

COPY NO. 2

10892

INTERNATIONAL LABOUR OFFICE
INDIA BRANCH

I.L.O. REGISTRY-GENEVA
10. AUG 1954
File No: 2-17/42
With:
on:

Industrial and Labour Development in July 1954.

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

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"The rapid growth of industry in the country is essential in order to increase the wealth of the people and give full employment to them. The first five-year plan laid particular stress on agriculture and food production and has achieved considerable success in these objectives. While agriculture must continue to be important and demand full attention, the growth of industry must henceforth be emphasised and find a major place in the second five-year plan.

"The basic objectives of our economic policy should be: (1) maximum production; (2) full employment; and (3) social and economic justice.

"The country already has a powerful state-owned public sector in industry. This should be enlarged by the addition of other basic and new industries, wherever possible. Where social ownership of basic industries is not possible in the near future, effective social control should be exercised. The resources of the country should be utilised in building new industries and not in nationalising existing private industries, except where this is considered necessary in the national interest."

Private Sector.- "In the conditions at present prevailing in the country, the private sector is both important and necessary in the industrial development of the country and such private sector should be given adequate freedom to develop, within the limits of the national plan and subject to the conditions laid down by it. It should function as a part of the national plan keeping before it the national good and not merely the individual or group interest. Wherever necessary, the pattern of management should be changed so as to fit in with the objectives of the plan and to remove the evils which have existed in the past.

"While attaching importance to the growth of big scale industry, the Committee is strongly of opinion that small-scale, village and cottage industries are and will continue to be an essential part of the economy of India and must be encouraged in every way. Such industries are likely to help in providing employment even more than the big industries. Improved techniques should be introduced in them and, wherever possible, electric power used. But in any changeover due to new techniques the question of adding to unemployment must be borne in mind.

"Widespread provision, should be made for cheap electric power, where power is being generated by the River Valley projects, or otherwise special attention should be paid to taking this to the villages for utilisation in agriculture and by small-scale industries.

"Financial assistance in the form of cheap credit should be provided for the organisation of industrial co-operatives and co-operative marketing for products of small-scale and village industries should also be organised.

"Research and training in improved techniques and methods of production should be organised.

"The Committee has noted that certain enquiries have been

instituted in regard to cottage and small-scale industries and valuable reports have been received. Some further reports are likely to be presented to Government soon. The Committee hopes that early attention will be paid to the recommendations made in these reports with a view to organising cottage and small-scale industries on a widespread and progressive basis.

"An organised effort should be made and schemes prepared to tap the financial resources in the rural areas. In particular, it is desirable to start State Insurance through the Post Offices, especially in the villages."

Moving the resolution, Dr. B.C. Roy, West Bengal's Chief Minister, said that for the first time the Congress had placed before the country a considered method of approach towards the problem of industry. During the first Five-Year Plan, Governments and the Planning Commission necessarily devoted more attention to irrigation, and social service. Industry did not have a very prominent place. The resolution indicated what should be the approach towards industry in the Second Five-Year Plan. While this country would always remain predominantly agricultural industry had to find its place. There might be a limit in agricultural production but industry, Dr. Roy said, had unlimited scope of development. Therefore one must think in terms of industrialisation of the country.

The resolution, Dr. Roy said had put forward three basic objectives which should govern industrial development. In the first place industry must be one which would increase production, secondly, it must provide fuller employment, and thirdly it should be based on social and economic justice.

Dr. Roy referred to the controversy with regard to private and public sectors and said that if nationalisation of industry was based upon basic objectives mentioned, there should be no difficulty so far as nationalisation was concerned. There were certain areas in which the public sectors had been of great value. There might have been industrialists who did not do well by the people. But one could not deny that "there have been industrialists who have been great helpers in all movements for the social welfare and the people. To the extent they perform that function they are quite welcome. But there is a tendency among the private sector to crush others, to amass power and money so as to kill competition. The suggestion, therefore, is; while the private sector should be encouraged they should subscribe to the general layout of the national plan".

Planned development.- The following is the resolution on planned development:

"The objective of the Congress is the establishment of a co-operative commonwealth and a welfare state. This necessarily involves the elimination of unemployment, the production of much greater wealth in the country, and the proper and equitable distribution of this among the people. For this purpose, the present social structure, which still continues to be partly based on an acquisitive economy has to be progressively changed into a socialised economy.

"Planning must keep this in view ~~and~~ in working of programmes, the physical content should be emphasised. The great manpower and labour force of India should be utilised to the largest possible extent and changes brought about in the economy

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by improved techniques, which are so essential, should be such as not to lead to an overall increase in unemployment. Planning should further aim at satisfying the needs of the people as the national and percapita income increases.

"As there can be no effective planning without full statistical data and systematic knowledge, every effort should be made to collect these data all over the country. In particular, full information should be obtained about the mineral resources. The development of railways, transport and other forms of communications must keep pace with increasing production. Planning thus must keep in view an integrated picture not only of the whole country but also of the various activities which form part of the plan."

Moving the resolution, Pandit Pant, Chief Minister, Uttar Pradesh said planning should be done in a manner so as to ensure greater production and equal distribution of wealth. Planning should keep in view the basic needs and requirements of the masses.

Pandit Pant asked Congressmen to help in the preparation of simple statistics in their villages and towns. They could easily compile the population figures in their areas, the age-groups of the people, the rate of infant mortality, the number of illiterates etc. This would help in assessing the dimensions of the main economic problems. Their solution could then be clearly thought of.

Land reforms. The resolution on land reforms says:

"The reform of the land system has always been a matter of deep concern to the Congress. Considerable progress has been made in the abolition of the zamindari and jagirdari and the like systems. But much remains to be done in order to ensure social justice and, at the same time, to help in the economic development of the country. While in a large number of States intermediaries have been eliminated, this has not necessarily resulted in the tiller owning the land. As conditions differ in various states, a uniform approach is not feasible, but the general principles and objective should apply to all parts of the country. The process of eliminating the intermediaries must be completed all over India without delay.

"In a number of states, legislation has been enacted as a result of which rents have been progressively brought down and tenants have obtained security of tenure and the right to acquire ownership of their holdings on payment of a moderate compensation. The pace of progress in this direction has, however, not been rapid enough.

"The essential purpose underlying all these measures of reform is to make the tiller have full rights over the land he cultivates, and, at the same time, to build up a co-operative organisation of rural life and agricultural activities, so as to ensure the most rational and effective use of the country's resources.

"The enforcement of an upper limit, both for purposes of future acquisition of land and in respect of existing holdings, is a necessary step and early attention should be given by the states to the aspect of land reform. To take effective steps to this end, adequate data are necessary. For this purpose a census of land-holdings was initiated some time ago. The Committee regrets that there has been delay in carrying out

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this census; it trusts that every effort will be made to expedite this process.

"In the transitional stage, and because of varying conditions in different states, many problems arise, the solution of which has to be adjusted to these conditions. The ejection of tenants resulting from the resumption of land by owners for personal cultivation has, in certain States, become a matter for anxious consideration. Normally, every tenant must be assured a secure occupation of at least a minimum holding. Where this is not possible, every effort should be made to provide him with other suitable land.

"While an equitable distribution of land is necessary, this has to be accompanied by a full and proper utilisation of the land for increased production. Improved techniques should, therefore, be used and co-operative methods progressively introduced."

Mr. G.L. Nanda, Union Planning Minister, who moved the resolution, said the land policy was a national policy and not a party policy for it was based on sound basic principles. He said the difficulty in regard to fixation of a ceiling had not been completely overcome because the land census was not yet complete and that the value of land differed from State to State. The Minister said there was not enough land to go round and that was why the emphasis in the second Five-Year Plan had to shift from land to industry for that alone would solve the land problem.

General economic position.- The resolution on the economic position says that the Committee has "noted with satisfaction the improvement in the general economic situation in the country and the progressive achievements of some of the targets laid down in the National Plan. Production generally has increased and at the same time, prices have come down, thus indicating a healthy tendency, which should enable the State to proceed at a much faster pace with programmes of development and public works. In particular, the Committee is gratified at the very great improvement in the food situation in the country which has exceeded expectations and the targets laid down and this assured the country of an adequate supply of foodgrains."

The Committee also expresses "its satisfaction over the improvement in the handloom industry which had suffered considerably during past years, resulting in distress to the large numbers of weavers engaged in this industry. Rural conditions generally have shown some progress, even in regard to employment. The opening of the Bhakra-Nangal Canal system is also a symbol of achievement in a project of great magnitude over which the country can legitimately take pride."

"The Committee is particularly gratified at the substantial progress made in the Community Projects and the National Extension Service schemes which already cover over 40,000 villages and a ~~near~~ population of 36 millions and through which it is intended to reach every village in India by the end of the Second Five-Year Plan. This tremendous undertaking will bring about basic changes in the entire structure and functioning of rural India. The success in these schemes is not only due to the trained workers but also to the public response which such schemes have evoked.

"These advances and the progress made all over the country in various directions have produced a sense of self-reliance and achievement in the people and thus strengthened them for the great task ahead.

"While fully appreciating these achievements in the rural areas of the country, the Committee views with concern the unemployment that exists more especially in the urban areas. This problem demands an approach from various directions, including large-scale public works and the growth of cottage and small-scale industry, as well as big industry."

Moving the resolution Mr. Morarji Desai, Chief Minister, Bombay, said increased production and falling prices indicated the improvement that the Congress Governments had achieved during the last seven years. Falling prices were not due to lack of purchasing power of the people. This contention was proved by the consumption figures of sugar. Now 1.5 million tons of sugar were consumed against 1 million tons in the past. Fears that removal of controls would lead to increase in prices and scarcity of commodities had been belied by the improvement in the situation.

He said there was no unemployment in rural areas. The position of handloom industry had improved and the agricultural labour was earning higher wages. There might be seasonal unemployment but the Government was seized of the problem.

He added unemployment had not increased. People retrenched from civil supplies departments were being absorbed by the trade and commerce. The criticism that the Government was not doing anything to remove unemployment was unfounded. Everyday new works were being taken up providing new employment. Congressmen should know what was being done and tell the people about the achievements.

(Amrita Bazar Patrika, 26 July 1954;
The Hindustan Times, 26 and 27 July 1954.)

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION

INDIA - JULY, 1954.

11. Political Situation and Administrative Action.

Employer-Employee Relations: Joint Consultative Board Decisions

The reconstituted joint consultative Board of Industry and Labour (vide pages 1-7 of the report of this Office for February 1954) at its meeting in New Delhi on 16 and 17 July 1954, decided that during the pendency of proceedings in an industrial dispute, as in other times, the employers might be permitted to take action against workers according to the terms of the standing orders settled for the establishment in all matters not forming part of the pending proceedings. The worker, however, could go to the authority concerned if he felt aggrieved.

Representatives of the two organisations each of employers and workers - the Employers' Federation of India and the All India Organisation of Industrial Employers for the employers and the Indian National Trade Union Congress and the Hind Mazdoor Sabha for workers - attended the meeting. The Minister for Planning Mr. G.L. Nanda, presided. The Labour Minister, Mr. V. V. Giri, was also present.

Procedure for discharge or dismissal of workers. The Board agreed that in regard to matters which required invoking the extreme penalty of dismissal or discharge, the employers might take action in accordance with the standing orders provided a month's ~~at~~ salary was paid to the dismissed or discharged workers, and an immediate application was made by the employer to the authority for its decision before which the dispute was pending.

The authority concerned in deciding the reference made to it should see whether the action taken by the employer under the standing order was just and fair. In case it was found just no further cause for complaint would remain but where the employer's action under the standing order was for reasons other than just the authority deciding on the application should make an appropriate order. However, there should be no bar for making that action an independent dispute.

The Board further decided that all such applications which went before the authority concerned should be disposed of expeditiously, but in a period not later than two months from the date of reference, but this was a point which was not admissible for a legal provision. The Government would take appropriate administrative measures to give effect to it.

To avoid a victimization of the leading representatives of workers, the Board felt that it would be necessary to give protection to such workers as listed by the trade union in the proportion to be settled by mutual consent. Generally not more than 1% of workers, shift and departmentwise, should be so protected subject to a minimum of one per establishment.

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Appellate Tribunal. In regard to the abolition of the Appellate Tribunal, it was agreed that the adjudication machinery should be streamlined to enable a speedy and just disposal of cases. It should also be simplified with regard to its structure and functions, and should be strengthened at appropriate places both in quality and in number, so that the parties concerned might repose faith in the arbitral awards.

The consensus of opinion was that it was necessary to have an organisation like the Board for a free and frank discussion to thrash out problems confronting employers and workers, and through such discussions, to arrive at bipartite agreements. These would assist the Government in the effective formation and implementation of administrative and legislative policies, pertaining to employer-employee relations.

The Board requested the Planning Minister to continue to be its Chairman at least in the initial stages of its work. It was decided that one of the officers of the employers' organisation and another officer from the workers organisation located in Delhi, should form a joint secretariat to help the Chairman in the secretarial work of the Board.

(The Statesman 18.7.1954).

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CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS

INDIA - JULY 1954.

28. Employers' Organisations.

Twenty-first Annual Session of All-India Organisation of Industrial Employers, Calcutta 30 June 1954; Presidential Address: Removal of Defects in Adjudication Machinery urged.

The Twenty-first session of the All-India Organisation of Industrial Employers was held at Calcutta on 30 June 1954. Mr. Mohanlal L. Shah presiding. Dr. B.C. Roy, Chief Minister, West Bengal, inaugurated the session.

Presidential address: Defects in adjudication machinery.

Mr. Mohanlal L. Shah, in his presidential address, said that legislation like the Industrial Disputes (Amendment) Ordinance of 1953 did not encourage economic activity, for promoters of new ventures, who would be prepared to take risks in the ordinary course, would not do so if they failed to effect economy when necessary. In making the provisions of the ordinance, the Government, he said, had gone beyond the agreement entered into by employers' and workers' representatives at the Standing Labour Committee in July 1953. Such action was bound to have deleterious effects on tripartite meetings and bipartite agreements sponsored by the Government. If the Government found it necessary to go beyond these agreements it should have done so after obtaining the consent of the interests concerned.

Referring to adjudication of industrial disputes, he said the Government should remove the defects in the composition and working of the conciliation and adjudication machinery. Mr. Shah urged the Government to take steps to make conciliation machinery effective and appealed to employers and workers to give conciliation a chance to success. The adjudication machinery, he said, needed thorough overhauling. He also urged the Government to amend the relevant Act to enable an employer to take action for misconduct against an employee during the pendency of a dispute in the establishment before an authority under the Act.

A serious obstacle to smooth industrial relations was the multiplicity of trade unions. It was desirable that only one union should be permitted to organise workers in an establishment.

Need for rationalisation: Mr. Shah said that another important question, the discussion on which has raised more heat than light, was that of rationalisation. This question had recently been deeply debated both in the Press and in Parliament. Neglecting, however, the vital problem of finding gainful occupation for the vast numbers of the urban unemployed and the rural under-employed, discussion had

centered round rationalisation as if rationalisation and improvement in the methods of production were the prime causes for unemployment in this country. In his opinion this attitude ignored the fundamental basis of economic growth. What were the ultimate factors responsible for the rate of economic growth? It was true that human societies experienced very different rates of growth and therefore in living standards, in fact, these differences in different ages or in different parts of the world in the same age were one of the most striking facts of economic history. An analysis based on the national income estimates for 70 countries compiled by the United Nations Secretariat and expressed on the common basis of the United States Dollars of 1949 purchasing power revealed some very interesting facts. If the world was broadly divided into high, middle and lower income groups, it appeared from the figures that the high income countries, i.e., United States, Canada, Western Europe, Australia and New Zealand constituting about 18 per cent. of the world's population had a per capita income of little less than \$ 1000. The world's middle-class, so to say, consists of Argentina, Uruguay, South Africa, Israel, the Soviet Union and some countries in Eastern Europe. These countries constituted 15 per cent. of the world's population and had an average per capita income of a ~~slightly more than \$50~~. This class covered most of Asia, therefore India, Africa, South-Eastern Europe and Latin America. If only one were to reflect on the problem of economic growth, then one could not help coming to the inescapable conclusion that it was through the increased adoption of modern and newer methods of production that growth became possible.

a little over \$ 300 a year. At the bottom came the poor and backward countries, comprising no less than 67 per cent of the world's population and having an average per capita income of slightly more than \$ 50.

Therefore, it was understandable if steps were taken to meet the problem of technological unemployment arising out of modernisation, but on no account could there be a case for perpetuation of out-dated methods of production. It not only adversely affected the competitive capacity of industry, but also harmed the community as a whole in that it was denied better quality goods at cheaper prices. Moreover, India was now increasingly becoming an exporter of manufactured goods, but she could not hope to compete in foreign markets on equal terms with powerful industries of the West and Japan unless her industries were modernised.

Dr. Roy's address: Employers asked to keep close contacts with employees.

Addressing the meeting Dr. B.C. Roy, Chief Minister of West Bengal, appealed to the employers to keep close personal contacts with their employees and thus create mutual goodwill and understanding. He said that rationalisation was necessary in the interest of the country but, while affecting it in their industries, employers should try to create avenues of employment so that the unemployment problem might not become more acute. He did not think that in existing circumstances the adjudication procedure for settlement of industrial disputes could be abolished. He recognised the difficulties caused by the multiplicity of unions in a single establishment in the settlement of disputes.

Labour in the country was not organised. This made collective bargaining or conciliation difficult. Employees were also led astray by labour leaders out for leadership. The situation being so, it was to the advantage of both employers and employees to have adjudication, at least for

the time being.

Speaking of employers' grievances about the Industrial Disputes (Amendment) Ordinance, which provides for lay-off and retrenchment compensation, he said it was true that employers might sometimes find it necessary to lay-off employees, but the case of these employees should not be forgotten. It should also be considered whether the application of the ordinance meant hardship to employers.

Dr. Roy said he had written to the Central Government about the need for a precise definition of the word industry. It was "monstrous" that the word, as defined in the existing Act, might be interpreted to mean even charitable and religious institutions.

He also felt it unsatisfactory that during the pendency before a tribunal of an industrial dispute in an establishment the management could in no circumstances take action against quickness of action and, in fact caused delay in various matters. The Government of India should give proper consideration to the matter.

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The Government of India should also consider the problem of multiplicity of labour unions in the same establishment. Dr. Roy thought that it would be in the interest of all concerned, if for purposes of bringing the workers' case in a dispute before a tribunal, only the predominant union in the establishment concerned was recognised.

Referring to employees' grievances, he said that in many cases these were psychological rather than material. With close contact between employers and employees, there would be mutual understanding and disputes could be settled easily and amicably.

Dr. Roy also strongly advocated the retention of the managing agency system but said that its ~~def~~ defects should be removed.

Mr. G.D. Somani elected President. Mr. G.D. Somani, who was elected president of the organisation for 1954-55 and 1955-56, proposing a vote of thanks said employers fully appreciated the need for better understanding with employees. Employers, he said, did not want to throw people out of employment, but rationalisation was in the interest of both management and labour and of the country as a whole. Rationalization in the long run would promote better and more employment and he hoped it would be possible for both parties to come to an agreement to introduce rationalisation measures gradually.

(The twentieth session of the Organisation was reviewed at pages 16-19 of the report of this Office for July 1953).

(Text of Presidential Address of Mr. Mohanlal L. Shah at the Twenty-first Annual Session of the All India Organisation of Industrial Employers, Calcutta, 30 June 1954. The Statesman 2.7.1954).

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Good results possible by Training-Within-Industry:
Mr. Kasturbhai Lalbhai urges Extensive Adoption in India.

For the last nine months the Ahmedabad Textile Industry Research Association (Atira), with the help of the I.L.O., was implementing a programme to develop supervisory skill in the Ahmedabad textile industry by "T.W.I." with a view to making the best possible use of machinery, raw material and manpower without either adding to the cost of production or retrenchment.

The T.W.I. which is divided into three programmes of job method, job relations and job instruction, aims at training one training officer from each of the 22 textile mills participating in the scheme. These training officers would in turn conduct the classes of supervisory groups in their respective mills with the help of the T.W.I.

On 21 June 1954, at Ahmedabad, presiding over the ceremony for distribution of certificate to these training officers, Mr. Kasturbhai Lalbhai, prominent industrialist, said that if India wanted to develop her industries as rapidly and as efficiently as the U.S. she should introduce "Training Within Industry" schemes in all the industries of the country. Mr. Kasturbhai added that in spite of the fact that the wages of the American worker were four or five times that of European workers, America, in comparison with Europe, could produce cheaper goods. This was due to the extensive use of "T.W.I." which aimed at the most rational use of machine, raw materials and especially manpower.

Mr. Kasturbhai said that though goods machinery and raw material were necessary for production, the "human factor" was the most important one which accounted good or bad production. Stating that workers must be satisfied that they were not going to be "trifled with", Mr. Kasturbhai said that even if the workers made mistakes they should be treated in the most human manner.

Requesting Mr. Kasturbhai to give away the certificates to the 22 training officers of the Ahmedabad textile industry, Mr. Clifford Fee, I.L.O. expert on T.W.I. said that the success or failure of the T.W.I. mainly depended on the attitude of the top management of the unit. The staff at the lower strata was always enthusiastic in adapting themselves to new methods of work and production, he said.

Mr. Fee said that through T.W.I. about 600 new methods of production and job relations had been suggested to the textile industry of Ahmedabad. He said that the scheme could be extended to the other mills as there were about 80 "follow up" training officers who would carry on the work.

The presidents of the Ahmedabad Millowners' Association, the Ahmedabad Branch of the Textile Association of India and the representative of the Ahmedabad Textile Labour Association spoke in support of the T.W.I.

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Need for New Incentives for Progress of Industry: All-India Manufacturers' Organisation's Plea for Rationalisation.

The Central Committee of the All-India Manufacturers' Organisation at a meeting held in Bombay on 4 July 1954, passed a resolution welcoming the recommendations made by the Shroff Committee to facilitate larger provision of finance to industries by commercial banks, insurance companies, the Industrial Finance Corporation, etc., (vide pages 11-15 of the report of this Office for May-June 1954).

The Committee also welcomed the steps that were being taken at present to set up an industrial development corporation owned and managed by the Government of India and to establish a privately owned and managed industrial development and finance corporation, as these institutions would very materially enable the country to accelerate the pace of industrial development.

The Committee emphasised the need for providing incentives by way of adequate return to risk capital employed in industries and recommended;

(a) The grant of more liberal depreciation allowance to existing industrial units;

(b) Permitting new industries to carry over arrears of higher depreciation allowances in the event of their being unable in the initial five-year period to write off higher depreciation allowances at present allowed to them; and

(c) Calculation of a higher return on the gross block than has been done, especially in the case of industries like steel and cement so that the investors, might receive a reasonable dividend on his risk capital. The Committee urged upon the Government the need "for encouraging rationalisation of methods of production and management in our industries, particularly in those which catered to the export market."

Small industries.- In the opinion of the Committee the experience of Western countries and even that of an Eastern country like Japan, who had adopted modern methods of industrialisation, had proved that rationalisation and improvement of production and management not only did not lead to unemployment, but provided larger avenues of employment by the creation of ancillary industries and trade, the making of by-products and by raising the purchasing power of those engaged in industries. The Committee urged upon the Government not only not to hinder the process of rationalisation but encourage it in the larger interests of economy of the country in general and the progress of our industries in particular. The Committee reiterated the need for greater emphasis on industrial development in all aspects with particular accent on defence industries on the one hand, and small and medium industries on the other. The Committee suggests that the second Five-Year Plan should provide for a minimum of 10 per cent. of the national income to be canalised for the development envisaged under the plan. Top priority should be given for rapid and extensive industrialisation.

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As the present rapid growth of population is likely to constitute a threat to the successful implementation of the country's Five-Year Plan and as a well-conceived population policy is essential for ensuring a higher standard of living envisaged in the plan, the Central Committee stressed that a determined attempt should be made from now on to check the present pace of population.

President's address.- Mr. Morarji J. Vaidya, Chairman of the Committee, in the absence of Mr. M. Visveswaraya, said that it would be perceived by any observant student of Government's economic policies that a progressively greater feeling of rationalisation was visible of late in the policies and actions of the Government. He suggested that a committee should be appointed, consisting of top-ranking economists, technicians and accountants, presided over by an impartial person of the status of Judge of the Supreme Court to conduct a countrywide enquiry into the plethora of labour welfare legislation, which has been put on the statute book with such great rapidity by the Union and State Governments, and to assess the effect of such legislation on (a) the productivity of our industrial labour, (b) on the morale and discipline of labour and management, (c) on the return which investors in industry receive, and (d) on the prices which the consumer had, in the last resort to pay and the burden he has to bear as a result of such legislative measures.

He pleaded for a rational approach to the question of rationalisation and development of industries. He drew the attention of the Union and State Governments to the Scheme for rural development evolved by Mr. M. Visveswaraya and successfully developed in Mysore State. He added that other State Governments would do well to follow the example of Mysore.

S-E. Asian Economic Conference.- Mr. Morarji Vaidya said that the Organisation would convene a South-East Asian Economic Conference in November this year with a view to achieving integrated economic development of South and South-East Asia and of Inter-Asian Trade.

Mr. Vaidya said; "I have no doubt that with the ready and spontaneous response which we have received from a large number of commercial and industrial organisations in the countries which we visited, the proposed conference will not only have a successful session, but that it will contribute materially to the integrated economic development of South and South-East Asia and of inter-Asian trade in particular."

He said that the economic development in general and industrial development in particular of India, Japan and South and South-East Asian countries would have to be planned in an integrated manner.

"The co-ordination can now be expected to include the great Chinese nation also, over and above the Colombo Powers. I do hope that the other free nations of South-East Asia and Far East including Japan, Thailand and the Philippines will also take their seats at the conference table of the Asian nations", he ~~added~~ added.

Need for Stable farm prices urged, Commerce Federation's Memorandum to Government

A suggestion that the Government should enter the market on suitable occasions to purchase foodgrains for reserves in order to arrest a precipitate fall in agricultural prices has been made by the Committee of the Federation of Indian Chambers of Commerce and Industry in a memorandum to the Government of India.

The Federation Committee urges "suitable action without delay" in view of the "persistent downward trend" in agricultural prices. As this trend, the memorandum points out, seems to be more than a mere seasonal one, its implications, especially the matter of agricultural prices vis-a-vis economic development, must forthwith receive careful consideration of the Government.

The fall in agricultural prices is attributed mainly to production - actual increase as well as better prospects for the future. This improvement has been welcomed because it enables the country to reduce substantially the outlay of foreign exchange on the import of food grains, jute and cotton, and also because it reduces the cost of living.

The Committee, however, emphasizes that the prices of agricultural commodities should not be allowed to fall beyond an economic level, for any such fall, it warns, will develop into "an agricultural crisis fraught with serious consequences to the economy in its entirety."

The Federation Committee is of the view that while a gradual reduction in the prices may be deemed as a trend in the desired direction, any sudden and steep fall will do more harm than good and will have serious repercussions on the economic and social life of the community.

The Committee says that prices of some agricultural commodities have come to a level much lower than at any time during the last five or six years. The index of wholesale prices of cereals in the week ending June 19, 1954 - the latest period for which figures are available - declined to 379, (and 483 the average of 1951. The price index for pulses stood at 299 as compared to 414 in the beginning of the current year and 506 in 1951. In the case of fibres, the index has declined to 424 from 451 in the beginning of the year and 622 in 1951 and the index for oilseeds to 470 from 538 and 679 in the corresponding periods.

as compared to 437 in the beginning of January 1954

The following figures show the trend of prices of the four groups since 1948:

INDEX NUMBERS OF WHOLESALE PRICES

	<u>Cereals</u>	<u>Pulses</u>	<u>Fibres</u>	<u>Oilseeds</u>
1948 (Average)	443	424	432	499
1949 "	465	438	446	593
1950 "	471	449	476	665
1951 "	483	506	622	679
1952 "	450	483	454	484
1953 "	451	494	420	573
1954:				
Week ending January 2	437	414	451	538
Week ending May 1 ,	417	373	465	525
Week ending June 19	379	299	424	470

It may be pointed out that the decline in the wholesale price indices does not truly reflect the actual fall in the market prices, since in the compilation of the indices prices fixed under statutory price control are also taken into consideration. Consequently the fall in prices is really more than what the official figures reveal.

Causes for fall in prices: The Committee is aware that the fall in agricultural prices is mainly due to an increase in agricultural production and better prospects in this regard. The production of cereals (excluding gram) which had increased from 42.4 million tons in 1951-52 to 47.6 million tons in 1952-53 has shown a further increase during the current year i.e., 1953-54. According to the final estimate of price for 1953-54, production is placed at 27.1 million tons as compared to 22.5 million tons in the previous year showing an increase of 4.6 million tons. In the case of wheat crop an increase of more than .5 million tons is estimated. The final estimate of bajra shows an increase of more than 1 million tons. Barley, jowar, maize and ragi also show substantial increases.

As regards pulses, the yield of kharif pulses in 1953-54 is estimated at 1.48 million tons as compared to 1.1 million tons last year. The prospects for 'rabi pulses' are also considered to be encouraging. In the oilseeds group, groundnut alone shows an increase of about .9 million tons. The production of raw cotton is estimated at 3.9 million bales as compared to 3.1 million bales in 1952-53. In the case of raw jute, while production declined in 1953-54, the prospects for new crop are encouraging.

This improvement in agricultural production is welcome for two reasons; first, it enables the country to substantially reduce the outlay of foreign exchange on the import of foodgrains and jute and cotton. Secondly, it reduces the cost of living.

At the same time, the Committee feels that prices of agricultural commodities should not be allowed to fall beyond economic level, for any such fall will develop into an agricultural crisis fraught with serious consequences to the economy in its entirety. While a gradual

reduction in its prices may be deemed as a trend in the desired direction, any sudden and steep fall will do more harm than good.

In the circumstances obtaining at present, the Committee feels that the position would cause concern if the price of wheat in the rural areas goes below rupees 8 and coarse grains below rupees 6 per maund. Although these levels have not been reached now, the Committee wishes to sound a note of warning against permitting a reduction in the prices of agricultural commodities to such low levels, for that will have serious repercussions on the whole economic and social fabric of the community.

Psychology of Depression: Taking into account the trend in agricultural prices, the committee is of the opinion that unless expenditures are immediately stepped up both in the public and private sectors, they will not have the desired deflationary effect, for once prices are unduly depressed, then it will be very difficult to prop them up or expand economic activity through even appropriate fiscal measures and public works programme. The psychology of depression should not be permitted to creep in because that will in itself make nugatory the best evolved economic and financial policies. Moreover, in that context it will not be possible either for the Government or for the private sector to effect an outlay of significant dimensions.

5 Point suggestions: The Committee, therefore, attaches the greatest importance to the matter of taking the requisite action as early as possible. Towards this end the Committee has the following suggestions to make for Government's careful consideration;

(1) The prices of manufactures should be allowed to adjust themselves to the fall in the prices of agricultural commodities. Otherwise, the disparity in the price levels of these two groups will result in an imbalance in economic activity. The one way of price adjustment lies in permitting the entrepreneur in the industrial sector to adjust his costs and that he would be in a position to do only if he can adjust the wage bill which has become a big and rigid item in the cost structure.

(2) Similarly in the agricultural sector also the producer must be in a position to adjust his costs and Government should review their programme of fixing minimum wages in the rural areas.

(3) While the two suggestions are in the nature of enabling measures, the most important measure would be for Government to implement their development programme on an expanding scale. In the computation of financial resources for the Government, account must be taken of not only the traditional type, i.e., borrowings but also the measure of likely assistance from abroad and the technique of financing development by credit. So far as foreign assistance is concerned it is problematical to what extent and in what time that would be available. In view of the uncertain nature of foreign assistance development programme cannot be hitched to it. Government should go ahead with the experiment of financing development by credit. The present time is most opportune.

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(4) The private sector must also be assisted to increase the outlay in the existing and new lines of production. The Finance Minister himself had recently stated that targets for private sector need to be extended. For this purpose the requisite conditions must be created of which, inter alia, a fillip to consumption is an important one.

(5) The Government should enter the market at appropriate times to purchase food grains for reserves, for this could be one of the measures, however limited in its scope, to militate precipitate fall in agricultural prices.

(The Hindustan Times, 11.7.1954)

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29. International Co-operation:

INDIA - JULY 1954.

U.S. Economic Aid to India, Report on Mutual Security Act.

The United States Senate Foreign Relations committee has issued a report on the Mutual Security Act of 1954.

The part dealing with U.S. Aid to India says that the Programme for India amounts to \$ 95,500,000. Except for Korean relief and rehabilitation, this is the largest purely non-military programme for any country. It is made up of \$ 76 million in development assistance and \$ 19.5 million in technical co-operation. This compares with a total programme of \$ 88,647,000 in 1954 and \$ 83,577,000 in 1953. U.S. assistance to India is in support of the Government of India's Five-Year Plan of economic development which will be in its fourth year in 1955. The budget for this plan amounts to \$ 4.71 billion of which \$ 1.98 billion was spent in the first three years. India itself provided \$ 1.81 billion or 91 per cent. of these expenditures. A part of the balance has been provided by various U.N. specialised agencies, the Commonwealth countries through the Colombo Plan, and various private agencies. Direct U.S. assistance is thus seen to be a minor fraction of the total, but in the opinion of the Committee it is a critical fraction which makes a more than proportionate contribution to the success of the Plan as a whole.

The report adds that material and commodities procured with development assistance funds will be used to assist irrigation, flood control and hydro-electric power projects, to carry out malaria control programmes, to replace and rehabilitate railroad rolling stock, to maintain output of agricultural machinery and to increase fertiliser production. In the technical co-operation programme amounting to \$ 19,500,000 the principal emphasis will be on general and community development (\$ 6,355,000), agriculture and natural resources (\$ 5,069,000), and health and sanitation (\$ 3,179,000). Similar programmes will be carried on in industry mining labour (\$ 3,107,000), education (\$ 1,504,000), public administration (\$ 170,000), and transport, communications and power (\$ 116,000).

This programme is designed to increase food production through better techniques, to improve health conditions through pure water supplies and better sanitation, to expand basic and technical education through a teacher and technician training programme and to provide technical services to Indian private industry.

(The Hindu, 18 July 1954).

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CHAPTER 3. ECONOMIC QUESTIONS.

INDIA - JULY 1954.

32. Public Finance and Fiscal Policy.

Larger Deficit likely in 1954-55: Reserve Bank
Report on Budgetary Position.

The budgetary position of the Government of India and State Governments showed greater imbalance during 1953-54 than in the previous year, and in 1954-55 the imbalance is expected to be even larger, according to the report on currency and finance for the financial year 1953-54 published by the Reserve Bank of India.

The progressively larger outlays on development expenditure have been the main contributory factor for the budgetary imbalance according to the report.

Revised Budget estimates showed the overall deficit (revenue and capital accounts together) in 1953-54 of the Centre at 480 million rupees, this being substantial reduction of 160 million rupees from the 1952-53 level. On the other hand, Part "A" and "B" States had a consolidated deficit of 330 million rupees in 1953-54, as against an overall surplus of 110 million rupees in 1952-53.

For the public sector, therefore, there was an increase in Budget deficit during 1953-54. However, these figures are based on the Budget statements, and represent the excess of expenditure covered by a reduction in cash balances only. They do not take into account receipts under floating debt and withdrawal from (or addition to) investment reserves. Like the drawing down of cash balances, these also constitute modes of deficit financing.

Overall deficit.- Excluding the receipts from net increase under floating debt in the case of the Centre and the outgo due to purchase of securities in the case of State Governments, the overall deficit of the public sector amounted to 1,540 million rupees in 1953-54 - 1,280 million rupees in the case of the Centre and 260 million rupees in the case of both Part "A" and Part "B" States, as against a similar aggregate deficit of 850 million rupees in 1952-53.

The figures of deficit, however, are based on the revised estimates and the report states that subsequent data seem to indicate that the actual deficit is likely to have been smaller.

For 1954-55, an overall deficit of 2,930 million rupees is anticipated, of which 2,390 million rupees is proposed to be incurred by the Centre, and 540 million rupees by Part "A" and "B" States.

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The report states that recent estimates indicate considerable widening of the gap in resources for the first Five Year Plan as a whole. So far as the first three years of the Plan are concerned, there was in fact a narrowing of the gap. According to revised estimates, while expenditure on the Plan during the three-year period was 520 million rupees lower than was anticipated earlier, the resources available were 240 million rupees larger, with the result that the actual gap at 2,250 million rupees was 760 million rupees smaller.

But in the remaining two years of the Plan, the shortfall in outlay has to be made good. In addition, the total outlay under the Plan has been stepped up by 1,750 million rupees to 22,440 million rupees, mainly to meet the unemployment situation. On the other hand, domestic resources available as well as the foreign assistance anticipated are now placed lower than earlier estimates.

Budgetary resources.— The budgetary resources (Centre, States and Railways) that have been raised in the first three years of the Plan are placed at 6,000 million rupees; in 1954-55 and 1955-56 they are put at 2,480 million rupees and 2,750 million rupees respectively.

Thus the available budgetary resources that could be mobilized amount to only 11,230 million rupees, as against the total estimate of 12,580 million rupees in the Plan or a short-fall of 1,350 million rupees for the five-year period. To this must be added the additions (1,750 million rupees) made to the Plan during the year. Thus the gap in the available domestic resources would come to 3,100 million rupees.

So far as external aid is concerned, it is put at 1,200 million rupees in the three years (1951-54) and at 460 million rupees in 1954-55, or a total of 1,660 million rupees made ~~far~~ up of 800 million rupees of grants and 860 million rupees of loans. Taking credit for about 650 million rupees of foreign assistance in the last year (1955-56) of the Plan also, total external assistance that is likely to be received in the Plan period would amount to 2,310 million rupees. The revised estimate of the total of internal and external resources available amounts to 13,540 million rupees, leaving a gap of 8,900 million rupees, as against the previous estimate of 6,350 million rupees.

Reviewing the major economic and financial developments in the country during the past financial year the report states that Indian economy, like the world economy in general, recorded many gains during 1953-54, the third year of the Plan. Notwithstanding the uncertainties and apprehensions concerning the course of the U.S. economy, there appeared to be a growing confidence in the country about general business prospects, particularly in the latter part of the year.

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Aid to private sector.- This was in part due to the increasing measure of Government's assistance to the private sector, as evidenced by a number of prompt measures taken by the Government during the year in the matter of export duties, financial assistance to industries, etc.

Industrial production which has been rising continuously since 1950 showed a further overall rise, though the rate of growth was smaller than in the previous year and the rise concealed declines in some major industries like jute, sugar and steel. The average general index of industrial production (base: 1946 - 100) which had risen steadily from 105 in 1950 to 117.2 in 1951 and 128.9 in 1952, rose further to a new record level of ~~135.2~~ 135.2 in 1953. Agricultural output, especially of foodgrains, is also estimated to have recorded a further substantial rise, aided by a favourable monsoon.

The price situation during 1953-54 was ~~price~~ stable although the price indices were throughout the year a shade higher than in the preceding year. The substantial increase in agricultural and industrial output undoubtedly contributed to the comparative price stability, though its impact on prices was partially neutralised by the ~~sharp~~ sharp decline in the volume of imports, particularly of foodgrains and some industrial raw materials. During the year, there were a series of short-term movements and indices of groups, as well as individual commodities showed divergent trends, indicating adjustments in relative prices. Over the year the Economic Adviser's general index of wholesale prices (base: year ended August 1939 - 100) recorded a net rise of 2.3 per cent from 385.2 to 394.0.

In the monetary sphere, it appeared as if the disinflationary trends of the previous two years had been worked off. During the year, money supply with the public (including deposits of State Governments with the Reserve Bank, which showed, rather unusually, a sharp rise of 430 million rupees) recorded a rise of 940 million rupees, in contrast to the declines of 410 million rupees and 1,730 million rupees in 1952-53 and 1951-52 respectively.

During the three-year period of the Plan (1951-54) money supply with the public recorded a sizable contraction. The rise in money supply in 1953-54 was in consonance with the increasing needs of the developing economy and resulted mainly from the substantial surplus in balance of payments and the budgetary deficit, the magnitude of the latter being, however, smaller than the original estimate.

The supply of money to the private sector was also augmented by assistance from the Reserve Bank, which was on a larger scale than in the previous year. Scheduled Bank credit also showed a larger seasonal expansion, but this was in part due to the substantial restoration of trading in foodgrains to private channels, and there was no major net increase in bank credit for the year as a whole.

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The capital market, the report states, also showed a substantial measure of stability and confidence. The market was able to absorb considerable amounts of Government securities without any perceptible effect on prices. The industrial share market also ruled buoyant during the greater part of the year, reflecting the general confidence regarding business prospects. The bullion market too remained relatively firm, owing mainly to the improved demand following better harvests during the year.

The balance of payments position showed a favourable turn during 1953, there being a surplus of 500 million rupees on current account, as against a position of near balance in 1952. This was, however, achieved at a sharply reduced volume of imports both private and Government.

The fall in imports was accounted for mainly by reduction in food imports, consequent on the improvement in domestic output; on the export side, the major factor was the decline in export earnings from jute manufacturers. Added to this, there was a further, though small, deterioration in the terms of trade. Regionwise, there was a spectacular improvement with the dollar area, a deficit of 1,110 million rupees in 1952 giving ~~xxx~~ place to a surplus of 310 million rupees.

While the general economic situation thus showed improvement, the employment situation, the report points out, continued to cause considerable anxiety. To meet the problem, the target of development expenditure under the Five Year Plan has been raised by 1,750 million rupees to 22,440 million rupees. Special attention is also being given to the rehabilitation and development of small-scale and cottage industries the employment potentiality of which is considerable.

Stable world economy.- Reviewing the main international economic developments during the year the report states the world economy displayed, on the whole, remarkable strength during 1953, which was characterised by a marked rise in industrial and agricultural production and a fair degree of stability. There was also a substantial improvement in the world payments position, especially as regards the "dollar gap" which temporarily at least seemed to have disappeared.

The year witnessed the flexible use of monetary policy on a wide front, generally in the direction of relaxation of monetary restraints, inflation having been successfully eliminated in many countries. Further, budgetary policy in most countries was directed towards providing a stimulus to economic activity and enabling industrial and commercial enterprise to meet the growing competition in world markets.

The improvement in the economic situation was also reflected in the general movement away from direct physical and financial controls, leading to the gradual restoration of free markets. In the latter part of the year, however, there was growing concern ~~xxx~~ both in the USA and outside

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regarding the duration and consequences of the decline in economic activity that was taking place in the USA. But this did not affect the levels of economic activity in other parts of the world. In fact, there was some improvement in this respect; the rest of the world also augmented its gold and dollar reserves considerably. Movements of a commodity and share prices reflected the general expectation that the downtrend in economic activity in the USA might not be too prolonged.

(The Statesman, 10 July 1954).

National Plan Loan: Thousand Million Mark
crossed.

Subscription to the National Plan Loan (vide page 14 of the report of this Office for April 1954) has crossed the 1,000 million rupees mark.

The total collecting up to the end of June was 1055.5 million rupees.

The collection during June was 249.9 million rupees, which added to the collection up to the end of May (805.6 million rupees) brings the total to 1,055.5 million rupees.

Subscriptions are open till further notice. The minimum subscription is 100 rupees. The loan bears interest at 3 1/4 per cent per annum and is redeemable in 1964. It is intended to raise funds for financing the Five Year Plan and is the first of its kind floated during the Plan period.

(The Statesman, 3 July 1954).

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34. Economic Planning, Control and Development.

India - July 1954.

Jute Enquiry Commission Report: Regulated Markets
in States and Abolition of Sales Tax on Raw Jute
recommended.

The Jute Enquiry Commission in its report* has suggested the establishment of regulated markets at important centres in the jute-growing areas of each State, abolition of the levy of sales tax and similar taxes on jute and re-establishment of a proper futures market in jute and jute goods. The Commission, among other things, has also recommended stabilization of the prices of jute goods and determination of fair prices for raw jute.

The Commission which was appointed in August 1953 (vide page 35 of the report of this Office for September 1953) was headed by Mr. K.R.P. Aiyanger and included as members Messrs. B.V. Narayanaswamy Naidu, P.S. Gupta and D. Sandilya. A brief account of the recommendations of the Commission is given below.

The Commission said that with partition, Pakistan had emerged as a competitor and India had become an importer of raw jute. Hence, the price policy was determined solely by world markets for jute products.

Supply of raw jute: Area and production.- There has been an impressive rise in the size of the Indian crop due both to addition of new areas not previously under jute cultivation and to extension of jute cultivation in the old areas. The increase since 1947 is about 1.297 million in the all-India acreage and 3.37 million bales in the output. The yield has also risen from the pre-war figure of 2.5 to 2.6 bales per acre. As a result of the drive to grow more jute, production has risen from 1.3 million bales to 4.7 million bales in 1952-53 and both the acreage and crop targets fixed by the Planning Commission have been reached. The following table shows both the acreage and production of jute during the years 1939-40 to 1952-53:-

* Report of the Jute Enquiry Commission 1954; Government of India, 1954, pp. 274.

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Year		Total acreage (000 acres)	Total production (000 bales)
1939-40	--	789	1,859
1940-41	--	1,260	2,773
1941-42	--	783	1,646
1942-43	--	847	1,637
1943-44	--	700	1,463
1944-45	--	580	1,164
1945-46	--	567	1,459
1946-47	--	537	1,320
1947-48	--	652	1,658
1948-49	--	834	2,055
1949-50	--	1,163	3,089
1950-51	--	1,454	3,302
1951-52	--	1,951	4,678
1952-53	--	1,834	4,695

The Commission, however, considered that the object of the grow more-jute campaign should be a more restricted one, namely, attainment of relative rather than absolute self-sufficiency. In the long-term interest of jute-growing in India and of the jute industry, the import of jute from Pakistan, according to the Commission, should be restricted to grades which were not available yet in the required quantity in India.

Prices of raw jute had been un-economic to the cultivator in the 1952-53 season. The endeavour should be in favour of intensive cultivation and improvement in quality rather than to offer inducements for jute cultivation on a widely dispersed basis.

The Commission endorsed the view of the expert committee in regard to the necessity of the Uttar Pradesh and other State Governments following a cautious policy of re-examining the areas under jute cultivation and confining jute cultivation to areas where good retting water was freely available.

Marketing conditions.— Marketing conditions and practices have remained unchanged. The cultivator sells the bulk of the crop in the village and no portion direct to the mills, and mills carry less stocks than before.

The Commission suggested that the railway authorities should examine freight rates and consider the possibility of reduction in the rates in view of the export importance of the industry and the incidence to the grower. River transport companies should also evolve a more equitable freight.

"A rational utilisation of the storage accommodation available at Calcutta", the report said, "requires that ~~not~~ buying agencies and dealers should buy regularly in secondary markets and move their stocks to Calcutta throughout the season. We recommend the establishment of regulated markets at important centres in the jute

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growing areas of each State. Ware Houses should also be set up at such markets."

The Commission also emphasised the need of Government help and assistance to encourage multi-purpose co-operatives and said the scheme should be tried out as an experimental one at important centres.

Sales Tax levy.- Recommending abolition of the levy of sales tax or similar taxes on raw jute by State Governments on the grounds that jute was the raw material of an important industry, the Commission suggested that the demand for the establishment of more research demonstration farms should be given sympathetic consideration and the use of manures and improved seed encouraged.

It turned down suggestions for the export of raw jute as a measure to support prices and for the introduction of the zonal distribution system. It also considered the prescription of minimum prices for raw jute as inadvisable as it would affect prejudicially the interests of the growers as well as the industry. The implementation of the measures regarding regulated markets, organisation of co-operative societies and other ancillary recommendations would be more helpful in the long-term interests of the grower. The benefit of these alternative measures was estimated to reduce the difference in the price of the raw jute in the primary and Calcutta markets to 5 rupees per maund, inclusive of freight. Statutory controls, according to the Commission, were not advisable. It would prefer voluntary regulation.

The Commission suggested the appointment of a jute Commissioner, the establishment of a jute board and the setting up of a development council for the jute industry which would go a long way to assist and stabilise the industry. An indication of fair prices for raw jute in relation to jute goods prices should be an important function of the board. A notification of such parity of prices was of particular significance to the grower before the sowing season. An indication of such a price would improve the morale of the grower and support him in his unequal struggle with the middlemen in the trade.

Jute Goods prices.- Making no recommendations regarding fixed prices for jute goods in general, the Commission, however, suggested that a pattern of stabilisation of jute goods prices would be more welcome to foreign buyers than even a drastic reduction in prices. As far as raw jute was concerned, a fair price could be determined with reference only to the terminal market, Calcutta.

"Our recommendation", the report observed "is that for a given price level of jute goods, the level of prices of raw jute should be in fair parity".

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Prices of jute and jute goods since September, 1953, had been more stable than for a similar period in the recent past. Making a deduction of about 5 rupees for transport and the cost of middlemen's services, a fair price to the grower on a proper quality basis should be not less than 20 rupees per maund when the price in terms of Assam bottoms was 25 rupees ex-mill at Calcutta. Divergence between the price trends of raw jute and jute goods was not normally great, but there was always a time-lag in the movement.

The Commission argued that if the Government tax policy had affected the market for Indian jute goods, it was not on account of the fact that duties at the level they were in force were excessive and had engendered opposition in buying countries, but it was for the reason that the purchasing policy of overseas buyers was influenced by their constant expectation of the inevitable reduction in the rates of duty in a falling market. Prices being determined by world market factors with the scaling down of export duty by India, the competitive advantage of foreign mills had been reduced.

Fair prices.- The Commission thought that the indication of fair prices, together with other measures suggested by it, would allow scope for competitive market factors within limits and secure a degree of stability for raw jute prices on which depended also stability of jute goods prices.

Working time agreement of mills.- Referring to a suggestion of the Indian Jute Mills Association that the scrapping of working time agreement would spell cut-throat competition and disaster to mill production, the Commission maintained that the installed jute manufacturing capacity was greater than the world demand for jute goods with the result that market potential for Indian jute goods was to that extent restricted. The effect of the agreement was that the fall in output had been spread out uniformly over all sections of the industry irrespective of relative efficiency, resources and costs. If efficient mills worked to full production, lower cost would ~~be~~ increase in their competitive power. The process of change in working hours could be effected in stages or by sections. As a first step working hours might be raised to 48 or those incurring considerable expenditure for modernisation could be exempted from the working hour restrictions. Labour displaced from units, which closed down, should largely be absorbed in mills working longer hours.

The Commission did not favour erection of new units of jute mills as the industry in the country at present had a capacity not only in excess of its present market but also in excess of any possible expansion of such markets.

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Futures' market.- Referring to the operation of the futures' market, the Commission found that the operations of the futures' market in November 1952, were essentially an attempt to corner the market which resulted in violent price fluctuations and thereafter led to a disastrous decline in the price of jute and jute goods. The defects brought to light were inadequacy of the regulations and omission on the part of the personnel concerned of the Calcutta Jute and Hessian Exchange to take action to prevent overtrading, laxity in the system of issuing pucca delivery order without full cover which enabled mills as well as dealers to speculate and the serious dangers to the financial system of the country if banks undertook financial transactions in speculative markets. The Commission suggested that authorities concerned should take steps to initiate necessary measures to prevent such recurrence. The Commission recommended the establishment of a futures' market for jute and jute goods. A single wellknit and regulated organisation like the East Indian Cotton Association, Bombay, should be set up. It is for those who desire to promote or revive an association to run a market, to frame a suitable constitution and submit the same for approval of the Forward Market Commission.

The Commission felt that price agreements among manufacturers would be impracticable in a buyer's market. Direct exports by manufacturers would upset established channels. The trade was uniformly opposed to regulation and control. There was, therefore, no alternative to the establishment of a proper futures' market.

Rationalisation.- Speaking about rationalisation, the Commission found that the need for the mills themselves to finance rehabilitation and development from their own resources necessitated keeping down dividends. Rationalisation might cause in the short run a contraction in employment and this problem had to be settled as best as possible if permanent damage in the long run to the growers, trade and industry, involving widespread distress was to be avoided.

"The future of the industry", the Commission observed, "demands adequate supplies of raw jute at reasonable prices and a reduction in production costs. We consider that the long-term interests of the industry require forbearance on the part of both labour and capital - an agreement on the part of the former not to press for wage increase and on the part of the latter voluntarily to limit dividends".

"Modernisation as carried out does not increase the productive capacity of the industry which ultimately depends on looms. Its object is rather to enable the mills to supply their looms with yarn more economically by operating a much smaller quantity of modern high speed machinery and run it on double shift".

Out of 75 mills, partial modernisation, according to the report, had been carried out in the case of 15 mills and another 13 were in the process of modernisation. Expenditure so far incurred was about 80 million rupees and the cost of modernisation was reckoned at 500 million rupees. The present size of the market that India held, might be retained only by accelerating the pace of modernisation, and the Commission recommended that problems connected with modernisation of plant and industry in the jute mill industry should receive the highest consideration of the Government.

(The Hindustan Times, 5 May 1954).

Bhakra-Nangal Canal system inaugurated: Over three million acres of Parched land to be irrigated.

On 8 July 1954, amid scenes of great rejoicing and enthusiasm, Mr. Nehru declared open the Bhakra-Nangal canal system which he described as "a gigantic achievement and a symbol of the nation's energy and enterprise".

The Bhakra Nangal Project envisages the utilisation of the waters of the Sutlej River in the Punjab State for the purpose of irrigation and power production. Every year during the summer monsoon rains, over 90 per cent of water flowing down the river goes to waste. Yet only a limited supply of water is available during the winter months. The possibility of using the water from the Sutlej River is thus restricted to the winter flow only. If only the wastex of the summer months could be conserved there would be great increase in the overall irrigation on the fertile Punjab plains. This desire to conserve the waters of the Sutlej River is the Bhakra-Nangal Project.

The Dam is located about 200 miles from Delhi and nearly 70 miles from Chandigarh, Punjab's new Capital, at a point where the rivers cuts a narrow gorge through the last range of the Himalayas. The regulated outflow from the lake behind Bhakra Dam will be diverted into the Nangal Hydrel Cannal by means of an auxillary dam 8 miles downstream the Nangal Dam. The Nangal Hydrel Cannal 40 miles long, will transport the water to the main irrigation system of the project, feeding the Bhakra Main Line Canal and its distributory system. Power will be generated at two stages of the Project, first at the site of the Bhakra Dam and then along the Nangal Hydrel Cannal. The topography along this canal is such as to make possible the construction of two powers plants which will generate power for the construction of Bhakra Dam and subsequently supplement the power from the Bhakra Power Plant.

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Irrigation Facilities.- In addition to these main features, another important function of the project is the increase of irrigation facilities on the existing canals. Forty miles downstream of Nangal Dam on the River Sutlej is a diversion structure - Rupar Headworks - which feeds the Sirhind Canal. With regulated supplies available throughout the year, this existing irrigation system can be adopted to provide for a larger area than it caters for at present.

The following table gives some of the potentialities of the project:-

Gross area to be covered	--	5.86 mil. acres.
Anticipated annual irrigation	--	3.52 mil. acres.
Foodgrain	--	1.13 mil. tons.
Cotton	--	0.8 mil. bales.
Sugarcane	--	0.5 mil. tons.
Fodder	--	1.5 mil. tons.
Pulses and oil seeds	--	0.1 mil. tons.
Saving in foreign exchange	--	9000 mil. rupees.
Rehabilitation in the new Mandi Townships	--	2.5 mil. persons.
Towns to be electrified	--	128
No. of electric tubewells in rural area	--	800
Ultimate firm power and	--	400,000 K.W.
Employment to millions of people.		

Mr. Nehru's address.- Inaugurating the canal system Mr. Nehru described the opening ceremony as a "very special occasion" and said Bhakra-Nangal had become the glowing symbol of India's determination to go ahead with her progress. It was also the symbol of the nation's self-reliance and self-confidence to achieve greater tasks and to banish poverty and unemployment from the land.

The Prime Minister spoke of the great advance India was making in several directions. "India is in commotion. Mother India is in labour, producing ~~the~~ ^{and} creating things".

Peaceful Revolution.- Saying that India had achieved the biggest revolution of the age, Mr. Nehru said: "We fought for freedom and won it. We are children of that revolution, but that revolution is not yet over. We shall still continue it in the social and economic sphere. We cannot remain static".

He added: "let no one imagine that the revolution in India was not a revolution because it was a peaceful change. Revolution does not mean breaking of heads. It means changing things in a big way. We made India independent. That was a big change in the world. As the very method of revolution in India was peaceful, people perhaps ~~and~~ not realise what was happening because unhappily, peaceful construction did not make news.

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Declaring the canal system open, Mr. Nehru dedicated it to "the good of the Indian people".

(The Hindustan Times, 9 July 1954).

Income-Tax Evasion during War Period: Ordinance issued to amend Indian Income-Tax Act.

The President promulgated on 17 July 1954 an ordinance amending the Income-tax Act to enable reopening of assessment by the Income-tax authorities in certain classes of tax evasion between September 1, 1939 and 1 March 1946, involving evasion of tax on taxable income of 100,000 rupees or more. The Ordinance is a sequel to the judgment of the Supreme Court in May last declaring Section 5(4) of the Income-tax Investigation Commission Act as ultra vires of the Constitution. Under Section 5(1) of the Income-tax Investigation Commission Act the Government had referred to the Commission a number of cases suspected to involve substantial evasion of taxation during the war period for investigation and report to the Government.

Under Section 5(4) of the Act, if the Commission came across fresh cases of evasion during its investigation, it would report such cases to the Government and the Government was bound to refer them and report on the amount of tax evaded. The Commission had taken cognizance of 369 such cases under this Section and had completed its work in respect of 224 cases involving evaded tax of the value of about 55 million rupees of which 20 million rupees has already been collected by the Government. Of this amount 1.5 million rupees was in respect of a few cases investigated and reported to the Government before the Constitution came into force.

In a judgment on a petition by one of the assesseees in May this year, the Supreme Court ruled that the work of the Commission since 26 January 1950, under Section 5(4) was invalid as the Section offended the guarantee of equal protection of laws in the Constitution.

The Ordinance, which came into force at once, amends Section 34 of the Income-tax Act and inserts two new sub-sections.

As a result of the amendment the income-tax authorities (instead of the Income-tax Investigation Commission) can reopen cases of assessment where incomes which escaped assessment between 1 September 1939, and 31 March 1946 - the period during which the Excess Profit Tax was in force - would be assessable. The minimum income assessable under this amendment has been fixed at 100,000 rupees so that cases of small assesseees cannot be reopened.

For the purpose of reopening the assessment, the Income-tax Officer must obtain the prior approval of the Central Board of Revenue. This procedure has been fixed in order to prevent harassment of assesseees on unsubstantial grounds.

(The Statesman, 18 July 1954).

Bill Market Scheme: Benefit extended to All Scheduled Banks.

On 14 July 1954, the Reserve Bank of India announced the Bank's decision to extend the bill market scheme (vide page 118 of the report of this Office for January 1952), to all scheduled banks holding a licence granted by the Reserve Bank under Section 22 of the Banking Companies Act, irrespective of the size of the deposits.

At present only scheduled banks having deposits of 50 million rupees or more and in possession of such a license are eligible to participate in the scheme.

The Reserve Bank, as recommended by the Shroff Committee on "Finance for the Private Sector" (vide pp. 11-15 of the report of this Office for May-June 1954) has reduced the minimum limit of advances under the scheme from 2.5 million rupees to 1 million rupees and the minimum amount of each individual bill has been fixed at 50,000 rupees instead of 100,000 rupees.

A Reserve Bank Press note said: "Suggestions had been made to the Bank as well as to the Committee on "Finance for the Private Sector" that the scheme should be liberalised and extended to the smaller scheduled banks.

"While the Committee recommended that the scheme should be extended to scheduled banks having deposits of 10 million rupees or over, the intention of the Committee was to include only licensed ~~banks~~ banks with ~~deposits~~ deposits of 10 million rupees or more. It has, however, been decided by the Bank to extend the scheme to all scheduled banks in possession of a licence granted by it in terms of Section 22 of the Banking Companies Act 1949, irrespective of the size of the deposits".

Success of scheme.- The Bill market scheme, introduced by the Reserve Bank in January 1952, was an "experimental measure". "As the scheme met with notable success during the very first year, the Bank decided to make it a permanent feature. During the 2-1/2 years of operation of the scheme it has generally facilitated borrowings by eligible scheduled banks from the Reserve Bank for meeting their busy season demands without disturbance of their investment portfolio", the Bank announcement said.

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Advances availed of under the scheme during the current season (from January 1954 up to the end of June 1954) amounted to 1,222.2 million rupees as against 608.4 million rupees during the corresponding period last year and 740.2 million rupees in 1952.

The advances availed of under the scheme during the current season exceeded those against Government securities at 1,160.5 million rupees during that period.

(The Hindustan Times, 15 July 1954).

All Controls on Rice removed: Great improvement
in Food Position.

On 8 July 1954, the Government of India announced that with effect from 10 July 1954 rice can now move freely from any part of the country to any other.

The only food control that will remain is the zonal control on the movement of wheat which, it is explained, is not because of any shortage of wheat but to prevent any loss which the Government might sustain in the disposal of a million tons of wheat which they have contracted to buy under the International Wheat Agreement.

At present the Government hold stocks of 1,275,000 tons of rice besides 900,000 tons purchased from Burma which is yet to come. In addition, there are huge stocks held by the trade and the growers.

Food position improves.- The food position has been steadily improving since May 1952. Early in that year it was originally intended to import 5 million tons of rice and orders were placed for 4.8 million tons. This figure was later reduced by 900,000 tons. In 1953 imports dropped to 2.2 million tons and in the current year the country has almost done without imports except for certain international commitments.

Internal procurement has now become of secondary importance and is resorted to only as a measure to support prices. It is pointed out that in West Bengal alone procurement of paddy on a voluntary basis has far exceeded the quantity procured under the compulsory procurement programme.

Announcing rice decontrol a Press communique says that production of all food grains during the last two years has reached record levels, with the result that their prices have fallen. Quantities offered for procurement have increased, while offtake from Government shops have gone down.

(The Hindustan Times, 9 July 1954).

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Aid to Indigenous Industry: Federation of Indian
Chambers of Commerce and Industry's Five Point
Policy*

A ~~five-year~~ five-point policy designed to give assistance to indigenous industry in the country and encourage production in those industries to their maximum capacity is recommended by the Federation of Indian Chambers of Commerce and Industry in its official report containing a study on 'Imports and Industrial Development' in India. The measures recommended include: (1) judicious restriction on imports and or levy of heavy import duties; (2) investigating causes for the gaps between installed capacity and actual production in various industries with a view to removing the impediments in the way of increasing industrial production; (3) reorientation of the Government's stores purchase policy to assist indigenous industry; (4) the building of healthy relations between different wings of industry to ensure offtake of the indigenous product and thereby stimulate demand; and (5) revival of the spirit of Swadeshi.

The study is divided into two parts, one discussing the lines of assistance required to be given to indigenous industry so that its production of imported items could be increased, and the second part containing details of imports of manufactures, under 14 broad categories. Mr. B.M. Birla, ~~former~~ President of the Federation, in commending the study hoped that it would provide a basis for thinking and action on the subject of industrial development in the second Five Year Plan.

Judicious use of Import control.- The study refers to the liberal import policy adopted by the Government in view of the improved balance of payments position and complains that the Government has never regarded the protection of industries as an economic objective of import control. According to it, the industry has come to look upon import control as a method of protection. Whatever may have been the original reason for import control, there is a genuine apprehension that if there is too much liberalisation of imports it might upset the future prospects of many medium sized and small industries.

Balance of Payments.- Analysing the figures in regard to the balance of payments position for several years the Federation argues that it is not quite safe to assume that the position would always remain easy.

* Imports and Industrial Development, Federation of Indian Chambers of Commerce and Industry, New Delhi, 1954, pp.169. Price Rs.3/-.

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Moreover, while there may be a temporary favourable balance of payments position as at present and India may not be able to utilise the amount of sterling balances that is being released, as soon as development expenditure increases there will be a greater demand on foreign exchange resources. In a period of development balance of payments difficulties are an inevitable feature and therefore, the present foreign exchange resources should be husbanded carefully and not frittered away in importing goods, the ~~excess~~ demand for which can be met adequately from indigenous sources.

"It is admitted," says the survey "that import control should not be regarded as a mere prop to bolster up uneconomic units in industries which resent the reappearance of competition in any form and stand in the way of building a sound base of industrial ~~na~~ structure. It would certainly be an economic waste to extend help by indiscriminately restricting imports and providing a sheltered market to industries which cannot face reasonable competition.

Citing the examples of how import control has already been used to provide assistance to industries, it says that a very important advantage in using import control as compared with tariff protection is that while the effect of an increased rate of duty on the volume of imports of a given commodity can hardly be foreseen, restriction in imports provides direct assistance to the indigenous industry and, is, therefore, a far more effective instrument of protection than the raising of import duty. It suggests a careful investigation as to the items on which import duty can be raised and liberal imports allowed without causing injury to indigenous industries.

Gap between installed capacity and actual production.— Speaking about the gap between installed capacity and actual production, the survey says that since 1946, there is a distinct trend towards reduction of the gap between installed capacity and production in a number of industries, but in the years 1952 and 1953 when the general index of industrial production stood at an all time high, there was a considerable gap between the installed capacity and actual production. For example, in 1953, the production of certain engineering goods such as power transformers and electric motors was between 80 per cent and 90 per cent ~~installed~~ of installed capacity, electric fans 68 per cent, wood screws 63 per cent, grinding wheels 69 per cent, dry cells 66 per cent, power-driven pumps 40 per cent, oil pressure lamps 33 per cent, radio receivers 36 per cent, diesel engines 28 per cent, razor blades 10 per cent, caustic soda 60 per cent, liquid chlorine 54 per cent, bleaching powder 25 per cent, superphosphate 22 per cent, sheet glass industry 30 per cent, and leather cloth 10 per cent of their respective installed capacity. It was necessary to investigate the causes for these gaps. A preliminary survey in the engineering capacity had shown that between 25 per cent and 50 per cent remains idle in the country.

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On the basis of the recommendations of the committee, in this respect, the Government framed its import policy for January-June 1954.

Government's Store purchase policy.- The Federation maintains that the purchase policy of the Government, fashioned along right lines, can be an effective instrument in developing industries as the preference accorded to indigenous goods is a measure of indirect protection granted to domestic producers. It is possible, says the report, that the idle capacity of certain industries, particularly in the engineering and chemical fields, could be profitably utilised if the necessary patronage were given by the Government by extending a suitable degree of price preference accorded in the purchase of indigenous ~~XXXXX~~ stores. The Government should follow a more sympathetic policy and extend the price preference for indigenous articles on wider grounds of utilising the idle capacity and providing employment even at some sacrifice to considerations of quality or of delivery ~~of~~ dates.

In this matter, the Federation has asked the Government to take a lesson from the USA's Buy American Act under which federal purchases cannot be made of goods from foreign sources unless the price is 25 per cent or more below the domestic price.

Development of Small Scale Industries.- It is possible to set up several small-scale industries by proper utilisation of new research being undertaken in the country and develop certain new industries which can act as feeders to large-scale industries or as ancillary industries to bigger industries if initial difficulties in marketing their products are surmounted by establishing proper liaison between big and small-scale industries.

Large-scale industries should give preference in the matter of purchase of indigenous stores produced by small industries.

Relation between industry and trade.- The Federation says that the pace of industrialisation can be quickened only if what is produced finds a ready market. In some cases, particularly in small-scale industries, it may be found necessary to set up proper sales organisations through active assistance from the State. In the case of many small-scale industries producing articles which can effectively substitute imported goods, the difficulty in pushing sales is experienced particularly when imported products have come to be used widely for a number of years and enjoy some brand preference. In some cases small-scale industries starting initial production in new lines for displacing imported goods do not have the sources to undertake a large-scale advertisement or sales promotion campaign with the consequent difficulty of ~~finding~~ finding a market for the products. In such cases, it may be worth while to attempt to sell the products through those agencies which have been

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engaged in the import trade. The possibilities of ~~arrangement~~ establishing better relations between industry and trade have to be explored as much to promote the sale of indigenous goods as to dispel doubts about the quality of indigenous goods.

(The Statesman, 15 May 1954).

Manufacture of Caustic Soda: Centre approves
Madhyabharat Government Scheme.

The Government of India has approved the Madhyabharat scheme to establish a caustic soda factory in Indore at an estimated cost of 6 million rupees of which 3 million rupees will be spent on the purchase of machinery and equipment. The remaining will be utilised for the construction of buildings and working capital.

It is proposed to establish a plant with a capacity of 11.25 tons of caustic soda per day which will be of rayon grade of 99 per cent purity.

The production of caustic soda in the country was only 22,536 tons in 1953. The production of rayon grade caustic soda is limited and it is mainly produced by the Travancore-Fertilisers and Chemicals.

The factory will have the advantage of a ready market for its product near Indore in the staple fibre factory at Nagda, about 70 miles from here, Indore.

The factory will also produce ten tons of chlorine per day. It is proposed to liquify five tons and the remaining five tons will be converted partly into hydrochloric acid and partly into bleaching powder.

(The Hindustan Times, 27 June, 1954).

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Earnings of Factory Workers during the year 1952.

The information given below regarding the average annual earnings of factory workers is taken from an article published on the subject in the April issue of the Indian Labour Gazette. The information is based on the annual returns received under the Payment of Wages Act, 1936 for the year 1952 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, whose monthly earnings do not exceed 200 rupees per month. The annual returns are statutorily collected from establishments and consolidated returns from all States 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 trends. 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 differences in the interpretation of the term remuneration and in the computation of the cash value of concessions in kind.

During 1952 the average daily number of workers employed in the establishments furnishing returns was 2,199,460 and the total wages paid to them amounted to 2133 million rupees. Compared to 1951 there was an increase in 1952 in the total wages paid although there was a fall in the number of workers employed. The following table gives details regarding the total earnings of factory workers, drawing less than 200 rupees per month for the years 1939 and 1945 to 1952

excluding those employed
in railway workshops

(In thousands of Rupees)

State	1939	1945	1946	1947	1948	1949	1950	1951	1952
Assam .	5,649 ^q	10,585 ^q	10,684	13,660	17,022	18,768	21,271	23,549	28,437
Bihar .	29,375	58,142	59,259	82,920	106,275	123,080	149,739	166,002	160,590
Bombay .	144,367	524,903	486,655	591,839	713,024	846,271	765,325	799,117	845,862
Uttar Pradesh .	q	33,353	26,279	42,714	47,010	61,061	62,857	59,197	51,832
Madras .	24,622	78,147	88,823	123,439	136,153	180,039	185,295	200,713	250,851
Orissa .	515	2,049	1,929	3,027	4,449	4,554	4,988	8,786	11,805
Punjab .	3,829 ^v	18,640 ^v	17,857 ^v	14,454	20,282	26,703	34,637	36,812	40,131
West Bengal .	25,485	124,911	119,904	133,432	174,352	198,685	190,264	167,790	164,524
East Bengal .	113,424 ^v	282,735 ^v	267,307 ^v	337,875	432,025	489,577	480,941	533,408	35,361
Ajmer .	1,049	2,878	3,167	3,186	3,971	3,600	4,776	4,946	4,968
Coorg .	q	6	6	15	11	15	76	111	133
Delhi .	5,145	24,412	25,971	26,078	36,426	41,154	42,270	55,536	48,355

^q Figures relate to undivided Assam.

^v Not available.

^v Estimated.

The following table shows the average annual earnings of factory workers in different industries.

Code No.	Industry	All States	
		1952	1951
01	Processes allied to Agriculture.	184.6	154.9
20	Food, except beverages	522.5	479.5
21	Beverages	878.5	969.0
22	Tobacco	394.6	392.2
23	Textiles	1122.0	1044.0
24	Footwear, other wearing apparel and made up textile goods	1122.5	989.3
25	Wood and cork except furniture	666.7	653.8
26	Furniture and Fixture	834.4	940.0
27	Paper and paper products	1019.3	957.9
28.	Printing, publishing and allied industries.	1155.8	1052.9
29.	Leather and leather products except footwear.	718.9	752.3
30.	Rubber and Rubber products	1359.6	1325.1
31.	Chemicals and Chemical products	974.2	868.1
32.	Products of petroleum and coal	1156.7	1131.8
33.	Non-metallic mineral products (except products of petroleum and coal)	695.9	699.2
34	Basic metal industries	1532.7	1368.2
35	Manufacture of metal products (except machinery and transport equipment)	991.2	917.3
36	Manufacture of Machinery (except electrical machinery)	1030.3	998.5
37	Electrical machinery, apparatus, appliances and supplies	1296.4	1237.6
38	Transport Equipment	1670.9	1170.7
39	Miscellaneous industries	885.3	1067.3
51	Electricity, gas and steam	1500.2	1229.2
52	Water and sanitary services	973.3	907.9
83	Recreation services (Cinema)	968.8	968.6
84	Personal services	327.5	852.9
	All Industries (1952)	971.0	898.3
	01 to 22	446.0	417.8
	23 to 84	1112.2	1035.6

It would be seen that the average annual earnings of workers in perennial industries in all States increased from 1035.6 rupees in 1951 to 1112.2 rupees in 1952. During the same period the average annual earnings of employees in the four seasonal groups rose from 417.8 rupees to 446.0 rupees. The all-industries average increased from 898.3 rupees in 1951 to 971.0 rupees in 1952. While the average earnings in most of the industries increased in 1952 as compared to 1951, there were a few minor industries such as beverages, furniture and fixtures, leather products, miscellaneous industries, personal services, etc., in which the average earnings in 1952

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were lower than in 1951. Important industries which recorded large increases in average earnings in 1952 were textiles, paper, printing and publishing and allied industries, basic metal industries, manufacture of metal products, manufacture of machinery, transport equipment, etc. Generally speaking the increases in earnings were due to wage revisions effected and bonuses granted by adjudicators, tribunals, etc., and partly to the fact that the number of man-days lost due to industrial disputes was less in 1952 than in 1951. The industry groups which registered large increases were manufacture of metal products, manufacture of machinery, electrical machinery, transport equipment and textiles in Bombay; chemicals and chemical products, basic metal industries, manufacture of metal products and transport equipment in Bihar; footwear etc., printing, publishing and allied industries products of petroleum and coal, manufacture of machinery and transport equipment in Madras; and rubber, rubber products and transport equipment in West Bengal.

(Indian Labour Gazette, Vol. XI, No. 10,
April 1954, pp. 970-974).

Ajmer: Minimum Wages Act, 1948, to be extended to Press Establishments.

The Chief Commissioner, Ajmer, has notified his intention to include in Part I of the Schedule to the Minimum Wages Act, 1948, employment in press establishments, as he is of opinion that minimum rates of wages for that employment should be fixed. The proposal will be taken into consideration after 16 June 1954.

(The Gazette of India, Part III,
Section 3, 19 June 1954, p. 185).

Bombay Award fixes Pay Scales of Textile Clerical Employees.

The Industrial Court of Bombay in an award dated 25 June 1954, rejected the plea of the Bombay Millowners' Association and two other mills not members of the Association, for the abolition of the semiclerks' grade in the textile industry of Bombay.

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The Court said there were certain occupations in the mills in which persons had to do a fair amount of work of clerical nature in addition to manual work and it was proper that they should be classified as semi-clerks.

The Court was giving its award on the dispute between the Congress-led Rashtriya Mill Mazdoor Sangh and the Bombay Millowners' Association and two other mills not members of the Association. The dispute arose when in September 1952 the Sangh applied for modifications of the Clerks' award given by Mr. M.C. Shah of the Industrial Court. The Millowners' Association terminated the clerks award in October 1952. The dispute was then referred to the Industrial Court after the failure of conciliation proceedings.

The Court directed that those employees who were already classified as semi-clerks should not be disturbed. The Court rejected the proposals of the Sangh for a revised grade of 50-3-80-4-100-5-125 rupees. It decided that the grade should be the same as under the Shah Award, 40-3-70-E. B.-4-90-5-150 rupees.

Clerk's pay.— The award revised the pay-scales of the textile clerical employees.

The pay-scales as revised are; Chief clerks, 280-15-430 rupees; Senior clerks, 230-10-280 rupees; and junior clerks, 70-5-95-7 1/2-140-E. B.-8-180-10-220 rupees.

(The Hindustan Times, 27 June 1954).

Bombay: Minimum Wages Act, 1948, to be extended to Cotton ginning or cotton pressing manufactory.

The Government of Bombay has by a notification dated 14 June 1954 given notice of its intention to add to Part I of the Schedule to the Minimum Wages Act, 1948, with effect from 17 September 1954 the following employment in respect of which it is of opinion that minimum rates of wages should be fixed under the said Act, namely --

"Employment in any cotton ginning or cotton pressing manufactory".

(Notification No. 2619/48 dated 14 June 1954, the Bombay Government Gazette, Part IV A, 17 June 1954, p. 223).

Bombay: Draft Minimum Rates of Wages in motor transport industry

The Government of Bombay has by a notification dated 21 June 1954 given notice of its intention to fix the following rates of wages as the minimum rates of wages payable to employees in public motor transport in different zones in the State of Bombay.

R . A . E . S .

<u>Class of employees.</u>	<u>Zone I</u>			<u>Zone II</u>			<u>Zone III</u>			<u>Zone IV</u>			<u>Zone V</u>		
	<u>Rs.</u>	<u>As.</u>	<u>Ps.</u>	<u>Rs.</u>	<u>As.</u>	<u>Ps.</u>	<u>Rs.</u>	<u>As.</u>	<u>Ps.</u>	<u>Rs.</u>	<u>As.</u>	<u>Ps.</u>	<u>Rs.</u>	<u>As.</u>	<u>Ps.</u>
1 Employees by whatever name called doing skilled work of the nature done by Drivers, Mechanics, Fitters, Turners, Electricians, Checkers, Supervisors, Tinsmiths, Battery-men, Vulcanisers, Carpenters, Blacksmiths, Welders or Painters.	95	0	0	90	0	0	85	0	0	80	0	0	75	0	0
2 Employees by whatever name called doing semi-skilled work of the nature done by assistants or Junior Skilled Worker, Conductors, Machinemates, Fitter-mates, Greasers, Oilers, Booking clerks or Hammermen.	75	0	0	70	0	0	65	0	0	60	0	0	55	0	0
3 Employees by whatever name called doing unskilled work of the nature done by Helpers, Washers, Cleaners, Watchmen, Mazdoors, Sweepers, Peons or other miscellaneous workers.	60	0	0	55	0	0	50	0	0	45	0	0	40	0	0

(The Bombay Government Gazette, Part IVA, 1 July 1954, pp. 255-4256).

38. Housing.

INDIA - JULY 1954.

Subsidized Housing Scheme: Over One Million Rupees granted in June

A sum of 1,268,230 rupees has been sanctioned by the Government of India during June as subsidy and loan for the construction of 779 tenements under the Subsidized Industrial Housing Scheme.

Of this amount the Orissa Industries Ltd., Cuttack, will get a subsidy of 45,260 rupees and a loan of 67,890 rupees for building 80 one-room single-storey tenements at their factory in Cuttack district.

A subsidy of 22,660 rupees and a loan of 53,990 rupees will be given to Sri Durga Glass Works, Cuttack, for constructing 40 one-room single-storey tenements.

The Tata Chemicals Ltd., Bombay, has been sanctioned a subsidy of 46,770 rupees and a loan of 70,076 rupees for putting up 72 one-room single-storey tenements near their factory at Mithapur (Bombay State).

A grant of 64,800 rupees comprising 21,600 rupees as subsidy and 43,200 rupees as loan will be placed at the disposal of the Bombay Government for Sri Bhagwantinagar Co-operative Housing Society Ltd., Ahmedabad, to build 52 one-room single-storey tenements at Ahmedabad.

The Empress Mills, Nagpur, will secure a subsidy of 77,625 rupees and a loan of 116,437 rupees for constructing 115 one-room single-storey tenements near their factory.

For building 72 one-room single-storey and eight double-room single-storey tenements near their factory at Tanuku the Andhra Sugar Ltd., will receive 54,000 rupees as subsidy and 84,450 rupees as loan.

(The Statesman, 14 July 1954).

National Building Organisation: Director appointed.

As a first step towards setting up of a National Building Organisation, as suggested by the Planning Commission, the Government of India, appointed on 5 July 1954, Mr. Swaroop Singh, former Chief Engineer of Punjab, as Director of the Organisation. Mr. Singh took charge of his office on the same date.

The Planning Commission has assigned to this organisation the functions of providing technical information and assistance to Central and State Governments, public organisations and individuals engaged in house-building activities. It will be

its task to help make the best use of national resources, man-power and technical progress in public and private sectors of construction work and to co-ordinate the efforts and results of all agencies concerned with the technology and practice of construction or building materials production.

In the initial stages, the organisation is expected to address itself to the needs of research institutions on problems connected with building materials.

It will have a council and a standing committee of experts. The composition of these bodies is under examination and is expected to be finalized shortly.

(The Hindustan Times, 6 July 1954)

Progress of Industrial Housing in Hyderabad.

The information given below on the progress of industrial housing in Hyderabad State is taken from an article on the subject published in the July-September 1953 issue of the Hyderabad Labour Bulletin. Under the industrial housing scheme formulated by the Central Government in 1949 in pursuance of the Industrial Truce Resolution, the Government of India agreed to advance 2/3rd of the cost of construction towards industrial housing and the remaining 1/3rd was to be provided by the State Government at 3 per cent. interest. The Labour Department decided to take full advantage of the above offer, and a loan of 2 million rupees, was obtained from the Government of India and 1 million rupees were provided by the Government of Hyderabad for this purpose.

Before starting construction work, a Housing Advisory Committee consisting of Government officials, representatives of employers and employees, chalked out a Five-Year Plan for construction 10,000 houses. The number of houses earmarked for each of the industrially important places in the State is given below

Hyderabad City (including Hyderabad Dist. and Secunderabad)	..	..	5,000
Warrangal	..	..	1,200
Aurangabad	..	..	800
Gulberga	..	..	800
Nanded	..	..	800
Jalna	..	..	200
Raichur	200
Hizamabad	200
Latur	150
Khammameth	200
Reserve	450
		Total	<u>10,000</u>

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A site measuring 19 acres was acquired in the vicinity of Mushirabad industrial area and a layout was prepared for this area to accommodate 300 families of workers having a plot of 50' x 30' for each. The general layout with its fairly wide roads and open space and community buildings gave a density of only 18 to 20 houses for 100 persons to an acre. This was in keeping with the latest principles of Town Planning.

The house consists of two rooms 12' x 10' each, front and a rear verandah, kitchen and store combined, bath and W.C. making a total covered area of 600 sq. ft. The above accommodation was adopted to satisfy the standard specified by the Government of India. The entire colony with its 300 houses and roads is now complete. The cost of each house including land and all the services amounted to about 4,000 rupees. The cost of the complete colony of these 300 houses is about 1.2 million rupees.

When the subsidised industrial housing scheme sponsored by the Central Government came into force in October 1952, the Government of Hyderabad revised its original plans to conform to the new scheme and secured an assistance of 3.7 million rupees from the Government of India for building 1,480 single-room tenements in the year 1952-53. The balance of 0.6 million rupees of Government of Hyderabad's shares in the original scheme is also being utilised for building 240 single-room tenements thus making a total of 1,720 tenements as the target for the year 1952-53. These 1,720 tenements will be located in Mushirabad, Chikadpally, Sanatnagar, Handed and Gulberga.

The houses being constructed from 1 January 1953 under Subsidised Industrial Housing Scheme consist of one living room 13' x 4" x 9', a kitchen (10' x 6'), a bath room (4' x 3') and a W.C. (4' x 3') attached to each tenement.

These houses are being constructed by labour co-operatives instead of the traditional contractors. Five thousand building workers were organised into 50 primary labour co-operatives, each containing 100 workers with the following objects:

- 1) to organise the semi and unskilled man-power into co-operatives,
- 2) to promote corporate life among the workers;
- 3) to encourage thrift;
- 4) to avoid middlemen's profiteering;
- and 5) to secure full return for the output of the labour.

These primary units have been organised into an apex body known as the "Federation of Labour Co-operatives" which will help and guide its members.

Till 30 September 1953, these Labour Co-operatives have completed 314 houses at Santnagar and Chikadpally and 336 houses are under different stages of construction.

(Hyderabad Labour Bulletin, Vol. IV,
No. 7, 8 and 9, July to September
1953, pp. 7-10).

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

INDIA - JULY 1954.

41. Agriculture.

Sixth Session of Industrial Committee on Plantations:
Welfare Facilities for Plantation Workers discussed.

The sixth session of the Industrial Committee on Plantations was held at Ootacamund on 19 and 20 July, 1954. Mr. Abid Ali, Union Deputy Minister for Labour presided. Besides representatives of the Government of India and the Government of Assam, Madras, Mysore, Punjab and West Bengal, delegates from the Indian Tea Association, Calcutta, the United Planters' Association of Southern India, Coonoor (Nilgiris), the Indian Tea Planters' Association, Jalpaiguri, the Assam and Bengal Tea Planters' Association, Calcutta, the Surma Valley Tea Planters' Association, Calcutta, the Indian National Trade Union Congress, the Hind Mazdoor Sabha, Bombay, and the All-India Trade Union Congress attended the meeting.

Agenda.- The meeting was called to discuss draft model rules framed under the Plantations Labour Act, 1951.

Draft Rules.- Besides the usual provisions relating to inspecting staff and miscellaneous natures, the rules provide for adequate supply of drinking water for workers, and proper sanitary arrangements. With regard to medical facilities, two types of hospitals are required to be set up on plantations - garden hospitals and group hospitals.

Garden hospitals would deal with out-patients, in-patients not requiring elaborate diagnosis and treatment, infectious diseases, midwifery, simple pre-natal and post-natal care, infant and child welfare and periodical health inspection of plantation workers.

Group hospitals would have to be capable of dealing efficiently with all types of illness normally encountered, but requiring special treatment. Admission to group hospitals would be on the recommendation of a garden hospital.

Every employer would be required to provide a garden hospital according to the standards laid down before December 1955, or have a lien on beds in such hospital on a neighbouring plantation.

Ordinarily plantations employing 1,000 workers or more would have to run their own garden hospitals.

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Group hospitals would have to be established by 1 July 1957, and their plans must be approved by State Governments. A group hospital would have a minimum of 100 beds. Detailed specifications for such hospitals are laid down.

Each plantation would also be required to provide canteens for workers on a non-profit basis, to be managed by committees on which workers would be represented.

Provision is also made for creches on plantations where 50 or more women are employed. At least half a pint of milk would be given per day to each child looked after in a creche.

The employer would also have to provide recreational and educational facilities for his workers and their children.

Houses for workers would be provided as near as possible to the places of work. An employer must construct accommodation for at least 8 per cent of his workers every year to specified standards.

State Governments would set up advisory boards for housing, consisting of two officials and three representatives each of employers and workers.

Under the rules, employers would also have to provide workers with blankets and waterproofs at suitable intervals to be specified by the Chief Inspector.

Appointment of welfare officers, their qualifications, method of recruitment, conditions of service and duties are also to be regulated as would be sickness and maternity benefits, hours of work and weekly holidays, maintenance of registers and submission of periodic reports, powers and functions of inspectors and doctors.

Mr. Abid Ali's address.- Addressing the Committee, Mr. Abid Ali expressed the hope that the planter would make special efforts to provide the workers with at least welfare facilities ~~guaranteed~~ guaranteed to them under the Plantations Labour Act, 1951. He wished that the workers also would take an increasing share in the administration of welfare facilities and enthusiastically co-operate with the employers in implementation of the scheme to make it a complete success.

Reviewing the progress of plantations labour welfare work since the last meeting of the Committee at Calcutta at the beginning of this year (vide pp. 34-38 of the report of this Office for January 1954), Mr. Abid Ali said the Committee's recommendation that the Plantations Labour Act, 1951, should be implemented with effect from 1 April 1954, had since been given effect to by the Government.

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As regards extension to plantation workers of the provisions relating to payment of lay-off compensation in the Industrial Disputes (Amendment) Act, 1953, a Bill for this purpose had already been passed by the Council of States and would be placed on the Statute Book at an early date. In regard to cash conversion of foodgrains concessions, the Assam Government, which was primarily concerned, would, he hoped, take whatever action ^{that} might be necessary.

Welfare facilities for plantation workers, Mr. Abil Ali said, might be generally the same as for industrial workers, but their comparative importance would vary in different industries. Much of the labour force came from distant places to work in plantations. A large number of women and children were also employed. Special attention would, therefore, have to be paid to the question of housing and provision of recreational and educational facilities to the workers and their children. He expressed the hope that all employers would make special efforts to provide for the workers at least the minimum welfare facilities guaranteed to them under the law.

Employers' views.- During the discussions Mr. R. Walker, United Planters' Association of Southern India, pointed out that some of the amenities sought to be provided to the workers were beyond the resources of the employers and if those rules were to be strictly enforced by the State Governments the economy of the plantations would be seriously affected. The employers, he added, had already been doing their best in the matter of improving conditions of living of the workers at enormous cost and were also burdened with heavy taxation. Therefore, he pleaded that the draft model rules before they were finalised by the Union Government might be suitably modified with a view to mitigating hardships to employers.

Workers' views.- The INTUC delegate stated at the outset ~~that~~ the Government was adopting a novel procedure of finalising draft rules framed under the Plantations Labour Act which was passed by both the House of Parliament as early as 1951 thereby putting some of the rules to the danger of being vetoed by employers. This procedure gave an opportunity to employers to oppose, thwart, seek to modify and delay implementation of the expressed will of the people as modified in the Plantations Labour Act. The delegates suggested that the Industrial Committee might be regarded only as a consultative body and any conclusions reached at this session should not be taken as a verdict either for or against the draft rules framed under the Act. Government might consider any proposals for modification of rules later and take their own decisions; for, under this Act the right to frame rules for enforcement of its provisions was given to the Government alone and that right could not be delegated to a tripartite conference. Therefore,

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they expressed themselves against any drastic modification of the draft rules.

The Chairman assured the representatives of employers and workers that an honest endeavour would be made at this meeting to reach conclusions acceptable to both of them while discussing and finalising draft rules framed under the Act and they need not have any misgiving in the matter.

Welfare Provisions.- In regard to the rule requiring employers to provide garden hospitals in small estates and group hospitals in big estates employers' representatives agreed to provide the former only and pointed out that the provision of group hospitals should be the concern of Government. Regarding the rules for the opening of canteens in plantations, employers' representatives suggested that the Indian Tea Board should be requested to allocate funds for running experimental canteens in plantations before imposing a statutory obligation on planters to establish such canteens. With regard to the supply of waterproof rain coats to plantation workers, employers stated that it would not be possible for them to work with rain coats and suggested that the rule might be so modified as to require employers to supply them with either blankets or some other alternative protection against rain or cold. As regards the provision in the draft rules relating to appointment of welfare officers for plantations both employers' and workers' representatives expressed the view that such appointment was not necessary and suggested that this rule could be dropped by amending the Plantations Labour Act, 1951. With reference to maternity leave for women workers, representatives pointed out that the difficulties of women workers in calculating the period of four weeks immediately preceding the expected date of confinement and suggested that the provision penalising them for working during this period should be deleted. They also proposed that the rate of maternity allowance for women workers should be increased. Regarding rules relating to housing facilities, the Committee considered the desirability of having one-roomed houses both in North and South India with the provision for two-roomed houses for workers with large families. In accordance with the agreement reached at the third meeting of the committee, the draft rules provided for the construction of two-roomed houses in North India and one-roomed houses in South India. Representatives of employers favoured the continuation of existing standards in housing while workers' delegates preferred to have two-roomed houses for North and South India alike.

Winding up the proceedings, the Chairman said that the object of the session was mainly to hear the views of employers' and workers' representatives about the draft model rules framed under the Plantations Labour Act and to find out how far the Gulf supposed to divide them could be bridged and he was glad to discover that this so-called

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gulf could be easily bridged in the course of time by bringing them often round the table to thrash out differences of opinion between them in friendly atmosphere. He had no doubt that their two-day discussions had resulted in their differences being narrowed down to a considerable extent and in their getting a correct perspective on their respective positions in this important industry. Although wide divergence in outlook and expression of extreme views by both sides marked the proceedings of the meeting, there was an undercurrent of common interest and deep solicitude for the welfare and prosperity of the industry which became manifest in the course of the deliberations. He assured them that Government would exercise utmost care and prudence in finalising the draft rules and endeavour to make them acceptable to both employers and workers.

(The Statesman, 10 July 1954;
The Hindu, 20 and 24 July 1954).

Conference of State Agricultural Ministers:
Setting up of Co-operative Council suggested.

A conference of State Ministers of Agriculture, Animal Husbandry and Co-operation was held at Srinagar on 14 and 15 July 1954. The conference was inaugurated by Yuvraj Karan Singh, Sadr-i-Riyasat (Governor) of Jammu and Kashmir. Dr. P.S. Deshmukh, Union Minister for Agriculture, presided.

The Prime Minister of Jammu and Kashmir, State Ministers of Agriculture, representative farmers, members of Parliament and other legislators attended the conference.

Recommendations.- The conference recommended the setting up of an all-India co-operative council for strengthening the co-operative movement in general. The Ministers felt that through co-operative action agriculturists should be enabled to market their produce to their advantage. With this end in view they recommended the setting up of an all-India co-operative marketing board.

The conference asked the States to improve collection of agricultural statistics and take adequate measures to make agricultural information and weather forecasts available to farmers in good time. A proposal to set up a central pool of plant protection machinery for the benefit of the State Governments at eight regional centres was approved.

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The Ministers were particularly concerned at the recent fall in prices of agricultural commodities and considered various ways of stabilising prices at levels which would be fair to agriculturists. They requested the Union Minister for Agriculture to pursue the matter further urgently.

The State Governments were requested to intensify their efforts regarding production, storage and distribution of better seeds.

The conference agreed that soil conservation should be given high priority. It expressed concern at the shortage of chemical fertilisers. It was disclosed steps had been taken to import large quantities of fertilisers and increase the production of the Sindri Factory. It was revealed that the question of setting up a second fertiliser factory was under consideration.

(The Hindustan Times, 15 July 1954;
The Statesman, 16 July 1954).

All-India Farmers' Body to be set up:
Decision of Farmers' Conference.

About 100 farmers from almost all the States attended the Farmers' Conference - the first of its kind to be organised in India - held at Srinagar on 16 and 17 July 1954 under the chairmanship of Dr. P. S. Deshmukh, Union Minister for Agriculture.

Addressing the Conference, Dr. Deshmukh said the object of calling the conference was to set up an all-India organisation of agricultural producers in the country.

Many other vocations, he added, had their organisations and unions but the farmers had none "despite the fact that agriculture is the major industry in the country". He suggested the appointment of a committee to draw up a scheme which would be acceptable to them all.

Dr. Deshmukh said that if every farmer could set apart only once in his life-time, but immediately, a couple of rupees per acre, the proposed organisation could have a fund of about 500 million rupees. He added: "We could with this amount float a farmers' bank with the largest share capital established by any bank, probably in the whole world. If the idea of a bank is not liked and it is thought it will amount to duplication in view of the co-operative banks we ~~can~~ convert it into a national trust for farmers. The money paid would constitute the capital which will not be ever touched. It would incidentally be an additional contribution by farmers for national development through which the farmers would derive tremendous benefits and achieve rapid prosperity".

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Provisional
~~Executive~~ Committee to be constituted.- The Conference decided to set up an all-India farmers' organisation with its headquarters at Delhi.

A provisional committee consisting of such persons as were willing to serve on it, including Ministers from the States and at least two farmers' representatives from each State would be constituted to take immediate steps for establishing the proposed organisation. This committee could co-opt such additional State representatives and others as might be considered necessary.

Dr. P.S. Deshmukh was elected president of the provisional committee. He will constitute a small working committee at the headquarters to work as its executive.

The working committee will be authorised to form a committee to frame constitution of the organisation, make arrangements for calling an all-India farmers' Conference at Delhi in November and collect funds for preparatory work and maintenance of the office in Delhi.

(The Hindustan Times, 17 and 18 July 1954).

Development of Poultry Farming: Scheme prepared
by Government.

The Union Ministry of Food and Agriculture has prepared a 7 million rupee scheme of poultry development for inclusion in the second Five-Year Plan.

Before launching the main scheme, the Ministry proposes to take up preparatory work on a pilot scale at 15 selected centres, one each in Assam, Bihar, Hyderabad, Madhyabharat, ~~the~~ Madhya Pradesh, Madras, Mysore, Orissa, Punjab, Travancore-Cochin, and West Bengal, and two each in Bombay and Uttar Pradesh.

Under the pilot and main schemes, it is proposed to import baby chickens from abroad, rear them in Government farms up to the age of five months and distribute them in the country through development blocks in a systematic manner. These blocks will be located in areas suitable for poultry work preferably in the Community Project and National Extension areas.

Three hundred birds (200 female and 100 male) will be distributed in each block at the rate of two females and one male per breeder at a concessional rate of 2 rupees per bird. One thousand hatching eggs will also be distributed in these and other villages at a concessional price of 2 1/2 annas per egg. The U.S. Technical Co-operation Mission will provide an expert to assist the Government in the execution of the plans and arrange free supply of baby chicks from abroad.

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On maturity, the birds will be sold to the villagers at concessional rates and steps will be taken to ensure that at least in the development blocks no cocks other than imported ones are left. These steps will help in improving the breed of the birds and ensuring better production in future.

Poultry extension centres.- For the guidance of the breeders in general, a poultry extension centre will be attached to each development block for demonstrating scientific methods of breeding, feeding and management of poultry to the villagers. These centres will function, as demonstration farms with 100 birds supplied by the Government farm out of imported stock and will eventually distribute hatching eggs to the villagers both in the blocks and in the surrounding villages. Further, five persons from each block will be selected and trained in poultry farming for 1 1/2 months on a stipend of 20 rupees per mensem each. While they will be utilising their own knowledge in running their business, they will form the second line of assistance and guidance to the villagers. Twenty persons will also be selected in a town and 10 birds given to each at the rate of 5 rupees per bird.

The pilot project is expected to cost 0.292 million rupees non-recurring and 68,000 rupees recurring, with an anticipated income of 26,000 rupees. Intended to take up all aspects, such as demonstration, supply of birds and eggs, training of personnel and marketing, it will, on 1 April 1956, merge into the main scheme, which will operate 150 centres.

(The Hindustan Times, 8 July 1954).

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42. Co-operation.

India - July 1954.

Role of Co-operation in National Plans:
Dr. Deshmukh stresses need of Central
Agency.

On 16 July 1954 addressing a meeting at Srinagar of the Committee on Co-operation appointed by the First Conference of State Ministers of Agriculture and Co-operation (vide pages 26-31 of the report of this Office for October 1953), Dr. P.S. Deshmukh, Union Minister for Agriculture said that co-operation was expected to play a very vital role in the national plans for stimulating agricultural production, improving marketing and distributive trade in the interests of the producer and consumer, developing industries and organising community life.

The Committee consists of the Union Minister as chairman and six State Ministers and two officials. The effectiveness of the part co-operation would play in the different fields, Dr. Deshmukh said, would no doubt depend very largely on local initiative and support, but both for quickening the pace as well as ensuring co-ordinated growth, the Centre would have to take a more active part than that of a mere benevolent spectator. That the necessity for this had been recognised was apparent from the growing interest displayed by the Centre in the growth of the movement in several directions. Thus, efforts were being made to collect, compile and publish data on the progress of the movement more systematically and promptly.

Reserve Bank efforts.- The Reserve Bank, he said, was making available much larger funds to co-operatives than before and was helping in the recognition of the co-operative system in the different States. An integrated programme of co-operative training and education was being put into operation through a Central training committee under the joint auspices of the Reserve Bank and the Ministry of Food and Agriculture. Supplies of additional agricultural finance for medium and long-term purposes from Central sources was being purposefully used to stimulate co-operative organisation and development. Experiments in co-operative farming were being actively financed and supported. Action to help rural industrial co-operatives and associate co-operatives more closely with community development work was being pursued by the appropriate central departments engaged in the task.

While there was certainly evidence, the Minister continued, of more vigorous Central action, particularly in the fields of credit, training and education, a lot remained to be done in other fields of co-operative activity.

Need for Central Agency.- Dr. Deshmukh emphasised the need for the organisation of some form of central agency for dealing with these problems and for actively assisting the farmer in his business of making a living. At the same time, it should not be forgotten, he said, that too much centralisation might inhibit the co-operative spirit itself. How far the central agency should go in this matter and what should be the structure and time of organisation were matters on which there was likely to be difference of opinion among the experts.

It was not intended that the central agency should immediately take up the purchase and marketing of goods on a big scale, establish processing factories and undertake large export and import work all of a sudden. It would be enough if it made a sizable beginning.

In these activities, he said, the central organisation need take very little risk and would only act as a supporting agency for local organisations to the extent such support was needed and asked for. Even if the organisation was not resorted to by co-operatives on a large scale in the initial years, the very fact that such an institution was available for assistance in times of need would, if nothing else, help to make private traders work better in the interest of efficiency and with the least disregard of the interests of the farmer. The success of the organisation would, therefore, have to be judged eventually not merely by the volume of transactions which it undertook, but also by the indirect beneficent influence it would exercise on the general business morale.

(The Statesman, 13 July 1954).

Need of Government Aid for Co-operatives:
Denmark's Lessons for Movement in India.

Mr. R.P. Bhargava, Registrar of Co-operative Societies, Rajasthan, has returned after a group training course on co-operation held in Denmark under U.N. auspices. In a report submitted to the State Government, Mr. Bhargava has described what Denmark has to offer to the co-operative movement in general and to India in particular.

He observes that co-operation, in its various forms, has great potentialities in liberating primary producers, craftsmen and workers in domestic industries from usury, but its success in India, as elsewhere depends very largely on the character and education of the people and economic and political environments.

Study of the spontaneous, yet systematic, growth of the movement in Denmark reveals that given honesty, perseverance, self-reliance and general awakening on the one hand, and proper socio-economic and political conditions on the other, all difficulties can be overcome and co-operation can make headway in India.

Mr. Bhargava, however, feels that owing to a low standard of literacy, lack of understanding, individual initiative and experience of business and procedure, a purely non-official co-operative movement in India without a Co-operative Act and model by-laws is not feasible. Direct Government aid, special facilities in respect of taxes and Government supervision are almost indispensable and should continue for the time being.

The co-operative movement in Denmark was a purely non-official one. The State did not give any assistance to co-operative societies. It neither actively supported nor in any way hampered them nor did it regulate their activities. The Denmark has no law concerning co-operative societies. The only regulation which has any special bearing on co-operatives is a special tax. It seeks to create equality between co-operatives and private firms in regard to taxation.

Denmark has co-operatives for marketing of milk, pigs, eggs, cattle, poultry, seed, potatoes, apples, vegetables and flax. The societies have been able to produce high class goods for export. On the consumers' side a high degree of specialisation, formation of federations and unions on the provincial and national scale and insistence on production of quality products have gone a long way to bring these societies into prominence.

Recommendations.- Mr. Bhargava has made the following recommendations for application in India:

Unlike Denmark, an efficient co-operative department ~~man~~ manned by well-trained field staff to serve as the official promotional agency is indispensable in India. No less important are school and college co-operatives. They not only satisfy fundamental requirements of quality goods and reasonable prices but also give members practical insight into co-operative economics and train them in co-operative procedure, self-help and mutual help.

Cultivators^{to} and small producers, acting individually, stand to lose both as producers and consumers. Conditions being almost similar to those in Denmark, marketing societies for disposal of products and purchasing societies for procurement of seed, cattle food, farm equipment, improved appliances and other day-to-day requirements can and should be tried in India also.

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Supply of good milk in big cities in India is a problem. Dairying as such may not be quite successful everywhere, but collection and distribution of milk through co-operatives, as is done in Denmark, should be more extensively tried in India, as U.P., Bombay and Madras have already done.

In order to save consumers from exploitation in so many different forms, consumers' co-operation is another line which deserves emphasis. Care should be taken that the service is unimpeachable, members loyal in all respects and the manager's position stable. He should have an abiding interest in the success of the enterprise.

Co-operative societies of craftsmen and small industrial producers for procurement and distribution of raw materials, improvement of manufacturing technique and marketing of products to the best advantage of members can be developed. The Government should also take necessary measures to secure economic markets for the products of these industries by trade agreements as in Denmark, or by any other suitable means such as standardisation of exports. The methods employed in Denmark may well be adopted.

Specialisations.— Both specialised and multi-purpose societies have their advantage as well as disadvantage. A feature of the Danish co-operative movement is its high degree of specialisation. The arguments in favour of specialised co-operatives are simplicity of management, uniformity of interests of members and clear understanding of the responsibilities incurred. The arguments in favour of multi-purpose co-operatives are difficulties of securing committees and staff for several co-operatives; large turnover, making it possible to appoint better staff; avoidance of seasonal inactivity; conformity with traditional methods of village business; and the possibility of dealing with the farmers' economy as a whole. Specialisation has certainly its advantages, but at the present stage of development of movement India's multipurpose societies are expected to yield better dividends.

There can be no two opinions in respect of organisation of co-operative housing societies in the present housing conditions in India. Towns as well as villages require more houses. State aid in suitable forms and long-term financing are very necessary in the case of housing co-operatives.

(The Hindustan Times, 20 July 1954).

43. Handicrafts.

India - July 1954.

Development of Small Industries: Centre sanctions Grants and Loans.

The Government of India has sanctioned further grants and loans amounting to about 6.28 million rupees for the development of handloom, khadi, village and small-scale industries.

For the development of the handloom industry, Madras has been given a loan of 2,718,750 rupees and a grant of 561,040 rupees. The loan is to provide share capital to 25,000 ~~weavers~~ weavers and working capital to co-operative societies of 25,000 weavers and for the purchase of improved equipment. The grant is for the opening of 50 sales depots, setting up of seven pattern-making factories and for organisational expenditure.

A loan of 820,000 rupees has been given to West Bengal to provide working capital to 16,000 weavers and for setting up eight dye houses.

Orissa has been given a loan of 690,000 rupees and a grant of 180,604 rupees. The loan is for providing share capital to 6,000 weavers and working capital to co-operative societies of 6,000 weavers. The grant is to be utilised for opening 12 sales depots, setting up pattern-making factories, and for purchasing improved equipment.

A loan of 403,250 rupees and a grant of 17,318 rupees have been given to Madhya Pradesh. The State is to utilise the loan for providing working capital to co-operative societies while the grant is for purchasing improved equipment.

Travancore-Cochin gets a grant of 413,550 rupees. This amount is to be utilised to pay rebate on sales of handloom cloth, opening of 20 marketing depots and introduction of better equipment.

A grant of 214,000 rupees has been given to Bombay for purchasing better equipment, organising 10 sales depots and for supplying 4,000 steel reeds to weavers.

Tripura gets a loan of 68,750 rupees for providing share capital to 1,000 weavers and working capital for 1,000 looms.

A grant of 48,584 rupees has been given to Saurashtra for opening five sales emporia and for purchasing a mobile van.

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Bhopal gets a grant of 15,045 rupees and a loan of 8,600 rupees. The grant is for carrying out technical improvements while the loan is to finance the share capital and working capital of co-operative societies.

The Patiala and East Punjab States Union gets a loan of 4,312 rupees for financing the share capital and working capital of co-operative societies.

Himachal Pradesh has been given a grant of 4,300 rupees for purchasing improved equipment.

For the development of the bee-keeping industry, the Government has sanctioned a grant of 87,775 rupees and a loan of 17,500 rupees to the All-India Khadi and Village Industries Board. The grant will be utilised for setting up and equipping training centres.

For the development of handicrafts and small-scale industries, Bombay has been given a grant of 24,825 rupees and Orissa a grant of 2,816 rupees. The Bombay Government will utilise the grant for executing the scheme for developing pottery while the Orissa Government will ~~xxx~~ utilise the grant for the development of tannery at Bouch.

(The Statesman, 16 July 1954).

Village Smiths and Carpenters: Training in New Techniques.

The Government of India has decided to establish, with partial financial assistance from the Ford Foundation twenty agricultural workshops at selected existing Extension Training Centres for Gram Sewaks (village-level workers).

At these workshops, training will be given to village-level workers as well as to village blacksmiths, carpenters and artisans, both established and new, in the repair and manufacture of better implements and in the technique of improved village-housing design and construction.

The twenty training centres which have been selected to be so equipped are located at Jorhat (Assam), Musaffarpur (Bihar), Gandhinagar (Bhopal), Mandya (Mysore), Antri (Madhya Bharat), Nilokheri (Punjab), Gandhigram (Madras), Bakshi-ka-Talab (U.P.), Mavelikara (Travancore-Cochin), Burdwan (West Bengal), Kolhapur (Bombay), Himyatsagar (Hyderabad), Samalkot (Andhra), Powerkheda (Madhya Pradesh), Bolangir (Orissa), Kotah (Rajasthan), Gorakhpur (U.P.), Nowgong (Vindhya Pradesh), Nabha (PEPSU), and Fulia (West Bengal).

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At five of these centres, demonstrations will be given in improved village-housing design and construction, by building two houses every year at a cost of ~~₹20,000~~ 5,000 rupees per house.

The land and building for the workshops will be provided by the State Governments. Each workshop will have a Chief Instructor and two Training Officers - one each for smithy and carpentry - for nearly 20 trainees, who will be admitted at a time.

As these trainees will not be able to earn while they learn each of them will be given a stipend of 30 rupees per month.

An agricultural engineer will be appointed at the Centre to direct these workshops.

The total cost of the scheme is estimated at 2,859,000 rupees including equipment for the workshops, living accommodation for the teachers and trainees, training of instructors and salaries and stipends. The Ford Foundation will give, 1.950 million rupees.

The duration of the course will be 12 months.

(The Statesman, 10 July 1954).

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44. Merchant Marine and Fisheries.

India - July 1954.

Rules relating to the Examination of Masters and
Mates.

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The Government of India published on 19 June 1954 the text of the rules relating to the examination of masters and mates made in exercise of the powers conferred under the Indian Merchant Shipping Act, 1923. The rules which supersede all previous rules on the subject regulate the granting of certificates of competency to masters and mates in the mercantile marine. The rules deal, inter alia, with grades of certificates, age limits and qualifications required, rules for estimating the sea service, procedure concerning the conduct of examinations and syllabus.

(Notification SRO.1965 dated 12 June 1954;
The Gazette of India, Part II-Section 3,
19 June 1954, pp. 1513-1580).

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CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - JULY 1954

50. General

Labour Conditions in Paper Mills

The information given below regarding labour conditions in paper mills is taken from an article on the subject published in the April issue of the Indian Labour Gazette. The information is based on replies to a questionnaire issued by the Labour Bureau, Ministry of Labour, Government of India, to 16 paper mills in the country.

Employment.- According to the statistics of factories, the average daily employment in the fifteen units furnishing information was 19,202 and 20,649 in the years 1950 and 1951 respectively. The actual number of workers employed on 30 June 1952, in these units was, however, 24,255. Out of 24,255 workers, 20,763 (or 85.6 per cent.) were employed directly by the mills and the remaining 3,492 (or 14.4 per cent.) through contractors. Out of 15 units, 3 units did not engage contract labour at all.

Out of a total of 24,255 workers employed by the units, 22,949 or 94.6 per cent. were men and only 1,278 or 5.3 per cent. were women. However, the proportion of women workers was higher than the overall percentage in the case of units located in Travancore-Cochin and Bombay. Women were generally employed for cleaning and sorting waste, rags, paper etc. and for carrying the same. However, in a few of the units women were employed to some extent as finishers also.

Most of the workers in the industry are employed on time-rates, and the piece-rate system does not seem to be very common. Out of a total of 20,763 workers employed directly by the 15 units, 19,763 workers employed directly by the 15 units 19,804 (or 95.4 per cent.) were time-rated and the remaining 959 (or 4.6 per cent.) were piece-rated workers. Three units one each in Bombay, Uttar Pradesh and Hyderabad did not engage piece-rated workers at all.

Labour turnover.- The number of workers (a) who were discharged (b) who left service of their own accord and (c) who retired or died during the twelve months ending 30 June 1952 in the fifteen units was as follows:

	<u>No. of workers</u>
Discharged	713
Left of their own accord	553
Retired or died	<u>134</u>
Total	1,580

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The annual average absenteeism in the paper mills in 1951-52 was 11 per cent. as against 11.9 per cent. during 1949-50.

Recruitment.- Recruitment in 8 units is made by the departmental heads or by the managers directly. Of the remaining seven units, five utilise the machinery of employment exchanges either wholly or partially, while two units in West Bengal have framed detailed rules for recruitment.

Training.- Schemes for training workers exist in seven units. In one unit in Bombay State training facilities are restricted to persons sent by other well-established units and by Government. In one unit in West Bengal, there are two kinds of training; one for apprentices and the second for learners. While the period of training is five years in both cases, apprentices are paid a remuneration of 250 rupees per quarter and learners are put in the grade of 30-1-35 rupees plus a dearness allowance of 35 rupees per month. Daily-rated apprentices are entertained for training in skilled occupations such as fitters, turners, machinists, etc. In a second unit in West Bengal the duration of the training courses is five years and the apprentices are paid a daily wage of 1 rupee 5 annas and 9 pies (going up to 1 rupee 13 annas and 9 pies with annual increment of 2 annas per day). An elaborate system of training obtains in the remaining two units in West Bengal. In the unit in the Punjab there were two kinds of apprenticeships - one category of apprentices were paid and the other unpaid. In the unit in Travancore-Cochin graduates, preferably with Chemistry as main subject, are taken as apprentices. They are trained for four years; the monthly salary during the period being 45 rupees, 46 rupees, 49 rupees and 54 rupees with 35 rupees as dearness allowance in the first, second, third and fourth years respectively. After satisfactory completion of the course and after passing the City and Guilds examination, they are eligible for appointment as supervisors with a starting monthly basic salary of 120 rupees and dearness allowance of 75 rupees per month.

Hours of work. Generally, the weekly hours of work are 48 and daily hours 8. The duration of the rest interval varies between the process shifts and general shifts. In the former the rest interval is usually half an hour. Rest intervals in some units are specified while in other they are given according to the exigencies of work. In general shifts, the rest interval varies from 1/2 an hour to 4 hours. Only one unit gives a special allowance to night shift workers at the rate of one anna per worker per shift. In this unit night shift workers also get a cup of tea free of cost.

Holidays and leave.- Festival holidays with pay are given by 14 units and the number of holidays per year varies from 3 to 15. Earned leave is given according to Factories Act in seven units and in the remaining units the number of days of earned leave varies from 10 to 21. Sick leave with pay is given in nine units. Of these six units give 7 days per year, two units 10 days and one unit 15 days. Casual leave varying from 4 to 10 days per year is given by only five units.

Accidents and workmen's compensation.- Of the fifteen units one unit in Bombay reported that there were no accidents during the 12 months ending 30 June 1952. In the other units there occurred in all 1,457 accidents, of which 1,242 were minor, 214 serious and one fatal, the accident rate per thousand workers employed on 30 June 1952 being 60.07. Of the 1,242 minor accidents as many as 786 or 63.3 per cent. occurred in one unit in Travancore-Cochin. Information regarding the

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number of accidents for which compensation was paid is available for 10 units. In these units the total number of cases for which compensation was paid was 297, and the amount of compensation paid was 20,169 rupees and 11 annas, the average amount of compensation per accident being 67 rupees 14 annas and 7 pies. Out of 20,169 rupees and 11 annas a sum of 10,320 rupees and 8 annas was paid by one unit for 52 accidents which occurred in that unit.

The number of cases in which maternity benefits were paid by six units (for which information is available) was 99; the total amount paid as benefit was 4,946 rupees and 1 anna during 12 months ending 30 June 1952.

Wages.— The minimum basic wage varied from 11 rupees 6 annas per month (in two units in Uttar Pradesh) to 37 rupees 12 annas and 6 pies per month in a unit in West Bengal. The unit in the Punjab pays a consolidated minimum wage of 75 rupees per month. Of the fifteen units, 4 pay a basic wage of 16 rupees and 4 annas or less, 6 between 21 rupees (women 20 rupees) and 25 rupees and the remaining five, 30 rupees or more. With the exception of one unit in the Punjab, which gives a consolidated wage, all the other units pay a separate dearness allowance. Only in 4 of these units (two in Bombay State and two in Uttar Pradesh) dearness allowance was linked to cost of living index. In the other units the allowance is paid at a flat rate. The quantum of dearness allowance given varied from 5 rupees 10 annas and 9 pies (in one unit in Bengal) to 54 rupees 2 annas and 6 pies (in a unit in Bombay). Nine units paid a dearness allowance of above 30 rupees per month and in the remaining five it varied from 5 rupees 10 annas and 9 pies to 26 rupees per month.

The practice of giving bonuses of one type or other exists in all the units, excepting one in Uttar Pradesh. Out of seven units paying profit bonus, 4 units paid between two and three months' basic wages to their workers in 1951-52, 2 units stated that they paid bonus when profits justified it and in the seventh unit the issue had not yet been finally settled. Production bonus was paid in nine of the fourteen units. Generally this bonus was paid if production exceeded a certain target and the rate of bonus given varied with the earnings of the employees. Two units gave attendance bonus. Of the five units that gave special bonuses (including festival bonus) detailed information is available in the case of four units. Two units gave 2 1/2 months' basic wages each in 1951, one unit gave festival bonus amounting to 15 days' basic wages per year and the remaining unit gave a bonus of rupee one per trip per lorry driver for accident free running.

Housing and welfare.— Of the fifteen units three units (one each in Bombay, Uttar Pradesh and West Bengal) have reported that they do not provide housing to their employees. The remaining twelve units provide housing accommodation to their employees, the percentage of workers housed varying from 8 to 85 in eleven of these units. In the remaining one unit in Travancore-Cochin only 18 houses have recently been built for workers. Of the twelve units which have provided housing accommodation, eight have provided them free of rent. In the other four units the rent charged varies from 1 rupee to 14 rupees per month depending upon the type of accommodation provided. Most of the houses provided for workers are pucca.

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Medical facilities.- All the units, excepting one in Uttar Pradesh have either dispensaries or hospitals attached to the mills.

Though six units have employed 50 or more women workers, only 3 have established creches. Co-operative societies, co-operative stores, etc., existed in nine units and grainshops and ration shops in eleven units. Canteens for workers were in existence in all the units excepting one. In five of these canteens, eatables were supplied generally at prices lower than those prevailing in the market. Educational facilities for workers and their children existed in eleven units. Facilities for the recreation of workers were provided by ten units; in all the units the facilities generally consisted of provision for indoor and outdoor games, library, reading room, etc. One of the units was running a cinema theatre for the benefit of workers employed by it.

Industrial relations.- All the units have reported the existence of one or more trade unions of workers. Works Committees, Production Committees, etc., were in existence in eight units, while a ninth unit had a workers' committee. Labour officers, labour welfare officers, etc., were appointed in twelve of the fifteen units.

Productivity.- Eleven of the units under investigation have given information regarding the increase or decrease in production and productivity of labour. Three of these units, have stated in their replies that productivity was on the decline mainly due to the wrong attitude adopted by workers. One unit reported that there was a slight increase in per capita production mainly due to efficient management and another stated that it varied, the variations depending mostly on relations between labour and management. Among the six units giving information regarding total output, four units stated that production was increasing; in one unit the increase was attributed almost entirely to improvement in machinery, in a second to removal of bottle-necks in mills and good labour relations, while the third and fourth units stated that the increase was due to cordial relations with labour. In one of the latter two units, which was visited, the trade union secretary claimed that the increase in production in this unit was of the order of about 25 per cent. This trade union has set up a production committee of 7 persons which conveys its suggestions to the management through the Assistant Secretary of the union. In this unit the relations between the management and labour were harmonious. In the remaining two units which reported a fall in production, the fall was attributed to difficulties in securing raw materials in one unit and to want of demand for the finished product in the other.

(Indian Labour Gazette,
Vol. XI, No. 10. April 1954,
pp. 949-960.)

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Mines (Posting up of Abstracts) Rules 1954.

The draft Mines (Posting up of Abstracts) Rules (vide page 23 of the report of this Office for December 1953) have been approved and gazetted on 17 July 1954. The rules require that the abstracts of the Act contained in the schedule to the rules should be posted up at or near every mine in English, Hindi and in the language of the district in which the mine is situated and shall be maintained in clear and legible condition.

(The Gazette of India, Part II,
Section 3, 17 July 1954,
pp.1798-1801).

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52. Workers' Welfare and Recreation.

INDIA-JULY 1954.

Welfare Activities in Coal Mines; Report of the Coal Mines Labour Welfare Fund for 1952-53†

The Ministry of Labour, Government of India, has published a report on the activities financed during the period 1 April 1952 to 31 March 1953 from the Coal Mines Labour Welfare Fund. Some of the important developments in the scheme are summarised below.

Scope. The Coal Mines Labour Welfare Fund Act 1947, under which the Organisation has been set up for the administration of schemes for the welfare of colliery workers and their dependents was in force throughout India except the State of Jammu and Kashmir. During the year the Act was extended to the United Khasi and Jaintia Hills District.

Advisory Committee: During the year under review the Advisory Committee met three times when it discussed various important matters connected with the administration of the Fund and reached unanimous conclusions. The Advisory Committee was assisted by a Finance Sub-Committee and nine coal-field sub-committees. During the year the sub-committees held various meetings. The Coal Mines Labour Housing Board constituted under Section 6 of the Coal Mines Labour Welfare Fund Act, held three meetings to consider (a) tenders in respect of the constructional projects of the Fund, (b) application of colliery owners and others for allotment of miners' houses constructed from the Fund at different places and (c) applications of colliery owners for construction of miners' houses under the subsidy scheme. Tenders for works costing Rs.27,94,991 were accepted during the year.

Co-ordination Committee. The Co-ordination Committee considered a letter of the General Secretary, All India Medical Licentiates' Association, Poona, suggesting abolition of the distinction between a medical graduate and medical licentiates in connection with the standards of colliery dispensaries prescribed by the Fund and recommended that a licentiate who had taken his diploma before the year 1952 and who had gained 10 years' experience as a Medical Officer in independent charge of a colliery dispensary should be treated at par with a medical graduate.

Ad-hoc Sub-Committee.- The Advisory Committee constituted an Ad-hoc Sub-Committee to select a suitable site for

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1. Report of the Activities of the Coal Mines Labour Welfare Fund, 1952-53, published by the Ministry of Labour, Government of India, 30 pages.

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a regional hospital in the Ramgarh-Karainpura coalfield. The Sub-Committee met and completed its work in March 1953. The Ad-hoc Committee constituted last year to examine as to what extent and how the Coal Mines Labour Welfare Fund should supplement the existing facilities for the education of miners' children met during the year on the 14th October 1952 and 21st January 1953. It recommended that suitable buildings for schools should be provided by colliery owners, the cost of staff and other recurring expenditure should be met by the State Governments concerned and equipment for the schools should be supplied by the Coal Mines Labour Welfare Fund.

Coal Mines Labour Welfare Fund Rules.- The Coal Mines Labour Welfare Fund Rules 1949 were amended so as to provide for (a) delegation to the Coal Mines Welfare Commissioner of powers to sanction expenditure on new welfare and housing schemes not exceeding 10,000 rupees non-recurring and 1,000 rupees per annum recurring in each case, (b) exemption to colliery owners from furnishing monthly returns of despatches of coal and coke by means other than rail in certain specified cases, (c) refund of duty of excise collected on raw coal during the course of its transport to washery where the duty of excise was again collected on despatch of the washed coal from the washery to the consuming centres, (d) the re-opening of assessment cases of excise duty on despatches of coal and coke by means other than rail in certain cases.

Levy of Cess.- The welfare cess continued to be levied at the rate of annas six per ton of coal and coke despatched by collieries. On despatches by rail the cess was collected by the Railways and on those by means other than rail it was collected departmentally from the individual collieries. Cess totalling 1,26,49,098 rupees was credited to the Fund during the year and distributed between the General Welfare Account and the Housing Account in the ratio of 7:2.

Medical Assistance: The health of the miner continued to receive increasing attention. During the period under report, the Central Hospital at Dhanbad entered into the second year of its existence. During this period, almost all the important equipments for running the different departments of the hospital excepting one of the dental units had been received and installed. Necessary action was taken to expedite despatch of the dental unit by the London firm. The following departments started working in full swing during the year under report:

1. X-Ray.
2. Pathology
3. Casualty
4. Surgical
5. Maternity and Gynaecological
6. Out Patient Department.
7. Eye, Ear, Nose and Throat
8. Dental

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One new ambulance van was purchased during the year for transporting patients to the hospital.

Facilities of treatment were extended on a limited scale to the members of the public, on payment basis.

~~Facilities of treatment were extended on a limited scale to the members of the public, on payment basis.~~

To render assistance to disabled miners, the starting of a rehabilitation centre as an adjunct to the Central Hospital was sanctioned during the year. For the time being the centre will be located in the rooms meant for the V.D. ward. In the rehabilitation centre, victims of serious injuries will be given requisite treatment including artificial limbs, where necessary. Before discharge, they will also be taught arts and crafts, suitable to their ability so that they may go back to their previous employment or may seek some suitable alternative employment.

The Central Hospital and allied buildings at Kalla in the Raniganj coalfield were under construction and were expected to be completed in all respects by the end of 1954.

The four Regional hospitals and Maternity and Child Welfare Centres at Tisra and Katras in the Jharia Coal-fields and at Chora and Searsole in the Raniganj Coalfield continued to render useful service to colliery workers and their dependents. The sanctioned bed strength of each hospital is 18 but this number had to be exceeded almost at every hospital in view of the growing demand.

The question of constructing a 30 bed Regional Hospital at Jamai in the Pench Valley coalfield in Madhya Pradesh at a cost of 5,32,000 rupees was under consideration. The proceedings for the acquisition of land for the construction of a Regional Hospital at Dhanpuri in Vindhya Pradesh made further progress and it was anticipated that the possession over the land would be available by the middle of 1953-54. In the meantime, an estimate for a 18 bed Regional Hospital was under preparation. A site near Kurasia was provisionally selected for the construction of a Regional Hospital for the Korea coalfield in Madhya Pradesh. During the year the Hazaribagh Coalfield Sub-Committee recommended the setting up of a 50 bed hospital in the Bokaro coalfield instead of 30 bed for which plans and estimates were finalised earlier.

For the benefit of colliery workers, their dependents and other persons residing in the Bhuli Township a dispensary has been functioning in the Township since 1950. The number of cases treated at the dispensary during the year was 10,521.

The construction of a dispensary and allied buildings in Mugma coalfield was nearly completed. The sanction of Government was obtained for the recruitment of staff and purchase of necessary equipments and it was anticipated that the dispensary would start functioning by the middle of 1953-54.

A Maternity and Child Welfare centre in charge of a lady doctor is attached to each of the 4 regional hospitals in Jharia and Raniganj coalfields. Such centres will be attached to the proposed regional hospital in other coalfields also. Pre-natal and post-natal care of workers' wives and other

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female dependents in the Sambalpur and Talcher coalfields was given by the Lady Health Visitor posted in the Sambalpur coalfield. With the same object a Lady Health Visitor was appointed at the Palana Colliery in Rajasthan. A scheme for the appointment of a Lady Health Visitor in the Khasi and Jaintia coalfield was sanctioned by Government and the Labour Commissioner of the State was requested to take necessary steps for her appointment. The construction of a 10 room maternity block at the premises of the Government hospital, Chanda, at a cost of 66,000 rupees was sanctioned and the work was in progress at the end of the year. The building was expected to be ready by early 1953-54. The block will be equipped at the expense of the Coal Mines Labour Welfare Fund and will be maintained by the Government hospital, Chanda, on payment by the Fund of an annual grant of 1,000 rupees. The construction of a maternity and child welfare centre at Jatachhapa in the Pench Valley coalfield was sanctioned towards the close of the year and preliminary arrangements for starting the work were in hand. Government also sanctioned payment to the Jharia Mines Board of Health and Asansol Mines Board of Health a sum of 50,000 rupees each or the actual amount spent by them, whichever be less, for the running of the Boards' maternity and child welfare centres in the Jharia and Raniganj coalfields. Upto the end of February, 1953, the Boards had spent 49,544 rupees and 47,940 rupees on the maintenance of 24 and 11 maternity and child welfare centres respectively and the amounts were reimbursed from the Coal Mines Labour Welfare Fund.

Anti- T.B. Measures: Clinics at Katras in the Jharia coalfield and at Searsole in the Raniganj coalfields each having accommodation for 8 beds were completed during the year. Two T.B. Officers and other staff were selected to man the clinics. The T.B. Officers will also be responsible for B.C.G. vaccination in the respective areas of the coalfield. For the benefit of T.B. patients 4 and 5 beds were reserved at the Pendra Road and Nawogaon sanatoria in the Korea and Pench Valley coalfields respectively. A scheme for the treatment of 2 T.B. patients from the Assam coalfield in the general wards of the Christian Mission Hospital, Jorhat, for a period of one year in the first instance was sanctioned by Government towards the close of the year.

Eye Relief: A sum of 10,000 rupees was advanced to the Director of All India Blind Relief Society Delhi, for holding eye relief camps in 13 important coalfields. Seven camps were held by the Society before the end of March, 1953, and the remaining 6 camps were to be held in the year 1953-54.

Other schemes of medical aid on which expenditure was incurred during the year were a blood bank in the laboratory of the Asansol Mines Board of Health, a grant-in-aid to the Dhanbad and District Leprosy Relief Association for the maintenance of 12 beds in the leprosy block at Tetulmari constructed at the expense of the Fund and a grant-in-aid to the Asansol Leprosy Relief Association for the construction of a leprosy block at Kalla. A scheme for the reservation of 10 beds at the Barkui hospital of Messrs. Shaw Wallace and Co. was under consideration.

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Anti-Malaria Operations. Malaria control operations continued in the Jharia, Raniganj, Hazaribagh, Assam, Panch Valley, Chanda, Talcher, Sambalpur and Hyderabad coalfields throughout the year. Besides insecticidal spraying programmes, oiling of water collections on a restricted scale was also carried out. Diagnostic service by mobile laboratory teams in the Jharia and Raniganj Coalfields was continued. Approximately ⁽¹²⁹⁹⁸⁾ blood slides from different coalfields were examined.

Organised groups of imported labourers from hyporendemic areas were given suppressive treatment. Approximately 12,800 persons were treated for about 10-12 weeks during the transmission season. Exhibition of films on public health matters obtained from the Indian Red Cross Society was continued. It stimulated interest amongst the miners in health measures. At the end of the spraying season annual spleen and parasite survey were carried out with a view to assessing improvement of malaria endemicity.

Pithead Baths: Under the Coal Mines Pithead Bath Rules 1946 it is obligatory to provide pithead baths at every coal mine whose monthly output during the previous calendar year exceeded 500 tons. The Rules provide that if no inconvenience is caused the collieries can, with the permission of the Coal Mines Welfare Commissioner, provide joint pithead baths. A coal mine which the Chief Inspector of Mines certifies that it will be exhausted within the next 3 years is allowed exemption from the provision of pithead baths by the Coal Mines Welfare Commission provided the management provide alternative bathing facilities in accordance with the prescribed standards. The Coal Mines Welfare Commissioner is also empowered to grant, with the concurrence of the Government of India, exemption from the provision of pithead baths to those mines the resources of which are not sufficient to enable them to make adequate supply of water. The Coal Mines Pithead Bath Rules did not apply to 313 coal mines as the output of these mines during the previous calendar year was less than 500 tons. One hundred and nineteen collieries were granted exemption under the Coal Mines Pithead Bath Rules. The progress in the construction of pithead baths was as follows:

(1) No. of Pithead baths completed during the year	13
(2) No. of Pithead baths whose construction was taken up during the year	7
(3) No. of Pithead baths under construction	91
(4) No. of Pithead baths completed	105

Provision of Creches: Under the Mines Creche Rules 1946, it is obligatory to provide a Creche at every coal mine. If no inconvenience is caused adjacent collieries are allowed to provide joint Creches with the permission of the Coal Mines Welfare Commissioner. A coal mine in respect of which the Chief Inspector of Mines certifies that it will be exhausted within the next 5 years is exempted from the

provision of Creche provided the management construct a temporary Creche in accordance with the standards prescribed by the Coal Mines Welfare Commissioner. Four types of Creche plans and one roofed shelter have been prescribed to suit different types of collieries. The progress in regard to the construction of Creches was as follows:

(1) Number of Creches completed during the year	21
(2) Number of Creches whose construction was taken up during the year	.. 19
(3) Number of Creches under construction	.. 101
(4) Total No. of creches completed	.. 140

Mines Maternity Benefit Act.- Two thousand Five hundred and Eighty two inspections were made by the members of the Inspectorate under the Mines Maternity Benefit Act. A large number of collieries were revisited. The irregularities brought to light were taken up with the colliery companies concerned.

Housing: Bhuli Township in the Jharia Coalfield; During the year under review, the number of quarters allotted to the collieries varied from 440 to 585. On 31 March 1953 the number of quarters allotted to collieries was 493. One hundred and two quarters were used by the staff of the organisation, child welfare and maternity centre of the Jharia Mines Board of Health, Post Office, police out-post, shopkeepers, contractors, employees of the Coal Mines Provident Fund and other organisations. The Government of India decided during the year that the houses could be allotted to non-colliery workers also on the condition that their employers paid rent at 10 per cent. of their emoluments subject to a minimum of 8 rupees and a maximum of twentythree rupees per month and agreed to return the quarters by the latter for the use of the colliery workers or their dependents. Out of the 1,566 houses constructed at Bhuli 595 houses were allotted on 31st March 1953 and 971 were lying vacant.

Miners' houses at Vijaynagar in the Raniganj Coalfield:

Out of 48 quarters constructed at this place 5 only were under the occupation of one colliery on 31st March 1953. Efforts were being made to induce the collieries to take more quarters.

Miners' Houses at Bokaro. Out of 164 houses constructed at this place 153 had been placed at the disposal of the State Railway Colliery and 11 had been retained by the organisation for the use of the Antimalaria and the Engineering Sections.

Miners' Houses at Kargali in the Bokaro Coalfield; Out of 180 houses constructed at this place 168 had been placed at the disposal of the State Railway Colliery and 12 were retained for the use of the Engineering Section.

Miners' Houses at Giridih. Out of the 50 houses constructed at this place, 47 had been placed at the disposal of the State Railway Colliery and 3 were retained by the Organisation for the use of the Engineering and Adult Education Sections.

Pench Valley Coalfield: The question of construction of 200 houses at Digwani could not be proceeded with in the absence of an assurance from Messrs. Shaw Wallace and Co. Ltd., that the houses when completed would be occupied by miners employed in their collieries. In May 1952 the Colliery Co., replied that unless their applications for fresh leases, which were reported to be under the consideration of the Government of India and the Government of Madhya Pradesh, were sanctioned they would not be in a position to give the undertaking. The matter was reviewed by the Advisory Committee at its meeting held on the 20th September 1952 and it was resolved that the Madhya Pradesh Government should be requested to insert in the lease a clause to the effect that the licensees would have their labourers housed in the proposed township at Digwani. The suggestion was taken up by the Government of India with the Madhya Pradesh Government whose reply was still awaited at the close of the year.

Hyderabad Coalfield: In June 1950 the State Government of Hyderabad who then administered the State's Coal Labour Welfare Fund, sanctioned payment of a sum of 5 lakhs of rupees to the Singareni Collieries Co. Ltd., for the construction of miners' Houses at their Kothagudium collieries. Before the construction of houses could be taken up by the Colliery Co. and the amount could be paid, the States' Coal Mines Labour Welfare Fund merged with the Central Coal Mines Labour Welfare Fund. The Government of Hyderabad requested the Government of India that the amount of 5 lakh rupees be paid to the Singareni Collieries Co. Ltd., from the Central Coal Mines Labour Welfare Fund. The matter was under consideration.

In order to bring their standards of houses for miners in line with those prescribed by the Coal Mines Labour Welfare Fund, the Jharia, Asansol and Hazaribagh Mines Boards of Health had decided last year to adopt the plans and specifications prescribed by this organisation and had requested their respective State Governments, to approve certain consequential amendments to their bye-laws of the Asansol and Hazaribagh Mines Boards of Health, were approved by the State Governments. The approval of the Government of Bihar to similar amendments made by the Jharia Mines Board of Health was awaited.

During the year under review the amended bye-laws of the Asansol and Hazaribagh Mines Board of Health

With a view to creating a machinery, similar to the Mines Boards in Bihar and West Bengal, for the regulation and control of housing in the Coalfields in other states, the Government of India suggested to other State Governments that they should examine the feasibility of constituting Mines Boards of Health for the Coalfields in those States. The suggestion was under the consideration of the State Governments.

At its meeting held on 14 August 1952 the Coal Mines Labour Welfare Fund Advisory Committee decided that in respect of applications received by the Housing Board between the 1 September and 30 November 1952 for houses to be completed before the 31 December 1953 the rate of subsidy should be increased from 20 per cent. to 25 per cent. of the cost of construction and the maximum subsidy payable for one house should be raised from 600 rupees to 750 rupees. Shortly afterwards, this decision was made applicable to applications received by the Housing Board prior to the 1 September 1952 also. As a result of this announcement, 31 colliery companies applied for the construction of 1,652 houses.

Adult Education and other welfare facilities: The opening of eleven new centres was sanctioned during the year and five new centres were opened. Owing to the shortage of suitable accommodation, 13 centres could not be opened.

During the first quarter of the year a four-week training was organised at the Bhuli Township for the newly recruited instructors. Labour leaders, personnel Officer, and others connected with the workers welfare in the coalfields addressed the trainees.

A sum of 3,761 rupees was paid to the Madhya Pradesh Government, for social education scheme in the Pench Valley and Chanda Coalfields, and 199 rupees was spent on social education in the Korea Coalfields. Altogether 23 classes functioned in all the collieries in the Hyderabad Coalfield. Apart from education in literacy, the students were given lectures in social education subjects like health and hygiene, history, geography, etc., During the year under report, 956 students appeared for the literacy test and 587 passed it.

The Sub-Committee set up by the Advisory Committee to go into the question of opening more schools for miners' children in the coalfields, met on 14 October 1952 and 21 January 1953 and examined the matter thoroughly. It recommended that the colliery owners should provide buildings, the State Government should provide staff and the Coal Mines Labour Welfare Fund should provide equipment for the six schools. It was further decided to open, with the co-operation of colliery owners and the State Governments 10 schools in the Jharia and 10 schools in the Raniganj coalfields to begin with and to add each year as many schools as possible. The schools should if necessary be ordinary ones to begin with and should eventually be converted into basic schools. Necessary further action for starting the schools was being taken in consultation with the Directors of Public Instruction Bihar and West Bengal.

The schemes for the construction of Miners' Institutes continued to make steady progress. Construction of 13 new Institutes was sanctioned during the year and 17 new Institutes were completed.

At the end of the year there were 31 women welfare centres functioning in different coalfields. The centres provide recreation facilities to miners' children, train the women folk in handicraft and promote other welfare activities for women and children.

Statement of Accounts. The Statement of Accounts showed receipts for the year 1952-53 as 10,791,891 rupees for the general welfare account and 2,76,949 rupees for the housing account; expenditure amounted to 5,547,111 rupees in the general welfare account and 963,456 rupees in the housing account. The closing balance at the end of the year was 18,907,764 rupees in the general welfare account and 17,325,476 rupees in the housing account.

2,881,805
4,681,970

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56. Labour Administration.

India - July 1954.

Working of the Factories Act in Madhya Pradesh
during 1951.

According to the annual report* of the Chief Inspector of Factories on the administration of the Factories Act, 1948, in Madhya Pradesh, for the year ending 31 December 1951, the number of factories showed an increase of 124 factories during the year. The total number of factories at the beginning of the year was 1,729, while it rose to 1,853 at the end of the year. The total number of working factories also increased from 1,418 to 1,544 during the year. Out of 1,544 working factories, the number of power and non-power factories registered under section 2(m)(i) and 2(m)(ii) of the Factories Act, 1948, was 1,211 and 333, respectively.

Employment.- The average daily number of workers employed was as under:-

	<u>Male</u>	<u>Female</u>
Adults	86,331 (77,654)**	22,723 (19,510)
Adolescents	962 (1,607)	844 (1,027)
Children	113 (215)	21 (43)
Total	<u>87,406 (79,476)</u>	<u>23,588 (20,580)</u>

** Figures in brackets represent figures for the previous year.

Cotton ginning and pressing factories formed 17 per cent of the total during the year as against 16.6 per cent in the previous year. The average daily employment of workers in the factories increased from 100,056 in 1950 to 110,994 in 1951. The increase was mainly due to the increased employment in cotton ginning and pressing factories and bidi factories.

Inspections.- One thousand eight hundred and ten factories were inspected during the year as against 1,629 in the previous year. Of these 1,533 factories were inspected once, 216 twice, 49 thrice and 12 more than three times. Total inspections made by the departmental inspectors during the year thus come to 2,162 as compared to 2,050 in the last year. Forty-three factories remained uninspected at the close of the year due to their recent registration. There were no inspections by the District Magistrates owing to their pro-occupation in their other multifarious duties.

* Government of Madhya Pradesh, Labour Department, Annual Report on the Administration of the Factories Act, 1948, in Madhya Pradesh for the year ending the 31 December 1951, Government Printing, Nagpur, 1954, pp.63, price Re.1/-.

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Health and Safety.- There has been an all-round improvement in ~~xxx~~ cleanliness and sanitary conditions in the factories, especially in some of the textile mills and cement factories. At the textile mills, power houses, cement factories, pottery, glass work, and majority of oil mills have provided washing c̄asets separately for male and female workers. Wholesome drinking water is supplied to the workers in almost all the factories. Arrangements for the supply of refrigerated or cold drinking water during summer have also been made in some of the bigger mills and factories. Better methods of humidification and air-conditioning are being resorted to by the progressive textile mills. Standards of ventilation are generally satisfactory while improvement in humidification is called for in some old mills. Prevalence of dust-nuisance in cotton ginning factories, saw mills and potteries is still a problem to be solved satisfactorily by improved methods of ventilation. There is much scope for improvement in ventilation provided in the bidi factories, which are housed in the buildings constructed prior to the enforcement of the Factories Act. Steps are being taken to improve ventilation in the oil mills and printing presses by providing exhaust fans and ventilating opening.

Housing.- About 10 per cent of the workers employed in the various factories have been provided with houses by their employers. Old mill chawls are unsatisfactory and ill-ventilated, and in some cases have become unsuitable for habitation. Efforts to provide further housing accommodation have received a set-back due to the shortage of building materials and lack of funds in several cases. The Madhya Pradesh Housing Board has now taken up the question of industrial housing for the factory workers, and is providing improved type of industrial housing. The Board is also encouraging employers to construct such improved type of houses for their workers. The Board itself is constructing about 750 such houses for the industrial workers at important industrial centres such as Nagpur, Jabalpur, Achalpur, Hinganghat, Burhanpur and is rendering all assistance and guidance to employers to take up the housing scheme with a view to provide improved type of houses to their employees.

Creches.- The average number of babies nursed in the creches attached to the various factories during the year was 214 as against 360 in the previous year. The creches being properly maintained and the babies are being well looked after by the creche staff.

Accidents.- The total number of accidents reported during the year was 1,818 (2,093); of these 49 (65) injuries were of serious nature and 15 (13) injuries proved fatal, and the remaining 1,756 (2,015) were minor in nature.

Fires.- There were in all 86 cases of fires reported during the year as against 34 cases in the previous year. The total loss of property and material is estimated at 223,028 rupees.

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Prosecutions.- One hundred and seventy (79) cases were instituted against the managers and occupiers of 159 factories for offences committed by them. In 44(54) cases comprising of 125(130) offences convictions were secured and the total fine imposed amounted to 5,639 rupees (7,720 rupees). In three cases the occupiers and managers were acquitted. A total of 123(23) cases remained pending at the close of the year. Out of 23 cases reported pending at the close of the previous year, 14 cases were decided during the year resulting in conviction and the remaining nine cases were still pending at the end of the year.

Punjab: Annual Report of the Activities of
the Labour Department for the Year 1952-1953.

According to the review by the Government of Punjab of the annual report of the activities of the Labour Department for the year 1952-53, during the year under report, the Labour Department, Punjab, has been responsible for the administration of the various labour enactments in the State. The Industrial Statistics (Labour) Rules were enforced in the State during the year under report. The Rules framed under Section 49 of the Factories Act for the appointment of Labour Welfare Officers in the establishments employing more than 500 workers were also finalised during the year under report and were enforced in the State with effect from 1 October 1952.

The field staff of the Labour Department including the Inspectors of Factories and Labour Inspectors who are also Additional Inspectors of Factories intensified their efforts to enforce the provisions of the Factories Act, 1948. The irregularities discovered by the field staff of the Labour Department during the course of their inspections were taken up with the managements concerned for rectifications. In cases where the irregularities involved breach of any of the provisions of the law the factory owners concerned were either warned or prosecuted according to the nature of the offence. A total of 1,883 inspections of factories were conducted, 1,165 prosecutions were launched and 607 warnings were administered.

Strikes.- There was a marked increase in the number of industrial strikes during the year as compared with the previous year. The main factor responsible for this increase was the general trade slump prevailing during this period in the State. There were 64 cases of strikes involving 4,637 workers and resulting in loss of 38,275 mandays.

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There were 128 Works Committees functioning in 165 establishments covered under Section 3 of the Industrial Disputes Act, 1947. Thirty-one Works Committees were formed during the year. These cases of industrial disputes were referred to the Industrial Tribunal by the State Government for adjudication during the year. Two were disposed of while the case of Amritsar Textile Factories remained pending at the close of the year.

Minimum Wages.- The enforcement of the minimum rates of wages in respect of employment in agriculture was entrusted by the State Government to the Revenue Department through the Patwaries, Qanungos, who were notified as Inspectors under Section 19(i) of the Act in their respective areas. The Tahasildars and Naib-Tahasildars were notified as authority under Section 20 of the Act to hear and decide claims arising out of payment of less than notified minimum rates of wages.

One thousand seven hundred thirty-three complaints for non-payment of wages and delayed payment of wages were received during the year under report and 66 were brought forward from the previous year. Of these 1,735 were settled during the year and 64 remained pending at the close of the year.

Trade Employees Act.- The total number of inspections carried out by the inspectorate staff was 144,156. Total number of prosecutions recommended by Shop Inspectors and Divisional Inspectors of Shops was 6,028 as against 3,841 in the preceding year, out of which 4,881 were authorised as against 3,320 last year. A total fine of 55,895 rupees was imposed as against 35,576 rupees last year.

Welfare.- Labour Welfare Centres started functioning at 5 places out of 6 sanctioned. These centres provide educative as well as recreational facilities for workers and their families, such as literacy classes for adult workers, sewing classes for female workers, library, indoor and outdoor games and musical entertainments by means of radio and harmonium, etc.

Housing.- Under the Industrial Housing Scheme the State Government is constructing one-storeyed one-room tenements for the industrial workers at Amritsar, 200, Ludhiana, 124, and Batala, 58, each tenement costing 2,700 rupees.

Provident Fund.- Under the Employees Provident Fund Act, ~~128~~ 148 factories are covered and 13,609 workers are benefited. Under this Act an individual employee who has completed one year's continuous service or has worked in a registered factory for not less than 240 days in the preceding twelve months and is in receipt of basic pay up to 300 rupees is covered. The employers and the employees have each to contribute equally one anna per rupee of the total wages earned.

(Supplement to Part II of the Punjab Government Gazette, 25 June 1954, pp. 63-65).

57. Family Budgets Including Nutrition.

India - July 1954.

All India Average Working Class Cost of Living Index: Labour Bureau compiles Interim Series on Base 1949 - 100.

The Labour Bureau of the Government of India has been publishing an interim series of all-India average working class Cost of Living Index Number on base 1949 - 100. After the publication of the above series, the Standing Committee of Departmental Statisticians, Government of India set up a Working Party to consider the following:-

- (a) whether a common base period for all the different official index numbers was practicable and if so to recommend such a base period for general adoption, and
- (b) what action would be appropriate in case a single common base period was not practicable.

The Working Party came to the conclusion that owing to number of events like partition, devaluation and the Korean War it was not possible to suggest a year or two as common base for all the existing official index numbers. On the subject of cost of living index numbers the Working Party recommended that fresh family budget enquiries should be undertaken at the various centres and till the results of such surveys were made available, the index numbers should be expressed in terms of the calendar year 1949 as base. In pursuance of the recommendation, the Labour Bureau has now reconstructed the interim series of All-India Average Working Class Cost of Living Index Numbers on base calendar year 1949 - 100. The scope and methods of compilation of this series is the same as adopted for the earlier series (vide pp. 68-70 of the report of this Office for February 1953). The only differences are that the weights for the various centres have been revised on the basis of factory employment figures during 1949 and a few more series of working class cost of living index numbers, viz., those relating to Mysore City, Trichur and Hyderabad City, have been included in the All-India Index. Because of the addition of the above three series of indices, two more Part B States, viz., Travancore-Cochin and Hyderabad are now covered in the All-India Index. Henceforward the Bureau will compile the interim series of all-India Indices on 1949 as base. However, to maintain continuity with the old series, a series with 1944 - 100, and both sets of figures - one on 1949 as base and the other estimated on 1944 as base will be published side by side.

The following table gives the two series of all-India average working class cost of living index numbers for the year 1949-1954.

		Base: 1949 - 100		Base: 1944 - 100*	
		Food Index	General Index	Food Index	General Index
1949	---	100	100	142**	138
1950 (Average)	---	101	101	143	139
1951 (Average)	---	104	105	148	145
1952 (Average)	---	102	103	145	142
1953 (Average)	---	109	106	155	146
January	---	103	102	146	141
February	---	105	103	149	142
March	---	105	104	149	144
April	---	106	104	151	144
May	---	108	106	153	146
June	---	113	109	160	150
July	---	114	111	162	153
August	---	114	111	162	153
September	---	113	110	160	152
October	---	111	108	158	149
November	---	108	106	153	146
December	---	105	103	149	142
1954 January	---	105	104	149	144

* Figures from 1950 onwards have been estimated by linking the earlier series on base, 1944 = 100 with the new series on base, 1949 = 100. For example the general index for 1950 on base, 1944 = 100 is derived as follows:-

$$\frac{138 \times 101}{100} = 139.$$

** Revised.

(Indian Labour Gazette, Vol.XI, No.10, April 1954, pp. 960-962).

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Family Budget of Workers in Bhopal City:
Survey Report Published.

The average monthly income of an industrial workers' family in Bhopal City comes to 21 rupees 1 anna and 11 pies and the average expenditure amounts to 86 rupees 15 annas and 2 pies, leaving a small surplus of 4 rupees 2 annas and 9 pies, according to a report¹ on an enquiry into the family budgets of workers in Bhopal City undertaken by the Director, Labour Bureau, Ministry of Labour, Government of India. The average 'per capita' monthly income among the workers come to 18 rupees 1 annas and 10 pies.

The State of Bhopal is situated in Central India, between Madhya Pradesh and Madhya Bharat and has an area of 6,878 square miles. Its population according to the Census of 1951 was 836,474, of which 437,635 were males and 398,330 ♀ or 65.6 per cent were dependent on agriculture, 87,944 or 10.5 per cent on production other than cultivation, 51,759 or 6.2 per cent on miscellaneous occupations.

Industrial employment.— The number of workers employed in the factories covered by the Indian Factories Act, 1948 in the entire State in 1951 was only 5,040. The distribution of employment according to industries was as follows:—

Industry	No. of Factories	Average daily No. of workers employed
Cotton Ginning and Pressing	-- 5	269
Rice and Dal Mills	-- 1	10
Sugar	-- 1	447
Gur	-- 1	52
Manufacturers of Sugar Confectionery	-- 1	26
Distilling, Rectifying and Blending of Spirits	-- 2	36
Tobacco Manufacturers (Bidi Factories)	-- 9	397
Cotton Mills	-- 1	2,070
Straw Board	-- 1	290
Printing Presses	-- 3	144
Engineering Workshops	-- 2	191
Electric Light and Power	-- 2	271
Miscellaneous	-- 7	837
Total	-- 36	5,040

¹ Publication No.20: Report on an Enquiry into the Family Budgets of workers in Bhopal City, Director, Labour Bureau, Ministry of Labour, Government of India, published by the Manager of Publications, Delhi, 1954, pp. 52, Price Rs.3/- or 5sh.

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The present family budget enquiry, which was the first of its kind to be undertaken in the State, was conducted in Bhopal City itself and as it is by far the most important area, from the point of view of the number of workers employed also. The total population of Bhopal City was 102,333 (54,039 males and 48,294 females) in 1951 as against 75,228 in 1941. The number of workers employed in the registered factories in Bhopal City in 1951 was 3,410. In addition, the Bhopal Municipality gave employment to about 700 workers; and an estimated 5,000 workers (including home workers) were employed in the Bidi industry.

Scope of enquiry.- The number of workers at the time of enquiry (excluding ~~h~~ badli and seasonal workers) in the five employments covered by the enquiry was as follows:-

Cotton Textiles	--	1,985
Paper	--	231
Match	--	149
Municipality	--	695
Bidi	--	566*
Total	--	<u>3,627</u>

* The figures for bidi include workers employed in all the establishments including those not covered by the Factories Act and also workers employed by the factories through contractors.

It was decided to collect family budgets of about 360 workers so as to secure a 10 per cent sample. On the basis of the pay rolls maintained by the employers, the required sample of workers was drawn by the application of Random sample numbers of Kendall and Babbington. The number of workers in each employment, the number of budgets on the basis of a 10 per cent sample in each and the number of workers actually sampled are as follows:-

Industry	No. of workers in the lists	No. of Budgets on 10 per cent basis	No. of workers actually sampled
Textiles	-- 1,985	198	250
Paper	-- 231	23	30
Match	-- 149	15	25
Municipality	-- 696	70	100
Bidi	-- 566	57	131
Total	-- 3,627	363	536

as there is a large concentration of factories in the city

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~~Further~~

Four hundred thirty-six budgets were collected. Of these, 31 were rejected as the heads of families concerned were found to have worked for only a few days in the month or the budgets were ~~not~~ otherwise defective. Of the remaining 405, 387 related to families and 18 to singlemen. While in the case of textiles, paper and match industries and municipality, the number of family budgets finally accepted for tabulation constituted more or less a ten per cent sample, in the case of the bidi industry ~~and~~ number of budgets for exceeded this limit. To have a uniform sample of 10 per cent for all the industries it was decided to reduce the number of bidi workers' budgets to be taken up for tabulation and analysis to 57. This involved rejection of 27 budgets. Thus the budgets analysed related in all to 360 family budgets and 18 singlemen's budgets.

Family budgets.- As many as 57.5 per cent of the families were those of Muslims; Hindus accounted for 42.0 per cent of the families and Christians for the remaining 0.5 per cent. The budgets of workers in the cotton textile industry constituted 54.72 per cent of the total. Budgets of municipal employees account for 18.61 per cent of the total while the budgets of employees in the bidi, match and paper industries constituted respectively 15.83 per cent, 4.17 per cent and 6.67 per cent of the total.

General conditions.- Of the 360 Family budgets, 228 or 63.3 per cent of the budgets fall within the groups of income ranging from 40 rupees to 100 rupees. The number of budgets in the income group 100 rupees to 150 rupees is 92 ~~xxxxxx~~ or 25.6 per cent of the total. Twenty-seven budgets or 7.5 per cent are in the income group 150 rupees and above.

There is a high concentration of budgets in the middle of the frequency distribution of income - i.e., in the groups of income ranging from 40 rupees to 150 rupees. This is largely due to the comparatively higher earnings of the families of workers in the textile mills and in paper mills, which together accounted for as much as 61.4 per cent of the total number of budgets collected.

Of the Heads of Families, 277 or 77.0 per cent are married, 61 or 16.9 per cent unmarried and 22 or 6.1 per cent widowed.

The average family, (excluding dependants living away from the family) consists of 5.03 ~~persons~~ persons, 1.58 being adult men, 1.56 adult women, 1.03 boys and 0.87 girls. In addition, on an average, the number of dependants living away from the family is 0.03 so that the total average number of persons per family comes to 5.06. In the average family of 5.03 persons (excluding dependants living elsewhere) there are 1.63 earners and

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3.40 dependants. Among the earners 1.35 are adult men, 0.24 adult women and 0.04 children. Thus most of the earners are men. The number of earners is found to increase progressively with the income of the families. The highest number of earners namely, 2.85 persons per family, is found in the income group 150 rupees and above. As in the case of earners, the number of dependants is also generally high in the higher income groups. The higher family incomes are associated with larger earning strengths; the per capita earnings are also, in general, higher in the higher income groups. A majority of the families or 86.4 per cent of the total have a single earner, while 30.6 per cent of them have two earners. The number of families having 3 or more earners is only 47 out of a total of 360 or 13.1 per cent.

In all, there are 228 earners, other than the heads of families, contributing to the family income. Of these, in 155 cases a male member of the family is found to assist the head of the family, while in 73 cases it is a female member. Out of the 155 male earners (other than the heads of families) the helper was a brother in 51 cases, a son in 35 cases and a father in 23 cases. Out of the 73 ~~xxx~~ female earners, in 39 cases the wife was helping and in 19 cases the mother ~~ix~~ was the helper.

Income of the family.- The income of the family consists of the earnings of the workers in the family from regular employment and other sources. The average monthly income per family of 5.03 persons comes to 91 rupees 1 anna and 11 pies, the average monthly income per capita and per earner being 18 rupees 1 anna and 10 pies and 56 rupees 8 annas and 4 pies respectively. Of the average monthly family income (including income from sources other than regular employment) of 91 rupees 1 annas and 11 pies, the head of the family contributes 68 rupees 6 annas or 75.0 per cent of the total and other adult men earners contribute 13 rupees 15 and 8 pies or 15.3 per cent. The contribution of adult women and children amounts to 4 rupees 3 annas and 11 pies (4.7 per cent) and 10 annas 9 pies (0.7 per cent) respectively. The family income is made up of various components. Of the average monthly income of 91 rupees 1 anna and 11 pies, income from regular employment accounts for 83 rupees 7 annas and 3 pies or 91.6 per cent of the total income and income from sources other than regular employment comes to 7 rupees 10 annas and 8 pies or 8.4 per cent.

Expenditure of the family.- The average industrial workers' family in Bhopal is able to balance its budget leaving a small surplus of 4 rupees 2 annas and 9 pies per month although the budgets of workers in the lower income groups show some deficit. While the average ~~xxxxxx~~ monthly income of the family comes to 91 rupees 1 anna and 11 pies, the average expenditure amounts to 86 rupees 15 annas and 2 pies. However, if items like remittances to dependants, insurance premia, interest on loans, etc., are also included under expenditure, the surplus would be reduced to 1 rupee 14 annas and 9 pies

per month. Families in groups of income below 80 rupees per month are not able to balance their budget. Of the average monthly expenditure of the family viz., 86 rupees 15 annas and 2 pies, an expenditure of 53 rupees 2 annas and 1 pie or 61.12 per cent is incurred on food, 5 rupees 4 annas and 6 pies or 6.07 per cent on fuel and lighting, 5 rupees 6 annas and 5 pies or 6.21 per cent on house rent, 7 rupees 5 annas and 3 pies or 8.43 per cent on clothing and footwear, 1 rupee 2 annas and 3 pies or 1.31 per cent on bedding and household requisites and 14 rupees 10 annas and 8 pies or 16.85 per cent on miscellaneous items. The composition of the ~~family~~ monthly expenditure is as follows: 29.03 per cent of the total expenditure is on cereals, 3.05 per cent on pulses, 3.07 per cent on meat, fish, etc., 7.70 per cent on milk and milk products, 3.65 per cent on oils, 4.26 per cent on vegetables and fruits, 2.33 per cent on salt and spices, 2.97 per cent on sugar and gur and 5.06 per cent on other items, such as refreshments taken outside, tea, etc.

Surplus and deficit.- Of the 360 family budgets, 229 or 63.6 per cent of the total were found to be surplus while the remaining 36.4 per cent were deficit.

Indebtedness.- In the course of the enquiry, an attempt was made to collect information regarding the indebtedness of the families. This information cannot, of course, be regarded as completely reliable as the families were found to be generally reticent in regard to disclosure of details of indebtedness. The analysis of the information ~~collected~~ collected, however, shows that 207 out of the 360 families were in debt, the average amount of debt per indebted family being 215 rupees 4 annas and 4 pies, and the average debt for the different income groups ranging from about 60 rupees to 350 rupees. The individual debts ranged from 5 rupees to 2,250 rupees. Generally, money was borrowed for ordinary wants, marriages sickness and funerals. The source of loan was generally the bania, but in some cases loans were taken from relatives of friends or from provident funds. The rate of interest varied considerably, the general rate was six pies to one anna per rupee per month.

Singleman's budget.- An analysis of the singleman's budgets reveals the following features: 8 workers get a monthly income of below 40 rupees, 5 get from 40 rupees to 60 rupees, 2 from 60 rupees to 80 rupees and 3 from 80 rupees to 100 rupees. The average income per worker comes to 48 rupees 9 annas and 4 pies as ~~compared~~ compared to an average of 56 rupees 8 annas and 4 pies per earner in the case of workers living with their families. Of the income of 48 rupees 9 annas and 4 pies, 27 rupees 11 annas and 5 pies or 57.1 per cent constitutes wages and overtime pay, 17 rupees 1 anna and 9 pies or 35.2 per cent dearness allowance, 1 rupee 12 annas and 3 pies or 3.6 per cent bonus and the remaining 1 rupee 15 annas and 11 pies or 4.1 per cent is derived from other sources including money value of concessions.

A worker spends on the average 42 rupees 2 annas and 2 pies apart from his expenditure on remittances to dependants, contribution towards provident fund and interest on loans. The monthly expenditure consists of 24 rupees 6 annas and 8 pies on food, 2 rupees 15 annas on fuel and lighting, 3 rupees 8 annas and 11 pies on house rent, 2 rupees 9 annas and 1 pie on clothing and footwear, 9 annas and 1 pie on household requirements and 8 rupees 1 anna and 5 pies on miscellaneous items. Singlemen spend relatively less on food and ~~and~~ clothing and more on house rent and miscellaneous items than the families but the average expenditure per consumption unit in a family. Thus, while in the family the average expenditure on food per adult consumption unit is 12 rupees 4 annas and 9 pies per month, in the case of singlemen it is nearly twice as high being 24 rupees 6 annas and 8 pies per month. The above facts are, ~~on~~ doubt, illustrative of the maintenance of a higher standard of living by singlemen than by families.

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by singlemen is
much greater than
the average expenditure

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CHAPTER 6. GENERAL RIGHTS OF WORKERS.

INDIA - JULY 1954.

66. Strike and Lockout Rights.

Coal Industry declared a Public Utility Service.

In exercise of the powers conferred under the Industrial Disputes Act, 1947, and by a notification dated 2 July 1954, the Central Government has declared the coal industry so far as it is concerned with the production and supply of coal and coke to be a public utility service for the purposes of the Act for a period of six months from 14 July 1954.

(Notification No. SRO 2314 dated 2 July 1954;
the Gazette of India, Part II, Section 3,
10 July 1954, pp. 1744-1745).

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67. Conciliation and Arbitration.

India - July 1954.

Industrial Disputes in Manganese Mines referred to
Industrial Tribunal for Adjudication.

By a notification dated 7 June 1954 the Central Government has referred to the Industrial Tribunal at Dhanbad an industrial dispute between the employees of 243 manganese mines and their workmen. The matters in dispute relate to wages and allowances, sick pay, welfare measures and the extent to which they should be undertaken by the employers, bonus and provident fund.

(Notification No. SRO 1942 dated 7 June 1954; the Gazette of India, Part II, Section 3, 12 June 1954, pp. 1493-1501).

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68. Labour Courts.

India - July 1954.

Interpretation of the Term "Industrial Dispute":
Differing Views of Judges.

Differing judgments were delivered on 12 July 1954 by Chief Justice Malik and Mr. Justice Guptu of the Allahabad High Court, in a special appeal from the judgment of Mr. Justice V. Bhargava in a writ petition arising out of the dismissal of a workman and the case was referred to a third judge for his opinion.

The point in respect of which there was difference of opinion was whether an individual dispute, relating to the ~~dismissal~~ dismissal of a single workman, whose cause had not been supported by his co-workers, could be an industrial dispute, which could be referred by the Government to an industrial tribunal.

Appellants in the case were the Newspapers Limited, Allahabad. A lino-operator in its employment was dismissed in May 1952 for habitual negligence, in accordance with the standing orders of the company. A representation as regards the propriety of his dismissal was made to the Government by the U.P. Working Journalists' Union, Lucknow, through Mr. R.K. Sharma, president. The State Industrial Tribunal, the Labour Appellate Tribunal and a single judge of High Court decided in favour of the workman.

Chief Justices opinion.- The Chief Justice said he wanted to make it clear that though normally an industrial dispute connected the idea of a dispute of a general nature between the workmen and the employers, there was nothing in the definition to exclude a dispute between a single workman and a single employer being called an 'industrial dispute'.

His lordship said that though the scheme of the Central Act and the U.P. Act, as also notifications, etc. issued in this connection, went to show that the labour laws were enacted for the purpose of promoting industrial peace and better efficiency and were, therefore, enacted for the purpose of promoting the welfare of the workman as a whole, there was nothing in the definition to exclude the case of a dispute relating to the employment or non-employment of an individual workman from being called an 'industrial dispute'.

His lordship said that the case of the workman was taken up by the U.P. Working Journalists' Union, Lucknow. If the Government was satisfied that it was necessary to refer the case to an industrial tribunal, there did not seem to be anything in the Act or the notifications which would restrict the power of the Government to refer an industrial dispute for decision only when the dispute

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had been taken up by the co-workers of the workman in the particular industrial union. His lordship, therefore, dismissed the appeal.

Justice Gurtu's view.- Mr. Justice Gurtu, allowing the appeal said the definition clearly brought out the collective nature of an 'industrial dispute'. Pure individual disputes which had no collective bearing, could not be properly referred to an industrial tribunal. Such disputes must be adjudicated ~~only~~ upon by civil courts. Unless legislation clearly warranted it, it was not advisable to deprive the civil courts of their jurisdiction and to encourage the growth of the jurisdiction ~~for~~ of what were after all 'quasi-administrative tribunals'.

Moreover, the sponsoring of collective disputes should be by those who were likely to be intimately affected by the dispute. The U.P. Working Journalists' Union was in Lucknow, of which the employees of the Newspapers Limited were not members. It was even doubtful, having regard to the true meaning of a 'journalist' whether a journalists' association had any real identity of interest with the workmen employed by a press and concerned only with printing a newspaper, as contradistinct to publishing the same.

Holding that there had been a clear usurpation of jurisdiction in this case, his lordship set aside the order of the single judge.

(The Hindustan Times, 14 July 1954).

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CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN
CATEGORIES OF WORKERS.

INDIA - JULY 1954.

71. Employees and Salaried Intellectual Workers.

Press Commission Recommends Legislation for
Minimum Wage and Benefits: Trade Unionism
among Working Journalists favoured.

Constitution of an all-India press council by statute which is to be charged with the task of safeguarding the freedom of the press and helping the press maintain its independence, legislation for securing minimum benefits to working journalists and application of the industrial disputes legislation to them, formulation of a code of ethics for journalists, appointment of a press registrar, constitution of the Press Trust of India into public corporation, and establishment of a state trading corporation to deal with the newsprint supply are some of the principal recommendations of the Press Commission, a preliminary summary of whose report was released by the Government of India on 17 July 1954.

The Commission's recommendations cover the entire field of the Indian Press and the working of the newspaper industry. It was appointed by the Union Government in October 1952 under the chairmanship of Mr. Justice Rajadhyaksha.

While publishing the preliminary summary, the Government has made it clear that it is intended merely for public information and is not to be used for forming judgments upon the recommendations until the full text of the report is available.

The following is a summary of the report.

Structure of industry.- The Commission has given a detailed description of the structure of the industry in its various aspects.

The daily Press in India comprises more than 330 newspapers with a total circulation of nearly 250,000. The capital invested in the newspaper industry is estimated at about 70 million rupees and the capital raised in the form of loans is about 50 million rupees. The annual revenue of the daily Press is about 110 million rupees of which 50 million rupees come from advertisements. The salaries and wages paid in the industry is over 40 million rupees, of which about 8.5 million rupees go to journalists.

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More than half of circulation of the papers is, however, concentrated in the major towns and ~~capital~~ capitals of States and the penetration into rural areas is very small. Even the production of newspapers is primarily confined to the metropolitan towns and major cities. The Commission feels that the number of newspapers in the country should be greatly increased and that more newspapers should come up in the district towns.

The Commission recommends that the publication of newspapers and periodicals should be made a Central responsibility by suitable amendment of the Industries (Development and Regulation) Act of 1951. This has to be followed by the enactment of legislation to regulate the industry, which would empower laying down of a price/page schedule from time to time. In order to ensure that the schedule is not circumvented by indirect means of price-cutting, the commission recommends that provisions should be made for (a) narrowing down the range of commission that should be paid to news agents, say, between 25 per cent and 33-1/3 per cent; (b) banning the publication of entry forms for prize competitions in newspapers and periodicals, which is considered an unjournalistic activity; (c) limiting free distribution of copies to a reasonable number of copies and period; (d) prescribing standard terms in respect of returns of unsold copies; and (e) setting a maximum limit to expenditure incurred on the freight charges on copies, where such charges exceed 15 per cent of the net value, the excess should be recovered from the agent or as a surcharge from the subscribers.

The Commission recommends that, wherever possible, every paper should be consulted as a separate unit so that its profits and losses are definitely ascertainable and both the proprietor and the employees know where they stand.

Working conditions.- Dealing at length with the conditions of working journalists, the Commission suggests a minimum basic wage of 125 rupees with 25 rupees as dearness allowance in class III centres consisting of towns with a population less than 100,000, 50 rupees dearness allowance in class II centres and 50 rupees dearness allowance and 25 rupees city allowance in Class I 'B' centres having a population of over 700,000 and 50 rupees dearness allowance and 50 rupees city allowance in Bombay, Calcutta, Madras and Delhi.

If there is a substantial rise in the cost of living, the dearness allowance should be increased to the approximate extent.

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These minima should be applicable to all working journalists, whether graduates or holders of equivalent qualifications, including university diplomas in journalism, or to those who have put in five years of service, including the period of apprenticeship, in one or more newspapers.

Social security benefit.- The Commission points out that a scheme which combines provision for a provident fund and a gratuity is best way of providing retirement benefits. The employee should contribute 1/12th of his emoluments and the employer should contribute an equal amount towards a provident fund created under the Employees' Provident Fund Act, 1952. The amount thus accumulated for a period of three years should be utilised for purchasing a single premium policy of life assurance which would ensure some provision for the employee's family in the case of his sudden death.

On the termination of service by retirement or for any reason other than misconduct, gratuity should be paid on the basis of 15 days' pay for every year of service, or part thereof in excess of six months, calculated on the average emoluments during the last year of service.

The gross profits of a newspaper should be ascertained in the normal way. After making provision for payment of taxes, for depreciation at the rates allowable under the Income Tax Act and after a return on the invested capital at the rate of four per cent or half per cent more than the bank rate, whichever is higher, the balance should be divided into three equal parts, one of which should be available for payment of bonus. An equal amount should be reserved for ploughing back into the industry and as a provision for meeting future losses. The balance should be available for distribution to shareholders.

Holidays and leave.- The Commission suggests that the total number of holidays for newspapers should not exceed ten in number, to be distributed according to local requirements. Journalists must have casual leave, in addition, for 15 days in a year and earned leave for one month for every 11 months of service. Further, they should be entitled to sick leave at the rate of 20 days per every year of completed service, on half salary, with option to convert it into half the period on full salary.

Legislation.- The Commission stresses, that the provision regarding notice period, bonus, minimum wages, leave, provident fund and gratuity should be embodied in the legislation proposed by the Commission for the regulation of the newspaper industry. These recommendations should apply to employees of daily, bi-weekly and tri-weekly newspapers and also to employees of news agencies in the first instance. They may be extended by the Government to cover other categories of periodical publications run on commercial lines.

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There should be no disparity in respect of minimum wage between employees of English newspapers and those of Indian language papers. Other matters such as classification of employees, hours of work, shift working, suspension or dismissal for misconduct, are to be dealt with under standing orders when the new legislation governing industrial relations comes into force.

The Commission also discuss the qualifications required of a journalist, academic training and apprenticeship, methods of recruitment and promotion.

Trade unionism.- The Commission appreciates the point of view that journalism is a creative art and journalists should organise themselves in autonomous professional bodies charged with the duty of maintaining high standards of the profession, but it sees no valid ground in it for opposing trade unionism. In order to bring about a betterment in the existing conditions, working journalists may find it necessary to organise themselves as trade unions under the Indian Trade Union Act of 1926, and the Commission see no reason why such organisations should interfere with journalistic efficiency. Such unions should, however, keep themselves aloof from any political bodies or movements in the country. In view of the number of people who sincerely believe in keeping out of trade unionism on the score of the special characteristics of the profession, any attempt at a "closed shop" should be opposed. Although the Commission looks with favour on journalists organising themselves as a trade union, it does not see why the two kinds of organisations should not exist side by side.

The Commission recommended that the definition of the word 'employee' in the proposed legislation should be wide enough to include within its purview working journalists as well as employees on the managerial side or alternatively a provision may be inserted in the proposed Newspapers and Periodicals Act making the new industrial relations legislation applicable to newspaper employees.

Other recommendations.- Other recommendations of the Committee deal with ownership and control of newspapers, supply of newsprint, responsibility and status of editors, professional ethics and press laws.

(The Statesman, 26 July 1954).

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74. Indigenous Labour.

India - July 1954.

Hyderabad Habitual Offenders (Restriction and Settlement)
Act, 1954 (No. XXII of 1954).

The Government of Hyderabad published on 25 June 1954 the text of the Hyderabad Habitual Offenders (Restriction and Settlement) Act, 1954, which received the assent of the President on 22 June 1954. The Act makes provision for restricting the movements of habitual offenders in the State of Hyderabad, for requiring them to report themselves and for placing them in industrial, agricultural or reformatory settlements to be established for the purposes of the Act. The Act provides penalties for breach of rules made under the Act and enhanced punishment for certain offences by persons against whom order of restriction or order of settlement has been made.

(Hyderabad Government Gazette, Extraordinary,
No. 117, 25 June 1954, pp. 459-476).

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CHAPTER 8. MANPOWER PROBLEMS.

INDIA - JULY 1954.

81. Employment Situation.

Employment Exchanges: Working during May 1954.

According to the review of work done by the Directorate General of Resettlement and Employment for the month of May 1954 there was little or no change in the employment situation in general in the country. A few more vacancies were, however, notified and some more placings affected as compared with the month of April. There were no indications that future trends would be more favourable.

Shortage of stenographers, trained teachers, draughtsmen, overseers and surveyors continued to be widespread as in earlier months. The position regarding doctors, nurses, compounders and midwives also did not show any signs of improvement. A large number of exchanges reported shortages of turners and electricians. Surplus of applicants for clerical jobs, unskilled office workers, untrained teachers, carpenters and unskilled labourers continued unabated. Surplus of motor drivers and seepers was also prevalent on a fairly large scale.

Registrations and placings.- The following table shows the registrations for employment and placings during May 1954 as compared to April 1954:

		<u>May</u> <u>1954</u>	<u>April</u> <u>1954</u>
Registrations	----	112,113	111,311
Placings	----	14,384	12,965

Registrations recorded an overall increase of 802 over the previous month's figure. A marked increase was recorded by the employment exchanges in the Punjab (3,001) and Delhi (1,025) States. Employment exchanges in Uttar Pradesh and Bihar, on the other hand, showed a fall of 2,671 and 2,290 respectively as compared to the previous month's figures. Of the total placings effected 3,659 were with private employers and 10,725 in Central and State Government establishments. The increase in placings is mostly accounted for by the exchanges in Travancore-Cochin (369), Bombay (315) and Delhi (300) States.

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Placings by wage groups.- The table below shows the number of placings by wage groups during May 1954:

<u>Wage Groups</u>		<u>Number placed</u>
101 rupees and above	---	1,559
61 rupees to 100 rupees	---	6,620
30 rupees to 60 rupees	---	5,740
Below 30 rupees	---	465

Vacancies notified and submissions.- The number of employers who used the exchanges during the month was 4,851 as against 4,596 during the previous month. The number of vacancies notified by them was 22,633 as against 18,706 during April, 1954, i.e., an increase of 3,927. Of the vacancies notified 16,055 were under Central and State Governments and 6,578 under private establishments. Of the total increase in the number of vacancies 2,775 were in the Government sector and 1,152 in the private sector.

The number of persons submitted to employment during May 1954 was 74,287 as against 67,636 during the previous month.

Register of unemployed.- The number of persons seeking employment assistance through the exchanges on the last day of May 1954, was 532,925 which was 6,635 more than the corresponding figure as at the end of April, 1954. Of those on the live register 2,361 were known to be employed persons who desired further employment assistance.

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

<u>Occupation</u>		<u>Number on live register as on 31 May 1954</u>
Industrial supervisors	---	4,887
Skilled and semi-skilled	---	49,299
Clerical	---	152,179
Educational	---	15,327
Domestic service	---	18,316
Unskilled	---	258,412
Others	---	34,505
Total	---	<u>532,925</u>

Employment position of special type of applicants.- The employment position in respect of certain special types of applicants during May 1954 is shown in the table given below:

Category	Total No. of registrations	Total No. of placements	No. on the live register
1. Displaced persons.	8,691	884	46,775
2. Ex-servicemen	6,288	1,306	26,979
3. Scheduled caste	11,818	2,287	47,707
4. Scheduled tribe applicants	1,274	153	3,992
5. Surplus and discharged Government employees.	2,014	1,021	10,136
6. Highly qualified applicants	722	92	4,803
7. Women	4,834	816	19,880

Educated applicants. - During the quarter January - March 1954, 71,937 matriculates and graduates registered with the employment exchanges as against 76,916 during the previous quarter. Of these registered 63,866 were matriculates (including 7,383 who passed the intermediate examination but did not obtain a degree) and 8,071 were graduates. Of 8,071 graduates registered 416 had degrees in Engineering, 138 in medicine and 7,516 in other subjects. During the same period employment exchanges placed 7,753 matriculates (including 1,025 intermediate passed persons) and 1,558 graduates of whom 198 were engineers and 11 were medical persons. There were 157,446 such applicants on the live registers of the employment exchanges seeking employment assistance at the end of ~~the~~ March 1954, as against 163,176 at the end of December 1953, and 117,986 at the end of March 1953. Of these on the live registers 138,798 were matriculates (including 16,456 intermediate passed persons) and 18,648 were graduates. Of the graduates 739 had degrees in engineering and 222 in medicine. Employment exchanges in Uttar Pradesh had the largest number (25,718) of educated persons on their live registers. The exchanges in the States of Bombay, West Bengal and Madras had 24,246, 22,395 and 21,431 respectively on their live registers at the end of the quarter under review. Of the total number of educated persons on the live register 6,576 were women of whom 5,705 were matriculates and 871 were graduates.

Special investigation: Vacancies notified to and filled by employment exchanges during 1953.

During the year 1953, the employment exchanges registered 256,703 vacancies notified to them by different employers. Of them 244,404 were for men applicants and 12,299 for women applicants. A total of 185,443 of these vacancies were filled during the year - 173,686 by men and 11,757 by women.

The occupational classification of the vacancies notified and filled was as below:-

Occupational category		Vacancies notified	Vacancies filled	Percentage of vacancies filled
Technical	--	46,940	29,121	62.0
Clerical	--	32,598	24,069	73.8
Educational	--	8,949	4,813	53.8
Domestic Service	--	17,524	11,256	64.3
Unskilled	--	126,312	101,419	80.3
Others	--	24,380	14,765	60.5
Total	--	256,703	185,443	72.2

So far as women applicants are concerned, of 12,299 vacancies notified for them 6,903 (56.12 percent) were in purely unskilled categories. Of the remaining 5,396 vacancies, as many as 4,042 vacancies were accounted for by telephone operators (430), nurses (289), midwives (546), hospital servants (357), high, middle, elementary and kindergarten school teachers (1,064), clerks (392), typists (246), stenographers (222) and ayahs (496). Similarly of 11,756 vacancies filled by women applicants 7,718 (65.65 per cent) were in the purely unskilled categories. Of the remaining 4,039 vacancies, 2,473 vacancies were accounted for by the same trades as have been mentioned above. The balance of 1,566 vacancies filled were in various other occupations. It may also be mentioned in this connection that out of 11,757 vacancies which were filled by women applicants only 9,136 were out of these specifically notified for women. In other words, 2,621 out of a total of 11,757 or nearly 22.6 per cent of the women applicants provided with employment were placed in vacancies which were open to both men and women applicants.

(Review of work done by the Directorate General of Resettlement and Employment for the Month of May 1954; Ministry of Labour, Government of India).

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Aid in Securing Employment: Hyderabad College
Experiment.

A unique scheme called the "Employment Assistance Scheme" with a view to enabling every student who graduates from the college to secure employment or to start business with the active assistance of the college has been introduced in the Badruka College of Commerce, Hyderabad.

An "Employment Fund" constituted by the College will meet any expenses incurred in the process of finding out a job for a student. Auxiliary to this scheme is the Professional Service Department, which enables the students of the B.Com. classes to secure part-time jobs. The College has a "Savings Bank", operated by cheques. Besides, it runs a canteen, free for poor students. The authorities intend introducing a Health Insurance Scheme.

(The Hindu, 3 July 1954).

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83. Vocational Training.

India - July 1954.

Labour Ministry's Training Schemes: Progress during May 1954.

According to the review of work done by the Directorate General of Resettlement and Employment for the month of May 1954, the number of trainees on the rolls of various training institutes and centres on 31 May 1954, was 1,722. There were 129 trainees in the technical trades and the remaining in the vocational trades.

Training of displaced persons.- The total number of displaced trainees on the rolls, at the end of May 1954 was 674; of them 376 were in technical trades. The remaining were undergoing training in vocational trades.

Apprenticeship training for displaced persons.- Six hundred twentyfive 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 number of 360 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 55 women at industrial training institute, Almora, 4 women at industrial training centre, Poori Cottage industry, Cuttack and 15 women at industrial training institute, Kakinada were undergoing training along with the men.

Training of supervisors and instructors.- Out of 165 supervisors and instructors, who appeared in the examination held for the 12th session, 139 were declared successful including 3 supervisors and instructors who passed with credit. In the 13th session which commenced from the 15th May 1954, 107 instructors and supervisors were receiving training at the end of the month under report.

(Review of Work done by the Directorate General of Resettlement and Employment during the Month of May 1954, issued by the Ministry of Labour, Government of India).

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85. Migration and Colonisation.

India - July 1954.

Report on the Working of the Indian Emigration Act (No. VII of 1922) for the Year 1952.

Scope.- Emigration under the Indian Emigration Act of 1922 means departure by sea (i) under an agreement to work for hire or (ii) if assisted by someone other than a relative, with the intention to work for hire or for engaging in agriculture. Such "work" under the Act, means "skilled" or "unskilled work". 'Skilled' work has been defined as engaging as an artisan, clerk, shop assistant, artist, domestic servant, waiter, butler, etc. or any other work which may be notified as skilled work by the Government of India. "Unskilled work" is work, which is in point of fact unskilled, and includes agriculture.

The Act seeks to control and regulate such emigration with a view to safeguarding the interests of emigrants and protecting them from exploitation.

Emigration for skilled work.- Emigration for engaging in skilled work was permitted throughout the year in accordance with the usual procedure, which includes (1) the execution of an Agreement between the employer and the worker, stating the term and conditions of employment, (2) registration of the contract in the Protector's Office, and (3) deposit of a security by the employer for the due observance of the terms of agreement.

There was a substantial increase in emigration for skilled work. As against 7,925 workers in 1951, 11,302 workers emigrated in 1952. This increase was noticeable particularly in emigration to Malaya for which the figures rose from 4,327 in 1951 to 7,570 in 1952. This is attributable particularly to the apprehensions regarding possibility of imposition of restrictions on fresh immigration into Malaya. (The restrictions were ultimately imposed in 1953).

Recruitment for Oil Companies.- A new agreement form for the recruitment of clerical and supervisory personnel by the Kuwait Oil Company was introduced with effect from 1 January 1952. It was considered to be good enough for being adopted by other oil companies and negotiations were accordingly started with the Bahrain Petroleum and other companies. The question of drawing up an agreement form for the recruitment of artisans, domestic servants, etc., was also taken up.

A request was received from the Sarawak Oilfields Ltd. (North Borneo) for the recruitment of skilled workers from India. The draft agreement form proposed by the Oilfields was considered unsatisfactory in several respects and owing to certain irreconcilable differences,
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it could not be approved. As an interim measure, they were permitted to recruit the ex-employees of the ~~the~~ late Anglo Iranian Oil Company on the Agreement form approved for the Kuwait Oil Company with certain modifications necessitated by the different local conditions in North Borneo. The question of drawing up an agreement form for recruitment by the Sarawak Oilfields, in general, was under negotiations ~~xxx~~ when the year closed.

Permission was also granted for the recruitment of about 600 workers for the Aden Refinery Project on the Agreement form approved for the Kuwait Oil Company. The number of Indians recruited by the Oil companies during the year was 1,623 in the Persian Gulf and 85 in the Sarawak oilfields.

Recruitment by the Government of Burma.- An important feature during the year was the recruitment of a substantial number of technical personnel by the Government of Burma. In response to a request made by the Prime Minister of Burma to the Prime Minister of India, the Government of India agreed to spare the services of Indian doctors for employment in Burma. A Burmese Mission visited India and selected the candidates with the co-operation and assistance of the State Governments. Other classes of technical personnel required by the Government of Burma were dentists, survey staff, engineers, lecturers and college professors. Recruitment was permitted in these cases also.

The number of such skilled persons who emigrated from India to Burma during the year was 371.

Emigration to countries in Africa.- The number of persons who emigrated to the various African countries from India during 1952 was 922. The figure for the Union of South Africa was nil as the Immigration Regulations of that country prohibit the entry of Asians (not already domiciled there) for employment.

Emigration to Aden.- According to the Immigration Regulations of Aden, workers wishing to enter that colony should make a deposit of 500 rupees with the local immigration authorities as security for repatriation at their own cost. The Government of Aden acceded to a request made by the Government of India that in cases where equivalent deposits had been made with the Protectors of Emigrants in India, such deposits should not be asked for again on arrival in Aden.

The number of Indians who emigrated to Aden during the year was 181.

Emigration to Malaya.- Emigration to Malaya takes place mostly from Madras and a considerable number of the workers recruited are clerks and shop assistants.

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Suggestions were submitted by some employers in Malaya that, as a safeguard against the employees' terminating their contracts of service in order to secure better terms under another employer, the employees should, on such termination, be forcibly repatriated to India. The Government of India could not agree to such a proposition as it was held that it was for the employers not to take undue advantage of cheaper manpower available in India but to offer the Indian employees adequate salary and other terms, consistent with the prevailing wage-rates in the country of employment, so that the employees may remain satisfied with their original employers. Otherwise, the employees should be free to terminate their contract by giving one month's notice, as provided for in the contracts. It was also decided that the terms of recruitment of workers from India should invariably contain a provision for the repatriation of the employee by the employer, if the former wishes to return to India, whatever the circumstances of the termination of the contract.

The total number of persons who emigrated to Malaya from India during the year was 7,621.

Minor and Female 'skilled' workers.- To safeguard the interests of minor and female workers emigrating, without being accompanied by a parent or guardian, instructions were issued to the Protectors that permissions for emigration should be granted only if, on an examination of such a worker, they were satisfied that he/she can take care of himself/herself in the country of employment; and further, that in the case of minors, written consent of the parent or guardian duly attested by a stipendiary magistrate, should be obtained in advance, and the contracts for employment should be executed between the employer and the parent or guardian of the minor worker (and not the minor himself).

Emigration for 'unskilled' work.- Emigration for "unskilled" work is unlawful under the Act, unless permitted through a Gazette Notification by the Central Government, with the prior approval of the Parliament. No such notification was in force when the year commenced nor was any issued during the year. A proposal was, however, received by the Government of India in October 1951 from the Government of Borneo for permitting the emigration of (i) 100 agriculturist families, who would be allotted land for cultivation on their own account, and (ii) about 10,000 workers who besides their employment, would be allotted land for cultivation in their spare time and for eventual settlement thereon. Enquiries were, therefore, made about the details of the scheme - size of holding to be allotted, arrangements for equipment to be supplied to the settlers, etc. The Government of North Borneo appointed a Committee to look into the matter and the recommendations of the Committee were referred to the Government of India with an enquiry as to the extent to which initial expenditure could reasonably be treated as recoverable from the settlers.

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The proposal was then examined by the External Affairs Ministry in consultation with the authorities who have had experience of colonisation Schemes in India. Ultimately, approval in principle of the Government of India to the proposal was conveyed to the Government of North Borneo with a suggestion that a delegation from India will be sent to study the prospects for the settlers on the spot before emigration actually took place. The Scheme received wide publicity in the Indian press and aroused considerable interest. The proposal was however, subsequently withdrawn by the Government of North Borneo.

During the year reports were received that some "unskilled" workers, not knowing the actual position, were trying to obtain passports and proceeding to the ports for embarkation for going to North Borneo. Since, under the emigration regulations, they could not be permitted to emigrate, instructions were issued to the Passport Issuing Authorities not to issue passports to such persons in order to save them from unnecessary expenditure and inconvenience.

Some tentative enquiries were also received whether emigration of Indians for employment as agriculturists in the Argentine and Brazil could be permitted. It was explained that the matter could be considered on merits on receipt of concrete proposals. As a matter of policy, the Government of India would like to ensure that the emigrants would be granted equal political rights and that there would be no economic, political or social discrimination against them, before emigration can be permitted.

The number of unskilled emigrants repatriated to India (owing to old age, infirmity etc.) during the year was 317 from Ceylon, 955 from Malaya and nil from British Guiana, Fiji, Mauritius.

Emigration for unskilled work continued to be unlawful for all the countries, and, in respect of Ceylon and Burma, even departure for unskilled work continued to be prohibited. Such prohibition was extended to Malaya, with effect from the 1 October 1952. Exemption from this prohibition, however, were granted by general and special orders of Government of India.

As regards Ceylon, general orders for exemption for Indians settled in Ceylon, coming to India after 1 September 1942 continued to be in force. Special orders of exemption were granted by the Government of India in 1,190 cases, comprising children, wives or other dependants of Indians settled in Ceylon. The total number of unskilled persons who left for Ceylon was 58,662. The corresponding figure of arrivals was 61,028.

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Return of Workers settled in Ceylon/Malaya.-
"Unskilled" workers settled in Ceylon visiting India for short periods, continued to be permitted to return to Ceylon. Emigration for "unskilled" work to Malaya had been prohibited by a Notification issued by the Government of India, in 1938, under Section 13 of the Indian Emigration Act. Exemptions were, however, granted liberally in individual cases, where refusal of permission would have involved genuine hardship and separation from family, or loss of permanent service and forfeiture of pensionary benefits and gratuity in Malaya. With effect from the 1 October 1952, the previous Notification of 1938 was replaced by a Notification issued under Section 30-4 of the Indian Emigration Act. It prohibits even the mere departure (as distinct from "Emigration") to Malaya for "unskilled" work, but under this the Government of India have powers to issue orders granting general exemption to specified categories of workers.

Traffic to Malaya.- The one major problem that continued to engage the serious attention of Government throughout the year was traffic to Malaya. While during the last war as well as during the first few years after the cessation of hostilities, there had been a flow of Indians from Malaya to India, a trend in the reverse direction had commenced in 1951 and gained momentum in 1952. This tendency was accelerated by the information that the Governments of Malaya and Singapore intended to prohibit immigration into the country, except in regard to specified categories of persons.

This resulted in a very large number of persons calling at the Protectors' Office in the Madras State to obtain clearance under the Emigration Regulations for proceeding to Malaya. This reached unmanageable proportions and the offering of passengers far exceeded the available ~~and the available~~ shipping capacity. This resulted in many malpractices and attempts were made by brokers, touts and others to present to the emigration authorities "unskilled" workers as "skilled", and "skilled" workers as ordinary passengers. Adequate steps were taken by the authorities to check such practices and to protect the passengers.

Illicit emigration to Ceylon.- Another important question which continued to engage the serious attention of the Government of India was the problem of illicit emigration to Ceylon. Under a Notification dated 1 August 1939 issued by the Government of India under Section 30-A of the Indian Emigration Act, departure to Ceylon for engaging in "unskilled" work is prohibited. General exemption from this ban has been granted in favour of persons settled in Ceylon visiting India for short periods. Special exemptions are also granted to wives and children and other dependants of such persons.

However, to serve their own ends and make money, touts and boatmen paint rosy pictures about availability of gainful employment in Ceylon and induce the unwary to emigrate to Ceylon by evading the ban. Also, employers in Ceylon are tempted to secure cheap labour from India and Ceylonese touts play their part in this illegal recruitment. Illicit emigrants frequently include Indians settled in Ceylon but who, being unable to get necessary facilities and documents from the Ceylonese authorities for paying short visits to India are forced to have recourse to illicit means for returning to Ceylon after entering India.

Some of the important measures considered by the authorities to check this illicit traffic were: (1) registration of all vessels of 5 tons or more, (2) awarding of deterrent punishments to the offenders, (3) provision of additional police staff for preventing illicit emigration, (4) rewards to informers, (5) ~~press~~ propaganda and publicity to dissuade ignorant people from emigrating illicitly, etc. Additional funds were placed at the disposal of the Emigration Officers for intensifying action against this illicit traffic. A total of 795 persons were arrested during the year and prosecutions were launched against them.

Amendment to the Act.— The provisions of the Indian Emigration Act are applicable only to emigration by sea or by land if the destination is a country abroad. The question of extending their scope to cover emigration by air was considered and it was decided to continue to watch the situation and to take necessary measures if the figures of evasion of the provisions of the Act, through journeys by air, showed an appreciable increase. It was also decided to continue to hold the application of these provision to departures for Pakistan in abeyance till the traffic got stabilised.

(Report on the Working of the Indian Emigration Act (No.VII of 1922) for the Year 1952; Government of India, Ministry of External Affairs)

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86. Demographic Problems.

India - July 1954.

Speeding up Rehabilitation Work in West Bengal:
320 Million Rupees recommended for planned
Rehabilitation.

A programme of planned rehabilitation, early liquidation of transit camps, regularisation of squatters' colonies, reorganisation of urban and rural colonies, extension of educational and vocational training schemes and production centres and improvement in the administrative machinery, are some of the recommendations of the committee of the Central Minister for Finance and the Chief Minister of West Bengal, and Ministers of Rehabilitation of Refugees in the eastern zone. The committee has estimated in its unanimous report a provision for 320 million rupees (90 million rupees in the form of grants and 230 million rupees in the form of loans) in the next three years 1954-55, 1955-56 and 1956-57.

The report and findings of the committee will form the basis of all further rehabilitation work in the eastern zone.

The following are some of the important decisions made by the committee:

A fulltime under-secretary of the Ministry of Finance should be posted in Calcutta.

Proposals costing more than 500,000 rupees in respect of type schemes may be finalised by the committee of officers in Calcutta provided there is budget provision.

A statistical section should be set up in the Rehabilitation Directorate of the State Government.

"Follow up" inquiries should be made by local officers.

Activities of all nation-building departments in the task of rehabilitation should be co-ordinated.

A definite programme should be laid down for the disposal of camp population before March 1955.

No migration should be admitted to relief camps, but they should, as far as possible, be sent direct to work-site camps.

Cossipore and reliance transit camps should be closed.

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Production centres should be set up for women who have completed their training.

Children living in camps and homes should be given education in ordinary schools and also training.

Normally, agriculturists should not be given less than three acres per family.

In lands requiring intensive reclamation, additional maintenance grant at half rates may be given up to twelve months.

Where the cost of acquisition and development of agricultural land exceeds 300 rupees per acre, the excess may be treated as subsidy.

A land purchasing loan not exceeding 300 rupees per acre and reclamation loan at 50 rupees per acre may be advanced to agriculturists settled in private colonies.

Period of maintenance allowance to non-agriculturists in the rural areas should be estimated to three months. The ceiling of small trade loan in the rural areas should be raised to 750 rupees for families wanting to start cottage industries on co-operative basis.

Existing "problem" colonies should be re-adjusted in a planned manner and second phase of assistance given to deserters resettled in these colonies and also to persons who have stayed on.

Second set of loans should be ordinarily limited to 50 per cent of the existing ceiling to a family requiring re-adjustment.

Additional programme of direct construction of residential accommodation need not be undertaken. Further construction of aluminium hutments should be discontinued.

Some shopping centres may be constructed in towns.

No maintenance loan should be given to professional men who migrated before 1952.

Agriculturist families should be settled on lands brought under cultivation under various irrigation and reclamation schemes.

The scale of assistance to displaced students should be continued up to 1955-56 and thereafter the position reviewed.

Apprenticeship schemes should be intensified to the maximum extent.

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Two additional training-cum-production centres should be opened at Taherpur and in the Burdwan divisions.

Suitable marketing arrangements should be made of products of production centres by opening depots.

Discretionary grants may be continued up to the end of 1954-55. The amounts of such grant should be determined by the Union Minister in consultation with the Rehabilitation Minister of West Bengal.

In substance, an expenditure amounting to 320 million rupees has been estimated for the years 1954-55, 1955-56 and 1956-57.

(Amrita Bazar Patrika, 9 July 1954).

No change in Sex Ratio: 1951 Census Paper published.

According to the Census of India paper No.3 just released the males continued to form 51.4 per cent of the ~~population~~ population. There are small though perceptible change in the proportion of population in some age groups.

The Paper gives the population by age and sex in the country. Instead of compiling the age data for every person enumerated in the prescribed age groups, a systematic 10 per cent sample was tabulated this time for the individual ages returned in each State.

The tables given show the number of the enumerated males and females by a single year of age, the displaced population separately and the estimated population by single year of age after correction for biases.

Infants and children (0-4) formed 13.3 per cent of the population as against 13.6 per cent in 1941. Boys and girls (5-14) are 24.2 per cent as against 24.7 per cent in 1941. Elderly persons (55 and over) are 8.5 per cent as against 7.6 per cent in 1941. The proportion of young men and women (15-34) and the middle aged men and women (35-54) are practically the same as in 1941, being 34.3 per cent and 19.7 per cent respectively.

The six differentials showed little change. Males continued to be in excess in all these age groups. The percentages of the total population in the groups, which show marked disparity in the sex proportions were 12.4 per cent for boys against 11.8 per cent for ~~girls~~ girls, 17.6 per cent for young men against 16.7 per cent for young women and 10.4 per cent for middle-aged men against 9.3 per cent for middle-aged women.

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Actuary's report.- The paper also contains a study of the age data by the Census Actuary, Mr. S. P. Jain. The sample being large enough, it was possible to analyse the data and to correct them for systematic bias in accordance with the features shown. The phenomenon of preference for returning ages ending in certain digits has been observed in all the countries but in India the preference for returning ages ending in 0 and 5 is something peculiar.

The Actuarial Report for 1931 gives the Index of Concentration devised by the U.S. Census Bureau, which expressed the number returning age as a multiple of 5 in the age group 23-62 as a percentage of one-fifth of the total group population, as 120 for U.S.A., 116 for Canada, 106 for France, 102 for Germany, 101 for Sweden and 102 for England and Wales against an ideal value of 100. The results of 1951 Census show that this index for India was 247 for males and 258 for females.

In the vast rural areas in India in most cases age has to be guessed by the census enumerator, or some one in the family. Next to 0 and 5, there is a preference for returning ages ending in 2 and 8, but contrary to the position in the case of 0 and 5, the preference for 2 and 8 goes on diminishing with increase in age. Twelve is a heavily preferred age, eighteen also attracts in a large number but ages 22 and 28 are not returned in such excess and ages ending in 2 and 8 in the remaining sector come out in deficit. Ages ending in other digits are returned in deficit. The shortage is particularly heavy for ages ending in one and nine.

Thus, the enumerated figures by single year of age have little significance by themselves. They have some value only when taken in age groups. Considering the various requirements, quinquennial grouping seems desirable.

(The Hindustan Times, 7 July 1954).

Representation for Indians: Ceylon passes
Constitutional Amendment Bills.

During July 1954, the Ceylon House of Representatives passed three Constitutional Amendment Bills, designed to promote Parliamentary representation to registered citizens of Indian origin.

The first bill seeks to set up separate electoral constituencies for Indians and Pakistanis registered as Ceylonese citizens. The other two bills seek to: (a) fix the number of seats in the House at 105 including four seats to be reserved for registered citizens and placing these new citizens in a separate electorate in constituencies where their number exceeded 250; (b) to secure exemption for all measures affecting the new citizens from the clause of the Constitution laying down equality of treatment to all citizens.

Process of Ceylonisation.- Introducing the bills in the House, the Prime Minister, Sir John Kotelawala, said that the measures did not seek to impose any disability on any community. On the other hand it was intended to help assimilation of persons of Indian origin in Ceylon. He added: "This is a process of Ceylonisation. We have been unable to absorb these citizens so far. We must give them time to see how we live and what language we speak so that we may ultimately absorb them".

Opposition's criticism.- Opposition members were critical of the measures on the ground that it would perpetuate "the pernicious principle of communal electorate".

Mr. S.H.R.D. Bandaranaike, leader of the Sri Lanka Freedom Party, opposing the measure said that it would lead to further difficulties like demand for representation by religious interests. He advised the setting up of a multi-member constituencies wherever possible, thereby working in principle of territorial representation.

Mr. C. Suntheralingam (Independent) said that whereas the Government thought that it was granting the Indians a privilege in giving them special representation the very people who were to be "privileged" considered it a disability. He warned minority representatives that they would be committing suicide and political murder if they supported the motion.

Mr. S.P. Vaithilingam (Nominated), only member in the House representing Indian interest, said the measure was a compromise and should be accepted in the right spirit though it might not be satisfactory from every point of view.

(The Statesman, 6, 10 and 11 July 1954).

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CHAPTER 9. INCOME SECURITY.

INDIA - JULY 1954.

92. Legislation.

Draft Bombay Employees' State Insurance (Medical Benefit)
Rules, 1954.

scale The Government of Bombay published on 8 July 1954 the draft of Bombay Employees' State Insurance (Medical Benefit) Rules, 1954, proposed to be made under the Employees' State Insurance Act, 1948. The rules deal inter alia with provisions relating to medical benefit, ~~scale~~ of medical benefit, preparation of medical list of insurance medical practitioners, assignment of insured persons ~~to~~ to insurance medical practitioners, provisions of alternative arrangements where there is not an adequate number of insurance medical practitioners available within a reasonable distance, supply of drugs and dressings, constitution of medical service committee and procedure for investigation by the committee. The schedule to the rules contain the list of appliances to be supplied by the insurance medical practitioners and the list of special drugs and appliances. The draft rules will be considered by the Government after 15 July 1954.

(Bombay Government Gazette, Part IVA,
8 July 1954, pp. 262-277).

Bombay: Draft Terms of service for Insurance
Medical Practitioners.

The Government of Bombay published on 15 July 1954 the draft Terms of Service for Insurance Medical Practitioners which the Government proposes to lay down under the ~~Act, 1948~~ proviso to Section 58(1) of the Employees' State Insurance Act, 1948. The rules deal inter alia with the constitution of allocation committee, qualifications for admission to the medical list, range of service and duties of an insurance medical practitioner, revision of terms of service and remuneration of insurance medical practitioners. The rules will be taken into consideration by the Government after 22 July 1954.

(The Bombay Government Gazette, Part IVA,
15 July 1954, pp. 282-293).

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94. Application.

India - July 1954.

Employees' State Insurance Scheme extended to
Nagpur.

The Employees' State Insurance Scheme was extended on 11 July 1954 to Nagpur bringing within its fold about 25,000 employees. The Madhya Pradesh Chief Minister, Pandit R.S. Shukla, inaugurated the scheme at a function presided over by the Union Labour Minister, Mr.V.V.Giri, at the Town Hall.

The scheme has already been introduced in Delhi, Kanpur and seven industrial areas of Punjab covering 150,000 employees.

In Nagpur, five dispensaries with their own doctors, each of whom will look after roughly 2,000 persons, and two local offices to disburse cash benefits have been established.

With the enforcement of the scheme at Nagpur employers of factories in this area would be required to pay one and a quarter per cent of their total wage bill instead of three-fourths per cent hitherto towards the scheme.

While the scheme was being inaugurated, over 2,000 workers staged a demonstration in front of the Town Hall. The demonstration, sponsored by the United Mill Mazdoor Sangh and the Nagpur Girni Kamgar Union, was to press for reduction of workers' contribution towards the scheme and extension of medical benefits to the families of workers.

Mr. Giri told the workers that the memorandum, which a deputation of the United Mill Mazdoor Sangh had presented to him earlier in the afternoon, would be passed on to the Employees' State Insurance Corporation. He said he had discussed with the deputation their views and they would receive the attention of the Corporation and the Government.

The United Mill Mazdoor Sangh and the Nagpur Textile Workers Union, which organised the demonstration, are mainly led by the Praja-Socialist and communist groups, respectively. The I.N.T.U.C. unions have extended their full support to the scheme.

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The United Mill Mazdoor Sangh's memorandum to Mr. Giri contended that facilities provided under the scheme were "very meagre", taking into account the total contribution of the workers. It called for scaling down of the workers' contribution, extension of benefits to their families and making provision for sickness benefit as soon as the scheme came into operation.

(The Hindustan Times, 12 July 1954).

Punjab: Annual Report on the Working of the Workmen's Compensation Act, 1923, during 1952.

According to the review by the Government of Punjab on the annual report on the working of the Workmen's Compensation Act, 1923, in the State during the year 1952, there were 23 cases pending from the last year and 121 fresh cases were received during the year, making a total of 144 cases. Fresh cases received comprised of 47 fatal cases, 58 cases of permanent disablement and 16 cases of temporary disablement. Of the 144 cases, 116 were disposed of, leaving a balance of 28 as pending at the close of the year.

There were 73 cases relating to proceedings other than award of compensation and deposits, including 10 cases relating to disablement of women and persons under legal disability. Of these 65 cases were disposed of leaving a balance of 8 as pending by the end of the year.

There were 107 cases of agreement including 22 pending from the last year. Of these, 93 cases were disposed of leaving 14 (12 related to payment of compensation for permanent disablement, 1 for temporary disablement and 1 for commutation of half-monthly payments) as pending at the close of the year.

The total number of workmen to whom compensation was paid during the year, was 139, as against 141 in the preceding year. These cases related to -

(1) Fatal accident	--	50
(2) Permanent disablement	--	66
(3) Temporary disablement	--	23
Total	--	<u>139</u>

Three prosecutions under the Act were launched by the Commissioners for workmen's compensation as against 7, during the last year.

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The consolidated statement of accounts submitted by various factories covered by the provisions of the enactment, indicates that there were 851 accidents during the year under report of which, 59 were fatal, 96 resulted in permanent disablement and 696 in temporary disablement. Total amount of compensation paid in respect of these accidents amounted to 244,994 rupees 4 annas and 3 pies as against 210,780 rupees 13 annas and 6 pies during the preceding year. The amount of compensation paid for different categories of accidents was as under -

	Rs.	A.	P.
Ratal	--	135	
Fatal	----	135,736	0 0
Permanent disablement	----	84,154	4 3
Temporary disablement	----	25,103	12 0
Total	----	<u>244,994</u>	<u>0 3</u>

There was no case of death, permanent disablement or temporary disablement due to occupational diseases during the year under review.

(Supplement to Part II of the Punjab
Government Gazette, 2 July 1954,
pp. 67-68).

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CHAPTER 11. INDUSTRIAL SAFETY.

INDIA - JULY 1954.

111. Prevention of Accidents.

Indian Merchant Shipping (Carriage of Dangerous Goods)
Rules, 1954.

The Government of India published on 19 June 1954 the text of the Indian Merchant Shipping (Carriage of Dangerous Goods) Rules, 1954, made in exercise of the powers conferred under the Indian Merchant Shipping Act, 1923. The rules prohibit inter alia carriage of dangerous goods on board any ship unless certain requirements are fulfilled and the carriage of explosives and dangerous goods in passenger ships except certain explosives specified in the schedule to the rules.

(The Gazette of India, Part II, Section 3,
19 June 1954, pp. 1581-1587).

Assam Boiler Attendants' Rules, 1954.

The Government of Assam published on 14 July 1954 the Assam Boiler Attendants Rules, 1954, made in exercise of the powers conferred under the Indian Boilers Act, 1923. The rules require that the owner of a boiler shall not use it or permit it to be used unless it is placed under the direct and immediate charge of a person holding a certificate of competency. The rules also prescribe the conditions and mode of examination for the granting of such certificates.

(The Assam Gazette, Part IIA, 14 July 1954,
pp. 1498-1512).

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RECORD OF PRINCIPAL DECISIONS ON LABOUR AND
ALLIED SUBJECTS.

INDIA - JULY 1954.

CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

Joint Consultative Board of Industry and Labour.

At the first meeting of the reconstituted Joint Consultative Board of Industry and Labour it was agreed that:

(1) During the pendency of the proceedings as in other times, the employers may be permitted to take action according to the terms of the standing orders settled for the establishment in all matters not forming a part of the pending proceedings. The workers, however, may go to the authority if he feels aggrieved.

(2) In regard to matters which required invoking the extreme penalty of dismissal or discharge, the employers might take action in accordance with the standing orders provided a month's salary was paid to the dismissed or discharged workers, and an immediate application was made by the employer to the authority for its decision before which the dispute was pending.

(3) The authority concerned in deciding the reference made in (2) above shall see whether the action taken by the employer under the standing order was just and fair. In case it was found just, no further cause for complaint would remain but where the employer's action under the standing order was for reasons other than just, the authority deciding on the application should make an appropriate order. However, there should be no bar for making that action an independent dispute.

(4) All such applications, which go before the authority concerned, should be disposed of expeditiously, but in a period not later than two months from the date of reference. But this is a point which is not admissible for a legal provision. The Government would take appropriate administrative measures to give effect to it; and

(5) To avoid victimisation of the leading representatives of workers, it would be necessary to give protection to such workers as listed by the trade union in the proportion to the settled by mutual consent. Generally not more than one per cent of workers, shift and departmentwise should be so protected subject to a minimum of one per establishment.

In regard to the abolition of the Appellate Tribunal it was agreed that the adjudication machinery should be streamlined to enable a speedy and just disposal of cases. It should also be simplified with

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regard to its structure and functions, and should be strengthened at appropriate places both in quality and in number, so that the parties concerned might repose faith in the arbitral awards.

CHAPTER 3. ECONOMIC QUESTIONS.

All Controls on Rice removed.

On 8 July 1954 the Government of India announced that with effect from 10 July 1954 rice can ~~move~~ freely move from any part of the country any other.

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

INDIA - JULY 1954.

Chapter 7. Problems Peculiar to Certain Categories
of Workers.

Hyderabad Habitual Offenders (Restriction and
Settlement) Act, 1954 (XXII of 1954). (Hyderabad
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