~for~~ for the avoidance of disputes and facilitate the settlement of disputes on a fair and rational basis. It would also take steps to secure effective implementation of agreements and conventions and help in the growth of bipartite machinery at all levels¹².

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

Industrial Tribunal(Colliery Disputes)

"In exercise of the powers conferred by section 7 of the Industrial Disputes Act, 1947 (XIV of 1947), the Central Government hereby constitutes an Industrial Tribunal, to be called the All India Industrial Tribunal (Colliery Disputes), consisting of the following members, for the adjudication of industrial disputes concerning coal-mines, namely -

1. Shri J.N. Majumdar, retired Chairman of the Labour Appellate Tribunal and a retired Judge of the High Court of Judicature, Calcutta - Chairman.
2. ~~Shri~~ Dr. H.R. Batheja, I.E.S. (Retd.), formerly Member, Tariff Board - Member.
3. Shri S.P. Chopra, Chartered Accountant, New Delhi - Member.

Order

Whereas the Central Government is of opinion that an industrial dispute exists or is apprehended between the employers ~~and~~ in relation to the coal mines specified in the Schedule I herein annexed and their workmen regarding the matters specified in the Schedule II herein annexed;

And whereas the Central Government considers it desirable to refer the dispute for adjudication;

Now, therefore, in exercise of the powers conferred by sub-section (1) of section 10 of the Industrial Disputes Act, 1947 (XIV of 1947), the Central Government hereby refers to the Industrial Tribunal constituted by the notification of the Government of India in the Ministry of Labour, No. S.R.O. 690 dated the 22 February 1954, for adjudicating the matters specified in Schedule II (being either matters in dispute or matters ~~in~~ connected with or relevant to, the dispute) as between employers and workmen in relation to all the coal mines specified in Schedule I.

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1. Summary of Proceedings of the Fifth Meeting of the Joint Consultative Board of Industry and Labour (New Delhi, 4 and 5 February 1954) (Draft). pp. 11-12.

Schedule I

List of coal mines attached.

Schedule II

(1) Wages of all categories of workers employed in coal mines, including in particular the following matters -

- (i) grading;
- (ii) standardisation;
- (iii) equal wages for men and women for equal work; and
- (iv) the wages of:-

- (a) time-rated trammers;
- (b) miners other than gallery-faced pick miners;
- (c) workers engaged in stone-cutting and dressing; and
- (d) other unskilled workers, male and female.

(2) Inclusion of pay for lead and/or lift in wages for calculation of bonus and provident fund.

(3) Return railway fare.

(4) Concessional supply of uniforms and footwear.

(5) Paid festival holidays.

(6) House rent.

(7) Continuance of the present foodgrain concessions to workers².

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2. Notification Nos. B.R.O. 690 and 691 dated 22 February 1954. The Gazette of India, Extraordinary, Part II, Section 3, pp. 227-255.

LIST OF THE PRINCIPAL LAWS PROMULGATED DURING THE PERIOD COVERED BY THE REPORT FOR FEBRUARY 1954.

INDIA - FEBRUARY 1954.

Chapter 4. Problems Peculiar to Certain Branches of the National Economy

West Bengal Estates Acquisition Act 1953 (No.1 of 1953) (Calcutta Gazette, Extraordinary, 12 February, 1954, pp. 155-176).

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- *(b) Government of India: Ministry of Railways: History of Indian Railways. Manager of ~~Rak~~ Government of India Press, 1954, pp.278.
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- * Government of Uttar Pradesh: Annual Report on the Administration of the Indian Boilers Act (V of 1923) in the State of Uttar Pradesh for the year ending December 31, 1953, Superintendent, Printing and Stationery, Uttar Pradesh, 1953. Price annas 12, pp.7.

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