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INTERNATIONAL LABOUR OFFICE
INDIA BRANCH on:

INTERNATIONAL LABOUR OFFICE
INDIA BRANCH

Industrial and Labour Development in September 1953.

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

<u>Contents.</u>	<u>Pages.</u>
<u>CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.</u>	
<u>11. Political Situation and Administrative Action:</u>	
Jammu and Kashmir: New Cabinet appointed.	1
<u>14. Conventions and Recommendations:</u>	
Factories (Amendment) Bill: Measure to implement I.L. Conventions Nos. 89 and 90.	2
<u>CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.</u>	
<u>27. Salaried Employees' Organisations:</u>	
Meeting of the Executive Committee of the Indian Federation of Working Journalists: Demand for Classification as Workmen.	3
<u>28. Employers' Organisations:</u>	
Silver Jubilee Conference of United Planters' Association of Southern India, Coonoor, 24-29 August 1953.	4-10
<u>CHAPTER 3. ECONOMIC QUESTIONS.</u>	
<u>33. Full Employment Policy:</u>	
(a) Action Against Unemployment: Five-Year Plan to be revised: Debate in Parliament.	11-16
(b) Accurate Data on Unemployment: Planning Commission to begin Special Enquiries.	16-18
(c) Increase in Private Sector Activity Clue to solving Unemployment: Dr. Matthai's Analysis of Problems.	18-22
(d) Travancore: Report of the Unemployment Enquiry Committee.	23-24
<u>34. Economic Planning, Control and Development:</u>	
(a) Stable Conditions in Indian Economy: Reserve Bank of India's Annual Report for 1952-1953.	25-31
(b) Optimism on the Food Front: Central Minister's Review of Situation.	31-32

<u>Contents.</u>	<u>Pages.</u>
34. <u>Economic Planning, Control and Development(Continued):-</u>	
(c) Commodity Controls Committee's Report: Permanent Control Legislation recommended.	33-34
(d) Raw Jute and Jute Goods Trade: Inquiry Commission appointed.	35
(e) The Companies Bill, 1953: Measure to consolidate and amend the Law relating to Companies.	35-38
(f) National Laboratories Scheme: Central Electronic Research Institute Opened at Pilzani.	38
36. <u>Wages:</u>	
(a) Assam: Minimum Rates of Wages fixed for Employment in Agriculture in Cachar.	39
(b) Madras: Industrial Tribunal's Decision fixing wages for Boatmen.	40-41
(c) Bombay: Draft Proposals fixing Minimum Rates of Wages for Employment in Agriculture.	42
38. <u>Housing:</u>	
Conference on Town and Country Planning in India, Hyderabad, 2-4 September 1953: Outlines of Draft Enactment suggested.	43-45
<u>CHAPTER 4. PROBLEMS PECULIAR TO CERTAIN BRANCHES OF THE NATIONAL ECONOMY.</u>	
41. <u>Agriculture:</u>	
(a) Restrictions on Free Access to Plantation Labour: Question in Parliament.	46
(b) Patiala and East Punjab States Union Abolition of Ala Malikiyat Rights Act, 1953(No.2 of 1953) and the Patiala and East Punjab States Union Occupancy Tenants (Vesting of Proprietary Rights) Act, 1953 (No.3 of 1953): New Tenancy Law for P.E.P.S.U.	47
(c) Rajasthan Holdings(Consolidation and Prevention of Fragmentation) Bill, 1953.	48
(d) Burma: Land Nationalisation Scheme: Compensation to be scaled down.	48-49
<u>CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.</u>	
50. <u>General:</u>	
(a) Factories(Amendment) Bill: Measures to implement ILO Conventions prohibiting Night Work for Women and Young Persons in Factories.	50-52

<u>Contents.</u>	<u>Pages.</u>
50. <u>General(Continued):-</u>	
(b) Factories Act, 1948: Non-Official Amending Bill withdrawn.	53
(c) Mysore: Census of Manufacturing Industries Rules, 1953.	54
53. <u>Women's Work:</u>	
Ceylon: Socio-Economic Characteristics of Women Factory Workers in the Colombo Suburbs.	55-60
55. <u>Protection of Minors:</u>	
(a) Need to reorient Secondary Education: Enquiry Commission's Report published: Importance of Technical Schools stressed.	61-63
(b) Complete overhaul of Secondary Education in U.P. suggested: Narendra Deva Committee Report.	63-66
<u>CHAPTER 6. GENERAL RIGHTS OF WORKERS.</u>	
64. <u>Wage Protection and Labour Clauses in Employment Contracts with the Public Authorities:</u>	
Mysore: Payment of Wages Act, 1936, to be extended to Motor Omnibus Service Employees.	67
66. <u>Strike and Lockout Rights:</u>	
(a) Lock-out at Burnpur lifted: Workers advised against slow-down tactics.	68
(b) Uttar Pradesh: Hosiery Industry declared a Public Utility Service.	68
(c) Madras: Sugar Industry declared a Public Utility Service.	69
68. <u>Labour Courts:</u>	
Wife's Dismissal for Husband's Fault held illegal: Appellate Tribunal's Ruling.	70

<u>Contents.</u>	<u>Pages.</u>
<u>CHAPTER 8. MANPOWER PROBLEMS.</u>	
<u>81. Employment Situation:</u>	
(a) Contract System in Railway Collieries to be abolished: Government decision announced.	71
(b) Employment Exchanges: Working during July 1953.	72-75
<u>83. Vocational Training:</u>	
Labour Ministry's Training Schemes: Progress during July 1953.	76
<u>85. Migration and Colonisation:</u>	
Colonisation in North Borneo: Offer to India withdrawn.	77
<u>CHAPTER 9. INCOME SECURITY.</u>	
<u>91. Pre-Legislation Measures:</u>	
Madras: Maternity and Child Welfare Workers' Conference 19-20 September 1953.	78-80
<u>92. Legislation:</u>	
(a) Employees' Provident Funds (Amendment) Bill, 1953.	81-82
(b) Punjab Maternity Benefit (Amendment) Bill, 1953.	82
<u>CHAPTER 10. SOCIAL AND INDUSTRIAL MEDICINE.</u>	
<u>105. Industrial Medicine:</u>	
Rajasthan: Silicosis to be declared Occupational Disease.	83
<u>LIST OF THE PRINCIPAL LAWS PROMULGATED DURING THE PERIOD COVERED BY THE REPORT FOR SEPTEMBER 1953.</u>	84
<u>BIBLIOGRAPHY - SEPTEMBER 1953.</u>	85

CHAPTER 1. INTERNATIONAL LABOUR ORGANISATIONS

INDIA - SEPTEMBER 1953.

11. Political Situation and Administrative Action.

Jammu and Kashmir: New Cabinet appointed.

On 9 August 1953, Sheikh Abdulla, Prime Minister of Kashmir was dismissed and, a new cabinet headed by Bakshi Ghulam Mohammad was sworn in. The new cabinet consists, besides Bakshi Ghulam Mohammad, of Mr. Mir Qasim, Revenue Minister, Mr. G.L. Dogra, Finance Minister and Mr. S.L. Saraf, Development Minister. The Prime Minister holds charge of the portfolio of labour organisation, among other matters.

(The Hindustan Times, 10 August 1953)
The Statesman, 10 September 1953).

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14. Conventions and Recommendations.

India - September 1953.

Factories (Amendment) Bill: Measure to
implement I.L. Conventions Nos.89 and 90

Mr. V.V. Giri, Labour Minister, Government of India, introduced in the Council of States on 3 September 1953, the Factories (Amendment) Bill, among other things, seeking to give effect to the International Labour Conventions No.89 concerning night work of women and No. 90 concerning night work of young persons in industry.

(For full details of Bill, please see pp. 50-52 of this report).

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CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

INDIA - SEPTEMBER 1953.

27. Salaried Employees' Organisations.

Meeting of the Executive Committee of the Indian Federation of Working Journalists: Demand for Classification as Workmen.

At a meeting held at New Delhi on 29 and 30 August 1953, the Executive Committee of the Indian Federation of Working Journalists adopted a resolution urging the Government of India to undertake immediate legislation for making it explicit that working journalists were workmen for the purposes of the Industrial Disputes Act, 1947. This demand was being made, the resolution explained, in view of the conflicting judicial opinions on the definitions of workmen in the Industrial Disputes Act.

(The Statesman, 31 August 1953).

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28. Employers' Organisations.

India - September 1953.

Silver Jubilee Conference of United Planters' Association of Southern India, Coonoor, 24-29 August 1953.

The Silver Jubilee Conference of the United Planters' Association of Southern India was held at Coonoor from 24 to 29 August 1953. Col. G.A.R. Spain, President of the Association, presided. The Governor of Madras inaugurated the session. The plenary session was followed by sectional meetings to discuss problems relating to the various sections of the plantations industry, like tea, coffee and rubber. A meeting of the Southern India and Madras Estate Labour Relations Organisations was also held to discuss labour problems in the plantation estates. The Association also organised an exhibition which was declared open by Dr. U. Krishna Rao, Minister for Industries and Labour, Government of Madras.

Presidential address: U.P.A.S.I. contribution to progress of South Indian plantations praised.- The necessity for preventing idealistic interests from completely overriding economic interests to the detriment of industries was stressed by Col. G.A.R. Spain in his presidential address. Col. Spain reviewed the position of the plantation industry and explained how the tea, coffee and rubber legislation of the Government would affect them. He repudiated the suggestion that the industry "is all big business" and said that they suffered from "the oppression of the taxing authority at lower levels".

Legislation affecting plantations.- Col. Spain referred to legislation which affected plantation labour and said that ~~the~~ such legislation was progressive and essential in a democracy and unless they wanted autocracy or communism it had got to be accepted and accepted with a smile. At the same time they should guide it so that idealism would not run away with economic development and smother it.

Attitude to labour.- Col. Spain said that they had duties towards labour which they were very well aware of nowadays. One of the greatest of those duties to his mind was to support legitimate trade ^{union} movement and to endeavour to educate it. The employers should realise that any trade union which hoped for support from its members must take up any case which had any substance whatever in it and do the best it could about it. Even when such cases seem petty and trivial and irritating to the employer concerned, he should make allowances for the Union. They should, in his opinion, not discourage such efforts provided they were bona fide and should go

to conciliation on them without any preconceived ideas, they should hear the case and meet it where they could in a compromise which would not blacken the face of the union. Flat refusals on either side to see the other point of view, or indeed in some cases even to listen to it, were the cause of many labour troubles which could otherwise be settled by negotiation.

Col. Spain emphasised that employers should fight against the attempt to introduce politics into union affairs. The Association claimed to be, and was, a non-political and non-racial organisation and they must see to it that in labour affairs they dealt with labour representatives on a purely non-political basis.

Exhibition opened.- Opening the exhibition organised by the Association, Dr. Krishna Rao, Minister for Industries and Labour, said that cordial relationship between capital and labour could exist and it was wrong to imagine that harmony between these two apparently opposite interests was not possible. He reminded plantation employers that a contented labour force was the greatest asset to any industry and also impressed upon labour ^{the need} to play its legitimate part in increasing production.

Coffee growers' problems: enquiry by Tariff Board urged.- Addressing the Coffee and Minor Products Section, Mr. W.W. Kilgour, Chairman, appealed to the Central Government to arrange for an immediate enquiry into the coffee industry and by the Tariff Commission, embracing the past history and the possibility of its future development as well as the present actual costs. Mr. Kilgour said that basically coffee growing was a small scale industry, because the areas under cultivation was overwhelmingly in the hands of small holders. Of a total of 34,000 growers in India represented by the Association, 33,000 had each only 25 acres or less, while those owning 200 acres or more were 300. The ~~highest~~ highlights of the progress during the last ten years under the beneficial Coffee Market Expansion Act of 1942 were 30 per cent increase in coffee acreage, 48 per cent increase in production, 67 per cent (figures up to 1950 only) increase in workers employed and about 100 per cent increase in Indian consumption. The central excise duty was first levied in 1944 and since then the Government's revenues had benefited to the extent of some 600 million rupees.

Further progress had been planned with the object of raising production still higher to a level where the demands of the Indian market would be more than fully met and where large surpluses would be left even for export every year.

The meeting adopted a resolution expressing "grave concern at the present policies by which the Government of India seeks to regulate coffee prices". It was of the opinion that the only proper method of reducing prices to the consumer was by encouraging production and by using the high premium obtained through exporting surplus coffee to subsidise internal prices and that the return to the grower secured by the recent level of coffee prices would not be found by any public enquiry to be in excess of the minimum return necessary to meet current costs of production. It was also stated that the hazards of agriculture and necessary stimulus to rehabilitation and expansion and the future existence of coffee industry in India and the welfare of the workers and their families, which it employed were even now in serious jeopardy and the matter was of grave and urgent public importance.

Development of tea market.- Mr. J.B. Soutar, Chairman, addressing the Tea Section said that, he saw no harm in the Government having potential powers of control over their activities over a wide range but what was important was that "the power should be used in a properly-informed and well-directed manner". Referring to marketing of tea in India, Mr. Soutar said that they had let their friends in coffee steal a tremendous march on them as far as popularisation of the sale of their products in India was concerned. The present position was that they were selling their teas in India at or below the cost of production and there was no doubt that if a large measure of self-restraint was not exercised by the bigger interests in throwing away tea of below a certain standard, tea would become a glut on the local market and very considerable losses would be sustained on account of all their local sales. He was no advocate of the policy of restriction which was at best a negative approach. The solution to their problem was to advertise their wares and here the Central Tea Board carried a heavy responsibility, which, with all respect he would submit, it was not fulfilling in South India. Transport ~~difficulties~~ difficulties made it impossible for them to sell their tea in North India. They felt that they should have a vigorous campaign of advertising to sell their own ~~product~~ product in their own territory.

In the absence of an expanding market, Mr. Soutar said, they had to take other action. As they were opposed to any scheme of quantitative restriction, they had asked their members to set themselves a certain standard of quality below which they would not sell tea in India. Their tea market in the South was on a precarious point of balance and his own conviction was that unless members gave their whole-hearted support to this scheme, they were going to incur heavy losses for the benefit of unscrupulous dealers who took the opportunity of using low quality tea for purposes of adulteration.

17

As far as their export markets were concerned, Mr. Soutar thought that most of them felt that they were entitled to feel a certain amount of cautious optimism. They did not want booms and they had sufficient experience of slump conditions last year. With labour charges forming a very high proportion of their production costs and with excise and export duties at a high level, they could not have afforded to carry on much longer, had the poor prices persisted. The Government was not prepared to help them even after a formal committee of enquiry had submitted its report. The attitude of the Government appeared to be that it was not prepared to do anything until it was proved ~~that~~ by companies going into liquidation that slump conditions did exist.

Problems of rubber industry.- Addressing the Rubber Section Mr. K. Srinivasan, Chairman, expressed the ~~xxxxx~~ view that legislation by itself, however, well-intentioned it might be could not get the "worn-out and exhausted estates re-planted into heavy-yielding modern rubber plantations".

Mr. Srinivasan said that the most significant of all their activities during the year was making the Government understand their difficulties in the proper perspective so that in any decision it took, the objective of the original Indian Rubber Bill would be fully realised. It was six years now since controls were instituted but he should say that they were still farther away from the objects for which the legislation was passed. In a country with a planned economy and a Five Year Plan, which by the way had not mentioned a word about the great planting industry, it was futile to press upon the Government the wisdom of decontrolling the plantation industry in general and the rubber industry in particular. The next best thing was to see how well the rubber production industry could be stabilised with an overall increased production per acre at a cheaper cost.

The present policy of the Government required to be radically changed. If the recommendation of bodies like the Indian Rubber Board to the Central Government for the export of 1,500 tons of raw rubber made as early as November 1952, had been accepted, perhaps a price very near to that which had been scheduled by the Government as the controlled price would have been available to all the producers. It was the intention at the time of the recommendation for export that by a small sacrifice by those who could afford it, some exports could be effected to keep the stocks in the country without reaching dangerous points of heavy accumulations. Unless a new orientation was given to the policy of governmental interference in rubber, the day would not be far distant when the accumulated stocks would turn out to be a perpetual recurring affair, he said. One thing appeared clear, Mr. Srinivasan said, and that was that there was no need for importing rubber. There were only two ways to get over the present difficulty. One was that the manufacturing industry should sufficiently expand to absorb the larger production of rubber which would be

achieved hereafter by the production industry; or the Government should set up the necessary machinery to stock whenever there was accumulation and release of the stocks or export to countries requiring rubber on a barter or any other form of trade agreement at a governmental level.

Estate labour relations.- Presiding over the Madras State Estate Labour Relations Organisation, Mr. C. F. Clark, Chairman, said that it would be most unwise to shut their eyes to the possibility of certain long-term disadvantages if they had different standards for various States. It was inevitable that different standards would always provide some labour unions with something on which to hang imaginary grievances. There was, therefore, need for very considerable caution before they proceeded too far along the path of ~~Statewise~~ Statewise autonomy and varying standards. There had been an ever increasing tendency on the part of the Union Government to encroach more and more upon the autonomy of State Governments by Central legislation and rules on current subjects. In no case was this tendency more pronounced than in the field of labour relations. Mr. Clark said that they should welcome this tendency towards standardisation, in that it would ~~be~~ at least help to ~~close~~ close some of the most fruitful openings for unjustifiable trade union agitation in estates. It seemed to him that the Government of India would be in a position to ensure that all State Governments would eventually fall into line with the Central Government's views on standardised law and practice regarding labour. Looked at from that point of view he felt that the need for their having a strong organisation was bound to increase rather than diminish. He hoped that the merger of UPASI, the ELRO (Estate Labour Relations Organisation) and the UPASI Labour Department would not be long delayed. It was only by consolidating these three bodies that the UPASI could hope to maintain the position it had held for so long.

Speaking about housing of labour on estates, Mr. Clark said that at the Tripartite Conference in 1950, it was approved that the estates should endeavour to put up quarters to house each individual family for a period of over 12 years. His estimate for the type of building necessary for estate worker was a minimum of 1,600 rupees for each quarter. According to figures available to him, 5,167 new quarters of an approved type had been erected since 1951, while 2,378 quarters had been renovated to come into line with the new plans. He did not think that this was a bad record. They could not supply housing for relatives of workers and hangers-on. Their liability should be restricted to actual workers and their children of non-working age. It might be that they would have to approach the Government for powers to eject summarily from estates' quarters persons who had no authority to reside there. They should also take note of the increasing birth rate on estates. He considered that a day would come when it would be impossible for estates to find employment for workers' families and there would then be more overcrowding.

Mr. Clark said, that there had been deliberate attempts, and in certain cases working of a 'go-slow' policy on the part of workers. It could not be said that labour had played its proper part in maintaining or increasing production. This state of affairs was due mainly to a want of wise union leadership and to a "tiny section of the labour forces which influenced and often intimidated the rest of the labour". Unions had done little to help matters. It was his hope that leaders drawn from workers having a proper appreciation of estate conditions and work and having the real interests of their labour in mind, would come forward at no distant date to guide ~~for~~ their workers' unions.

Criticising the present conciliation procedure, the Chairman expressed the view that a Conciliation Officer should meet each party separately and use his powers as a conciliator to try to reach a settlement which could be agreed upon by the parties to the dispute.

Southern India Estate Labour Relations Organisations.

Addressing the meeting of the Southern India Estate Labour Relations Organisations, Mr.C.F. Clark, acting President, pleaded for an effective code of control and regulation over labour and their trade unions in plantations and maintained that unless profits were made, there could be no advancement. Planters, he said, were willing to provide improved conditions of employment when this was practicable.

Speaking about labour relations, Mr. Clark said that his own view was that they should have to look more and more to a system of production bonuses or incentive payments in other spheres of work beside crop gathering. In this they should prefer the support of the trade unions and even if that was not forthcoming, if their proposals were fair to the average worker and ~~hand~~ beneficial to the good worker, then, they were entitled to ~~expect~~ the Governments or failing them, the tribunals to support them in their efforts. "It is my belief that until such time as there is a single union for staff, and one for labour, free from any political bias, and until affairs of these unions are conducted by our workers without the interference of outsiders, there can be little likelihood of any real co-operation between managements and unions".

As compared with ^{the} position ~~to~~ three years ago, except for Mysore, the Governments of all the remaining planting States in South India had been making an increasing resort to the Industrial Disputes Act in attempting to resolve disputes. To the minds of all laymen, it was unthinkable that Government should, on the one hand, create machinery for the fixation of minimum rates of wages for workmen employed in certain industries and in agriculture, and, at the same time refer disputes regarding wages to Industrial Tribunals for adjudication. There were, however, certain glaring defects in the Minimum Wages Act of 1948 which made such a situation possible; and the Secretariat of the Organisation was engaged in putting up representations to the Government.

Government of India in the matter. There was no gainsaying the fact that plantation industry was facing very difficult times ahead in the field of labour relations. In respect of Industrial Tribunal decisions, he said, even if these were assisted by assessors, there must be right of appeal to an Appellate Tribunal.

Referring to schemes for amalgamation of United Planters Association of Southern India, South India Estates Labour Relations Organisation and the Labour Department of the United Planters' Association of Southern India into a single organisation which would be called United Planters Association of Southern India, Mr. Clark said, that it had been obvious to all of them for a number of years that a strong and vigorous Central body was a necessity ~~to make the interests~~ if their interests were to be looked after, and weight given to any representations it might be necessary to make to the Central Government. Labour matters gained more and more importance each day in the deliberations of the United Planters' Association of Southern India, but these were, at present, the prerogative of Estate Labour Relations Organisation. A strong United Planters' Association of Southern India was essential to them all, and he thought that the time was overdue for the re-organisation to be put into effect.

Election of President. - Mr. A.V. Thomas, was elected President of the Association for the ensuing year.

(The Hindu, 26, 30 and 31 August, 1953).

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CHAPTER 3. ECONOMIC QUESTIONS.

INDIA - SEPTEMBER 1953.

33. Full Employment Policy.

Action Against Unemployment: Five-Year Plan
to be revised: Debate in Parliament.

An inconclusive debate on a resolution on unemployment situation in India moved by Mr. A.K. Gopalan, a Communist Member, was held by the House of the People on 4 September 1953. The resolution stated that "this House is of the opinion that immediate steps be taken to arrest the growth of unemployment in the country and to provide relief for the employed", Mr. C.D. Deshmukh, the Finance Minister, introduced on behalf of the Government, a substitute resolution stating: "This House is greatly concerned over the growing unemployment in the country and is of the opinion that, with a view to increasing employment opportunities in the country, the Government should take steps to revise the Five Year Plan suitably and to adopt immediately such measures as are necessary for the purpose".

Official review of situation.- Mr. B.R. Bhagat, Parliamentary Secretary to the Finance Minister, in a statement to the House giving the Government's assessment of the present unemployment problem in the country, said that un-employment had increased even while employment was increasing. This was because employment opportunities did not keep pace with the annual additions to the labour force as a result of the increase in population. "The present unemployment problem is more due to the insufficient rate of expansion than to the actual decline in employment", he said.

Mr. Bhagat said that viewing urban unemployment as a whole on the basis of available data, it would appear that the problem was most acute in respect of persons seeking clerical posts and among semi-skilled and unskilled labour.

The diminution in opportunities for these sections of the labour force had been largely in respect of posts carrying 60 rupees a month and less. The number of the educated unemployed did not in itself seem unmanageable, but the problem was serious when viewed in the light of recent trends in the output of matriculates and non-professional graduates.

There was evidence of diminution in employment opportunities among the higher levels of technical and managerial personnel. There was a fairly large number of unemployed at the lower level among skilled workers of certain categories. While employment had fallen in particular sections of industry, factory employment as a whole had not declined to any noticeable extent.

In the rural sector, he said, it was not possible with the available data to discuss trends but the problem there was mainly of an endemic character. That problem could not be technically called an unemployment problem and required another outlook altogether for a remedy. Basically, "our problem, viewed in the short-term aspect, is an urban problem".

Lack of statistics.- In spite of so much recent talk about the problem of unemployment, Mr. Bhagat said, the Government had no precise statistics to track down the problem accurately. The only statistics available were those provided by the employment exchanges and those mostly for the urban sector.

The Government was aware of this handicap and recently started collecting more comprehensive information. The National Sample Survey was undertaking an inquiry into the unemployment situation in Calcutta. The inquiry would begin soon. Data from about 4,000 households selected at random would be obtained. Field works would take about three months and the results of that inquiry would be available in another three months.

At present the Government had only the information given by the employment exchanges. An examination of the statistics collected through the live registers of employment exchanges showed that the number of persons registered had increased considerably between January 1952 and July 1953 - from 322,000 to 493,000 - but the number of vacancies notified and the number of placings had diminished steadily over the past year.

Vacancies notified on behalf of Government agencies had remained more or less steady and had, in some fields, even increased, but the vacancies notified by the private sector had fallen sharply. Taking the public and the private sectors together, the placings, which were on an average about 34,000 a month in 1952, had fallen now to nearly half that figure.

Urban unemployment.- The unemployment problem in the urban areas, insofar as one could judge from the statistics collected by the employment exchanges, had also certain occupational and regional characteristics. For instance, the decline in employment did not seem to have seriously affected highly skilled personnel, but the effect on personnel seeking clerical and white-collar jobs and on semi-skilled workers had been quite considerable.

In respect of semi-skilled and unskilled workers, the position had become more difficult over the past eight or nine months, but the situation in respect of white-collar employment had been worsening continuously for over a year.

Of the increase of about 45,000 in the number of applicants for clerical posts in the employment exchanges between January 1952 and May 1953, 14,000 had been in Madras, about 10,000 in U.P. and over 5,000 in each of regions of Bombay and West Bengal.

The pattern was somewhat different in the case of applicants for domestic service and other unskilled work; of the increase of nearly 115,000 in the number of such applicants on the live register of the employment exchanges between January 1952 and May 1953, the four States mentioned above account for less than a half.

In 1950, about 45,000 people were placed in employment by the exchanges in jobs carrying emoluments of 30 rupees a month and less; the number fell to about 44,000 in 1951 and to less than 16,000 in 1952, and in the first quarter of 1953 it was only about 2,300. In the category of posts carrying emoluments of 31 rupees to 60 rupees a month, the placings in 1950 amounted to 244,000; this went up to 305,000 in 1951 but fell sharply to 210,000 in 1952, and the placings in the first quarter of 1953 amounted to less than 30,000.

The picture was markedly different in respect of jobs carrying 61 rupees to 100 rupees a month. As compared to a little over 36,000 placings in 1950, there had been over 57,000 in 1951, 107,000 in 1952 and over 20,000 in the first quarter of 1953. A most not dissimilar trend was evident also in respect of posts carrying 100 rupees a month and more.

It might be inferred from all this that the problem of unemployment in the urban areas was one which had affected mainly educated persons seeking lower paid clerical posts and semi-skilled and unskilled labour. In magnitude, the problem was most serious in respect of unskilled labour. Of the total number of persons on the live register of employment exchanges, unskilled persons accounted for over 230,000 which was about half the total; in comparison the educated unemployed were fewer, even though the coverage of the exchanges in respect of this category was likely to be more complete than for unskilled labour.

In all, there were about 118,000 matriculates and graduates on the live register of the employment exchanges. Of these, nearly 80 per cent were matriculates and about 10 per cent were persons who had passed the Intermediate Examination.

These data indicated that while the problem of the educated unemployed was serious, unemployment among semi-skilled and unskilled labour had to receive at least equal importance in framing a programme to meet the

problem. Though the educated unemployed were not as many as semi-skilled and unskilled labour looking for employment, the problem they presented was serious.

Though the increase in unemployment in the urban areas was more evident, among applicants for clerical, semi-skilled and unskilled labour, the live registers of the employment exchanges carried also a ~~large~~ large number of skilled technical personnel. On 30 April 1953, there were over 11,000 fitters and mechanics seeking employment through the exchanges, 10,000 railway, road transport and airways workers, about 6,000 wood workers, over 6,000 machinshop and electrical workers and more than 2,000 building and road workers.

In the industrial sector as a whole there had been no diminution in factory employment, but there had been distress in particular industries and among the uneconomic units which had not been able to adjust their costs in the face of the price recession.

Debate.- During the course of the debate Mr. A.K. Gopalan, the mover, suggested certain measures to meet the situation immediately. He said that the Government should set apart at least 500 million rupees immediately to open free kitchens in the rural areas and to give cash grants to the unemployed in the cities. The Government must pass an ordinance stopping further retrenchment and closure of factories. Where retrenchment or closure was unavoidable, the Government should ensure relief to those affected. The prices of necessities like food and clothing should be reduced by 30 per cent. The accumulated stocks of handloom and cottage industries should be bought by the Government, which should also ensure cheap credit facilities for these industries. The Government should also undertake ~~in~~ a programme of national housing, irrigation works and building roads and railways. Such a programme would provide immediate relief to the unemployed and at the same time be of lasting benefit to the country. More schools and rural hospitals should be opened. The Government must stop all imports of stores which can be manufactured in India. Immediate steps should also be taken to redistribute land in the rural areas. And finally British capital should be confiscated and the Government must stop competition from foreign companies.

Mr. J.B. Kripalani, a Praja-Socialist Party member said that the problem ~~of~~ of unemployment was nothing new. It has been present ever since "foreign rule was established here". He ascribed it to the killing of the spirit of swadeshi (encouragement of indigenous products and enterprise) and charged the Government with accelerating this trend after the attainment of freedom. "As soon as our Government came into power small industries that had been started in war-time were swept away by encouragement of big industries because it was the firm policy of our Government that only through industrialisation in the sense in which European and American countries are industrialised lay the salvation of India. This was a false philosophy. The population of European countries is nothing in comparison with the population of India".

Mr. Kripalani added that to expect that a backward country whose economy had been ruined for a ~~many~~ couple of centuries could advance by a method of "discredited capitalism" and revive its industrial and social and economic life, was misconceived. "Before we came into power", he said, "the proposition was that we must encourage cottage industries and provide as much employment as possible. We considered, before coming into power, not only production but also consumption. We said that land should be divided and there should be land reforms. But it took so much time in bringing about the land reforms that whatever good could have come from them was lost to us". He also criticised the Government for encouraging foreign capital to the detriment of 'swadeshi'.

Mr. Kripalani said that there was overproduction in the country and at the same time there was curtailment of employment, and purchasing power was going down. Yet the strange thing was that prices were still rising. "There is over-production and there is not enough purchasing power. So there must be something wrong and that wrong is this: the Five Year Plan is conceived on the basis of private large-scale production". The remedy lay, according to Mr. Kripalani in changing the capitalist base of the economy. "You cannot have what you call a Welfare State if you have a capitalist economy. You must change the very basis of economy, and I humbly submit that it cannot but be the Socialist economy".

Mr. G.L. Bansal, a Congress member, and Secretary of the All India Organisation of Industrial Employers, said that the hard core of the unemployment situation was the backwardness of the country's economy, in which two-thirds of the people depended on uneconomic agricultural holdings. The problem was how to deal with this maldistribution of the population.

Every year a working population of 1.8 million was being added. About 700,000 more would have to be taken off the land if the problem was to be tackled in a bold manner. "This means that you will have to provide in the non-agricultural sector for about 2.5 million people every year", he said.

"That is the problem to solve, to which all of us must bend our energies in a patriotic and non-controversial manner. Out of this working population of 2.5 million which will have to be taken care of every year, at least 250,000 must get employment in the large industrial sector, whether private or public".

It was not possible to divorce the problem of unemployment, he said, from the problem of the country's development. Theoretically it was quite possible to ~~provide~~ provide for all the people by dividing the present jobs among the unemployed, but that would lead to a lowering of standards all round. A higher standard could only be attained by increasing production and capital stock. What has got to be done was that expenditure should be incurred on those points which will

create a chain reaction of employment opportunities in other subsidiary sectors. The first task to which the Planning Commission must apply itself was to ~~find~~ find out which were the sectors where they must use their developmental expenditure. Short-term measures, Mr. Bansal said, were not going to provide a real remedy. The only method was to raise the tempo of investment in those sectors where it would have the effect of giving a momentum to the economy.

(The Hindustan Times, 5 September 1953).

Accurate Data on Unemployment: Planning Commission to begin Special Enquiries.

A number of special inquiries, with a view to obtaining accurate statistical data relating to unemployment, will be undertaken at the instance of the Planning Commission.

The Commission has been engaged for some time on a study of the unemployment situation and has already formulated its 11-point programme for the relief of urban unemployment which is at present in the process of study and implementation by the State Governments and the Central Ministries, (vide pages 9-13 of the report of this Office for August 1953).

The Commission has also ~~stated~~ called for concrete proposals from them for reducing the existing gap between actual achievement and the target fixed for the Five Year Plan and also for expansion of the Plan in other spheres having considerable employment potentiality.

The study of the unemployment problem has, however, been handicapped because of the inadequacy of data. At present, the returns furnished by employment exchanges are the main source of information, but they are admittedly not comprehensive in addition to being confined to urban areas only. Moreover, since registration is voluntary, numbers of applicants shown on the registers of employment exchanges may leave but a proportion of unemployed even in towns. At the same time, it is possible that some at least of those who register are partially employed or, being employed, are looking for better or more remunerative work.

Urban unemployment. The Commission has, therefore, initiated measures whereby more accurate statistical data, both in regard to urban and rural unemployment, will be available, thus helping in the formulation of a proper employment policy. Of these the following measures relate to urban unemployment:-

14

(a) Study of the trend of migration from rural areas. Available statistics indicate that from 1941 to 1951 nearly 10 million people have migrated from villages and towns. The Commission proposes to conduct studies all over the country, with the co-operation of universities, about the scale of this migration, its causes and economic and social consequences. These studies would cover cities and towns of different sizes and varying conditions.

(b) The National Sample Survey will undertake a survey of 4,000 households, selected on a random sampling basis, in the Calcutta area. The field work in this connection has already begun and is expected to be completed by the end of October 1953. The results are likely to be available by February 1954.

(c) A sample survey inquiry into the registers of employment exchanges in Delhi by the National Sample Survey will begin shortly and the results are likely to be available in three or four months.

(d) A special preliminary inquiry into unemployment in 18 towns of India selected at random has been undertaken by the National Sample Survey. The ~~city~~ cities are (with a population exceeding 100,000): Amritsar, Rampur, Kanpur, Banaras, Gaya, Kakinada, Tiruchirapalli, Hyderabad, Mangalore, Ajmer and Ujjain; (with population between 50,000 and 100,000): Sambhal, Gonda, Kothagudam, Nanded, Gadag, Palghat and Nadiad.

(e) A special investigation in regard to small-scale industries in urban areas is proposed. This investigation is intended to throw light on the problems of those small-scale industries which are closely linked with and cater for those which work ~~independently~~ independently of the large-scale industries and compete with the products of the latter to a varying extent.

(f) Further, the Commission expects very shortly to receive from the State Governments their considered appreciation of the unemployment problem in their areas and the measures which they propose to take for dealing with it, in response to the Commission's communication to them conveying an 11-point programme for relief of urban unemployment.

Rural unemployment.— Regarding rural unemployment the special inquiries that are to be launched include:

(1) An inquiry into the problem of unemployment in Travancore-Cochin State which has important rural aspects.

(2) Special study of the employment potentialities of the irrigation and power programme. In regard to the large projects, these studies are intended to be undertaken for each project separately.

In addition, the Central Government has already at its disposal a mass of valuable information on rural unemployment which has become available to them as a result of the comprehensive agricultural labour inquiry carried out for about three years.

(The Statesman, 4 September 1953).

Increase in Private Sector Activity Clue to solving Unemployment: Dr. Matthai's Analysis of Problem.

An expert review of the steadily increasing unemployment in the country and suggestions for tackling the problem were made by Dr. John Matthai, former Finance Minister and a leading economist, in an address at Bombay on 28 August 1953. Among other measures, he suggested that pace of development in the public sector might be worked down so that monetary and physical resources may be released for employment in the private sector.

Supply of money.- Dr. Matthai said that no period since the end of the war had presented economic trends so difficult to determine and to interpret as the past twelve months. Although the level of purchasing power and consequently the demand for goods was lower and although industrial and agricultural production had not merely been maintained but had increased, the price movement was showing an upward trend. Rising prices and increased production would presume better employment, but instead, unemployment was increasing. In spite of the fact that the volume of money had dwindled, there had been a good response to Government loans, particularly of the State Governments. "I have no authentic explanation to offer for these apparently contradictory movements. My object is to urge the need for exploring the subject and examine if the contradictions can be resolved and the conflicting trends fitted into an intelligible pattern. There is otherwise, the danger of fanciful ~~hypotheses~~ hypotheses and half-baked remedies clouding public opinion and making confusion worse confounded".

Dr. Matthai attributed the fall in purchasing power to: a) the Government's deflationary measures adopted at the end of 1951, consisting of increase in bank rate, curtailment of open market operations and credit restriction by the Reserve Bank of India; b) the fall in the price of export commodities and the adverse terms of trade; c) decline in agricultural income since last year, even though offset to some extent by a recent rise in prices; and d) a corresponding reduction in purchasing power due to unemployment caused by various factors. The extent to which these factors had affected the availability of money and of incomes was evidenced by the rise in interest rates, the fall in demand deposits (as distinct from time deposits) of scheduled banks, the fall in railway passenger earnings, the drop in the current receipts of Central excise revenue, etc.

The success of state loans, in spite of a fall in purchasing power, according to Dr. Matthai was due to the following causes: a) official propoganda; b) existence of compulsory provident funds and like sources held by Government; c) unspent balances in the hands of public authorities due to slow progress of capital works; d) the release of speculating funds by the 1952 slump; and e) attractive terms of the state loans.

Price level.- Dr. Matthai continued that if purchasing power was lower, it must be presumed that the effective demand for goods was weaker. Moreover, the estimated production of food-grains in 1952-53 showed a substantial increase and there was also large stocks of foodgrains imported from America under the Wheat loan. "If the demand was less and the supplies was greater, how does it happen that prices of foodstuffs have risen"?

"(1) There is, first of all, the purely adventitious circumstance that food subsidies have been substantially curtailed since the beginning of 1952 - a circumstance which has little to do with the economic law of demand and supply.

"(2) The relaxation of control, as happens generally, leads to a rise in open market prices. At the same time, it leads also to fall in blackmarket prices. Setting one against the other, it is a fair presumption that the average price paid by the consumer is not greater but probably less.

"(3) Our wholesale index number is apt to present a distorted picture of price movements and it is likely that the recent upward movement in food prices, as shown by the index number, exaggerates the increase which has ~~has~~ taken place. The index for rice, for example, is mostly determined by the free market quotation at Patna, with the result that local circumstances, such as a temporary interruption of railway transport, may affect these quotations and vitiate the general picture. Similarly, substantial reductions in the pool price of wheat and in the open market prices, which are reported to be below the prices in fair price shops, are not reflected in the price index for wheat.

"If the increase in prices is to this extent illusory, the growth of unemployment becomes less difficult to explain. But there is still the anomaly that unemployment is ~~is~~ growing while industrial and agricultural production has improved or is at least maintained".

Thus analysing the recent development, vis-a-vis unemployment, Dr. Matthai went on to say that the position was that except during the war unemployment had been steadily increasing because economic activity had failed to keep pace with the increase of population. Assuming an increase in population of 4 million per annum, there was need for providing additional employment for 2.2 million adults, men and women, if at least the status quo was to be maintained. Even if the Planning Commission's optimistic assumption of additional employment was

20

fulfilled and even if the greater part of the adult women population were left out of account in planning gainful employment the country was still left with the prospect of ever-increasing unemployment - "a serious matter in a country in which every adult is a voting citizen".

"Although we have been responsible for our own affairs practically since the war, we have overlooked the potential menace of growing unemployment. The persistence of inflation since the war, with the deceptive stimulus it provides for economic activity, and the momentary pressure of other urgent problems diverting public attention, have made us inappreciative of its implications.

"We have been more appreciative of food scarcity and have bent our energies mainly to remedying it. But food, even if available, must be bought. This does not happen unless there is sufficient employment that yields income. What we are apt to forget in our planning is that a community to be economically viable must not merely produce but be able to market what it produces. In the suggestions so frequently made about cottage industries and co-operative production, for instance, the difficulties of marketing do not seem to receive sufficient consideration. There is no more important and difficult problem in economic planning. When Roosevelt planned his New Deal and Keynes built the philosophy of his General Theory, this was the problem to which both devoted their main thought".

Mass unemployment, Dr. Matthai said, either as under-employment or as disguised unemployment, had been present as far back as we can remember. What was it that had suddenly brought the problem to the fore? The spurious economic activity which war-time inflation created had ceased or was languishing. This was another way of saying that the seller's market was giving way to a buyer's market. The inflationary boom which started with the last World War, in the final stages of its long drawn out subsidence, received a fresh impetus from the Korean war which also had now ceased.

Neither of these had so far affected production. The reason was not that current demand was keeping pace in India but rather that the cessation of the boom had made the position regarding raw materials and capital equipment easier because of lessened world demand. The gradual cessation of the boom had not so far affected production which still had some past arrears of demand to feed it, but it had definitely affected trade in both volume and turnover. It was in the sphere of trade that the reason for the present decline in employment opportunities should be principally sought.

Quoting in support, the employment exchange figures for the recent period*, Dr. Matthai said that they gave some indication of the increase in unemployment. The Employment exchange figures related entirely to people in search of clerical and un-skilled jobs in cities and threw a disturbing light on unemployment as a social problem affecting the ~~unskilled~~ educated middle-class population.

"What has brought the problem with almost dramatic suddenness to public consciousness is, therefore, (1) its emergence in sharp contrast with the inflationary boom conditions of the immediate past and (2) its heavy impact on a section of the population so politically conscious and mentally alert as the urban middle-class".

Proceeding, Dr. Matthai mentioned the following circumstances which had led to this increase in urban unemployment:

(1) The total value of foreign trade in 1952-53, as compared with the previous year, after allowing for the fall in prices, pointed to a substantial reduction in the volume of commercial activity in internal as well as external trade.

(2) Although industrial employment had been generally maintained in the large organised industries, there had been curtailed activity in specific industries, for example, in tea, jute, mica and shellac, on account of weak foreign demand and in the automobile industry and small-scale engineering industries because of slack internal demand.

(3) The growing volume of welfare legislation had so increased labour costs with no corresponding increase in output that it constituted a strong factor operating against additional employment and in favour of retrenchment.

There were also other causes which in varying degrees have worked in the same direction; e.g., decontrol had led to retrenchment in Government offices of persons for whom no alternative employment was available; small dealers had been displaced from business as a result of the multi-point sales tax in States like Bombay; considerable unemployment had resulted in cities from the enforcement of prohibition; heavy taxation of motor vehicles had led to a large reduction of lorry traffic; low purchasing power had reduced employment among people catering for public entertainment - in Bombay alone a fall of 20 per cent being anticipated in the entertainment tax receipts in 1953-54, as compared with 1951-52 with no change in the rate of tax.

* Please see pages 11-14 of this report for a study of the employment exchange figures as reflecting the unemployment situation in the country.

22

Remedial measures.- Dr. Matthai said that remedies for unemployment had been proposed recently by the Planning Commission and by leaders of business and political opinion. Most of the remedies suggested, however, valuable in their own way, viewed the problem as a long-term one affecting the entire range of Indian economy. Regarded in this way, an effective solution would not be found unless one was prepared for a comprehensive recasting of the structure and the underlying assumptions of the economy. Meanwhile, if the recent increase in unemployment was looked upon as a short-term problem calling for immediate remedy at the point where its impact had been abnormally heavy and sharp, a solution might usefully be considered on the following lines:-

(1) The committee now engaged in investigating the unutilised capacity of engineering and allied industries must expedite its task, including in it not merely an estimate of existing surplus capacity but also how far, with such adaptation and expansion, as can be readily carried out, it can meet further requirements.

(2) Government should arrange immediately for a properly phased programme of purchases in India over the next few years of engineering stores and the simpler forms of mechanical equipment required by the Railways and by the Defence and Production Ministries.

(3) Except where imperative considerations of foreign exchange are involved, imports should be regulated by Customs tariffs fixed at adequate rates rather than by import quotas.

(4) An examination should be made of segments of the public sector where the pace of development might be worked down so that monetary and physical resources may be released for employment in the private sector.

(5) Credit restrictions should be relaxed and means devised for channelling credit into industries which can provide employment.

(6) A reasonable system of compensation should be instituted for workers displaced as a result of unavoidable retrenchment.

(The Hindu, 29 August 1953).

Travancore: Report of the Unemployment Enquiry Committee.

The establishment of labour exchanges, production of sand bricks and the introduction of cottage production of glass bangles are among the recommendations made by a committee set up by the Government of Travancore in 1948 to enquire into the problem of lack of employment in the coastal regions of the State. The committee was asked to examine all aspects of the problem of unemployment and suggest the various types of cottage industries and new productions that may be developed in these areas, the nature and extent of Government co-operation required, the type of co-operative organisation best suited for the purpose and other incidental matters, keeping in view that the primary object is to provide employment and a source of income to the multitude of people who are without them in the coastal areas.

The Committee submitted an interim report in December 1948, and its final report in August 1949. It had examined the problem of unemployment from two points of view: (1) as it related to the coir industry and (2) in general.

The recommendations of the Committee are given below:-

I. Coir industry.- The Committee felt that the important factors responsible for unemployment and under-employment in the coir industry were the uncontrolled growth of 'mushroom' feeder factories, and the inherently fluctuating demand for coir products which are mainly dependent on foreign markets. While the former has expanded the labour force in the industry beyond requirements, and tended to reduce the standards of quality, the latter has resulted in violent fluctuations in employment, ~~and~~ in chronic under-employment and consequent low earnings of workers. To remedy these evils, the Committee recommended the strict regulations of the establishment of new factories and the registration of workers and restriction of new entrants to the industry. For the regulation of the industry the Committee recommended that a Government Trade Committee should be established which would at first confine its activities to the registration of existing shippers and restricting the admission of new shippers and would also consider the possibility of applying a similar scheme to small factories. It has also recommended the organisation of a Co-operative Information Service which would make full and accurate information available to the small units located in villages and places remote from the central markets. To mitigate the evils of surplus labour, the Committee has recommended the establishment of labour exchanges and registration of all workers. It has also suggested a ban on the further entry of workers into the industry till such time as full work is provided for the existing workers, and that arrangements might be made to transfer workers from ~~the~~ idle factories to busy ones either temporarily or permanently.

The Committee has further suggested that the problem of the industry should be continuously placed before the Central Government so that its needs are not overlooked when trade negotiations with ~~their~~ other countries are entered into.

II. General unemployment.- Besides submitting the various schemes of public works suggested for consideration by the Government, the Committee has particularly recommended for Government's consideration the establishment of a factory for the production of sand bricks and the introduction of cottage production of glass bangles. As a means of augmenting the income of agricultural and other workers the Committee has suggested that the Fisheries Department should endeavour to further the development of fish culture in ponds.

(Indian Labour Gazette, Vol. XI, No. 1,
July 1953, pp. 18-19).

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34. Economic Planning, Control and Development.

India - September 1953.

Stable Conditions in Indian Economy:
Reserve Bank of India's Annual Report
for 1952-1953.

During the greater part of 1952-53, Indian economy displayed a substantial degree of stability, according to the 19th annual report of the Central Board of Directors of the Reserve Bank of India for the period 1 July 1952 to 30 June 1953, submitted recently to the Government of India. Monetary and fiscal measures taken during 1951-52 had the effect of moderating the inflationary pressures in the economy appreciably by the middle of 1952. This trend was reinforced by the reversal of the inflationary movements abroad.

"The disinflationary movement, if it had been carried too far", the report says, "might have had adverse ~~repercussions~~ repercussions on production, and there was, therefore, a shift in emphasis in respect of economic policy, which was concerned during the year under review less with holding inflation in check than with assisting the attainment of higher production".

Disinflation, 1951-52.- The report states that the new monetary policy, initiated in November 1951, imposed an effective check on monetary expansion and the pattern of interest rates also moved up. These adjustments curbed speculative lending and enabled the Reserve Bank to exercise an effective control on the magnitude and purpose of bank advances. This disinflationary trend was also assisted by an overall budgetary surplus of 70 million rupees, which was achieved despite an increase in development outlay in that year by the Central and State Governments under the first Five-Year Plan.

At the same time, the reduction in export earnings, consequent upon a fall in international demand, and the increase in imports made possible by the American Wheat Loan and assistance received under the Colombo Plan, helped to reduce the money supply with the public. Industrial output also rose appreciably and helped to increase the supplies in the domestic market. The general index of wholesale prices (Economic Adviser's index, base: Year ended August 1939 - 100) fell from 425 at the beginning of February 1952 to 365 by the middle of March 1952, due largely to a very sharp decline in the prices of industrial ~~materials~~ raw materials and important export commodities. The nervousness created by this ~~ext~~ break in commodity prices spread to the bullion and security markets which registered heavy declines. For a while, it appeared as if a severe depression was imminent. But timely measures were taken

by the Government to bring about a revival of confidence and to arrest the steep fall in prices. Reduction in export duties, especially on hessian and sacking, lifting of quota and destination restrictions on a variety of exports and declaration of Government's willingness to buy at listed prices cotton held by banks as security against advances were some of the measures taken. The liberal advances granted by the Reserve Bank against Government securities and usance bills helped in the same direction. As a result of all these measures, the general index of prices rose gradually to 381 by the end of June 1952.

Price movements during 1952-53.- These movements in prices had, by the beginning of July 1952, allayed to some extent the fears of a severe recession. The continued upward trend in production also helped to restore confidence. The general index of industrial production (base: 1946 - 100) rose from 121.6 in June 1952 to 138.6 in December 1952. Some doubts regarding the trend of foreign and domestic prices persisted, and in September 1952 prices sagged again as foreign offtake of commodities like jute manufactures, tea and cotton textiles diminished. This trend continued till December, the general index falling by the middle of that month to 372. But the decline in prices was unevenly distributed, the fall in raw material prices and in prices of export goods being greater than in the case of manufactured articles and foodgrains. After December, however, there was an almost uninterrupted rise in prices, especially in the second quarter of 1953. By early July 1953, the general price index had risen to 407, or 6.6 per cent higher than at the beginning of the accounting year and 2.4 per cent higher than the pre-Korean level (June 24, 1950). A variety of factors contributed to this upswing. Towards the beginning of 1953, commodity markets tended to become bullish on account of expectations of smaller output in the 1952-53 season, especially in respect of cotton, groundnuts, black pepper and tea. Stocks of raw materials built up in the first half of 1953 had been drawn upon. There was a further increase in pressure on domestic supplies, due to a steep fall in imports. The export demand for coarse and medium cotton textiles increased and this brought about a rise in the price of indigenous raw cotton.

Analysing the causes of the rise in prices, the report states that one chief factor appears to be the revival of speculative interest in certain commodities. In the case of foodgrains, though the domestic output for the year as a whole was, in the aggregate, somewhat higher than in the previous year, there were certain pockets of scarcity and in certain other areas removal of restrictions on movement of foodgrains led to an increase in price levels. The rise in prices since December 1952 and in particular the increase after April 1953 and the causes underlying it require careful further

consideration, for which adequate data are not at present available. This rise has taken place against the background of a declining trend in world prices, though it may be noted that prices in the U.S.A. and U.K. in June 1953 were still higher than what they were in the pre-Korean period, whereas prices in India were not much higher than they were before the Korean conflict started. The trend in Indian prices cannot, therefore, be explained in terms of the trend in world prices, and except in the case of tea and, possibly raw cotton, there was little external stimulus for the increase in domestic prices. Nor does the rise appear to be due to monetary factors. The expansion of money supply in the busy season of 1952-53 was not abnormal, and as usual there was a return of funds in the first two months of the current slack season.

A feature to be noted since December 1952 has been the significant rise in those prices which enter appreciably into the cost structure of manufacturing industries. Prices of industrial raw materials and of food articles have increased sharply; in the period January to June 1953, the index of raw material prices rose by over 12 per cent and the index of food articles by nearly 17 per cent. On the other hand, the price index of semi-manufactures increased by only 6 per cent, while that of manufactured articles actually fell by 0.2 per cent. The index of industrial production, which was on the whole rising in 1952, reached a peak of 138.6 in December, but fell ~~to~~ to 130.8 in March 1953. In April, however, the upward movement reasserted itself and the index touched the record level of 141.2. Figures for subsequent months are not yet available. In view of these fluctuations, the report states, it is not possible at this stage to draw any definite inferences as to the implication of this increase in prices.

The money market.- During the year money supply was adjusted to seasonal demands in an orderly manner. Money supply with the public contracted by 1,110 million rupees during the slack season of 1952. Despite the fact that in the preceding busy season money supply had increased by only 80 million rupees, this diminution had no untoward effect on the money market. With the onset of the busy season, the increased demand for money was matched by an increase in supply. Between 25 October 1952 and 8 May 1953, covering the busy season, money supply increased by 870 million rupees.

The reduction in money supply and scheduled bank credit during the slack season of 1952 was not such as to lead to monetary stringency. There was a gradual easing of money rates during the entire period. In general, the movement in interest rates during the busy season was in accordance with anticipations and reflected a smooth adjustment of money supply to demand.

There were also other indications of the adequacy of money supply during the year. The gilt-edged market remained steady throughout the year, and there was no liquidation of securities by the public in the busy season. The all-India index of Government of India security prices rose by over 1 per cent in the busy season, from 91.1 in September 1952 to 92.3 in April 1953. The State Governments were able in August 1952 to borrow at 4 per cent a gross amount of 171 million rupees. The cash-cum-conversion issue in June 1953 of the first series of Government of India 3 1/2 per cent National Plan Bonds, 1961, for 750 million rupees, was fully subscribed, cash subscriptions amounting to 234 million rupees, and subscriptions through conversion of the 3 per cent loan, 1953-55, amounting to 519 million rupees.

Equity and bullion markets, however, tended to be somewhat bearish, and the volume of transactions was substantially lower than in the previous year.

Finally, the banking system was able to meet the busy-season demand for credit without resorting to any extensive borrowing from the Reserve Bank or large-scale reduction in the holdings of investments, other than treasury bills. Gross borrowings from the Reserve Bank under the Bill Market scheme amounted to 608 million rupees in the period January-June 1953, as compared to 740 million rupees in the corresponding period of 1952. Only 7 out of 14 banks approved under the Bill Market scheme applied for limits and the limits fixed in their favour aggregated 479 million rupees. As against the peak of 296 million rupees touched on 10 May 1952, by loans outstanding against bills, the maximum reached in 1952-53 was 203 million rupees on 9 June 1953. On 30 June 1953, outstanding advances amounted to 103 million rupees, as compared to 177 million rupees as on 30 June 1952. Advances against Government securities amounted to 1,132 million rupees, between July 1952 and June 1953, as against 1,666 million rupees granted during the corresponding period of the previous year. By and large, banks preferred to finance their advances through a reduction in their cash reserves, short-term borrowing abroad and liquidation of treasury bills.

Balance of payments. The report says that it is expected that during the year July 1952 to June 1953 there would be a surplus on current account in the country's balance of payments, as a result of Government's trade policy. During the second half of 1952, while the trade balance showed a small surplus of 45 million rupees, the net surplus on current account was 434 million rupees as against a deficit of over 800 million rupees in the first half of 1952. This has been a factor in easing the money supply position during the busy season. Preliminary estimates for the first quarter of 1953 reveal a continuation of the trend, though the current account surplus at 171 million rupees is smaller than in the fourth quarter of 1952. These surpluses were due entirely to a steep fall in imports on both private and Government accounts. In view of the unusually high level of imports

in the first half of 1952, this fall was, to some extent, inevitable. Government imports, especially food imports, were much smaller in the latter half of 1952. The falling trend in import prices also contributed to the decline in imports, which in the second half of 1952 at 2,980 million rupees were nearly 1,500 million rupees less than in the first six months of 1952. Private imports fell very much more steeply than Government's imports and it was only in the fourth quarter of 1952, by which time stocks built up in the first half of the year were used up substantially, that private imports revived to some extent. The revival, however, was moderate, and since Government's programme of food imports during the current year was considerably reduced, the balance of payments position was not affected adversely.

Side by side with import payments, export earnings also fell in the second half of 1952 by 160 million rupees. The dear money policies followed in several countries in 1951-52, import restrictions imposed by Commonwealth countries and the stretching out of the defence expenditure by the U.S.A. had the effect of reducing export receipts in the first half of 1952, and the fall in the succeeding quarters was not therefore marked. In the last quarter of 1952, when the volume of exports declined, receipts did not fall off to the same extent owing to a rise in prices. On balance, therefore, export earnings remained fairly steady though at a lower level than in 1951, but as a result of the decline in import payments mentioned above there was actually a surplus on current account in the balance of payments position.

This surplus was utilised partly to repatriate a large part of the short-term funds borrowed from abroad during 1950-52. Even after allowing for these and other private transfers of capital, the sterling balances of the Reserve Bank increased from 511 million pounds on 30 June 1952 to 536 million pounds on 30 June 1953. There was, therefore, no need for India to draw on the release of 35 million pounds available for the period 1952-53.

Financing of Five-Year Plan.- The report also refers to the financing of development in the public and the private sectors under the Five Year Plan. With respect to private industrial investment, the report states that, while the higher rates of interest prevailing and additional incomes generated by Government expenditure might be expected to stimulate private savings, it is difficult at this stage to judge whether and to what extent these savings are likely to find their way into investment.

Rural credit facilities.— Measures taken during the year in the direction of extending banking facilities to rural areas are indicated in the report. ~~These~~ These included further extension of the operations of the Reserve Bank to Part B States, opening of more branches of the Imperial Bank in relatively under-banked areas, reform of treasuries, provision of better facilities for remittances and exchange and a move towards reorganisation of the postal savings bank system on appropriate banking lines.

As regards agricultural finance, the Bank has agreed to extend its scheme of financial accommodation to some more State Co-operative Banks in Part A and Part B States. Thus, the Reserve Bank has consented to sanction, for the first time, appropriate credit limits to the State Co-operative Banks in Assam, Mysore, Saurashtra, Hyderabad and PEPSU.

The report also refers to the introduction, in November 1952, of a Bill incorporating certain amendments to the Reserve Bank Act, with a view to enabling the Bank to finance mixed farming activities, to provide short-term assistance to cottage industries and to dis-pense medium-term agricultural credit to co-operative banks to a limited extent.

The field operations of the All-India Rural Credit Survey, which was undertaken by the Bank last year, were completed in August 1952, and the Committee of Direction expects to submit its report to the Reserve Bank shortly. As regards long-term credit the Reserve Bank continued to buy up to a maximum of 20 per cent of the debentures issued by Central Land Mortgage Banks.

Co-operation.— Progress was also made during the year in respect of the reorganisation of the co-operative movement in various States. A large measure of agreement has been reached between some State Governments and the Reserve Bank in respect of the broad lines of reorganisa-tion. In the case of new or reorganised State Co-opera-tive Banks, the Reserve Bank has emphasised the need for a strong capital structure and for contribution of a substantial part of the share capital by the State Government. In order to improve the machinery and opezations of co-operative credit, a system of inspection of co-operative banks on a voluntary basis was also instituted during the year.

Industrial finance.— In the field of industrial finance, the scope for participation by the Reserve Bank was enlarged by an amendment during the year, to the Industrial Finance Corporation Act, 1948. The amendment empowers the Industrial Finance Corporation, among other things, to borrow funds from the Reserve Bank against specified types of securities. The Reserve Bank also assisted the Government in the formulation of a limited guarantee scheme for provision of finance to tea gardens, which experienced difficulties during the year.

The report ends with a statement of the annual accounts of the Bank. The Bank's income for the year amounted to 164.7 million rupees and expenditure to 39.7 million rupees, the net profit available for payment to the Union Government in terms of Section 47 of the Reserve Bank of India Act being 125 million rupees as against, 75 million rupees last year.

(Reserve Bank of India, Bulletin, August 1953, pp. 618-631).

Optimism on the Food Front: Central Minister's Review of Situation.

In a broadcast from Delhi on the All India Radio, on 9 September 1953, Dr. Panjabrao S. Deshmukh, Union Minister for Agriculture reviewed the food situation in the country and said that India had definitely turned the corner on the food front. The consumer now had ample choice as regards the quality and quantity of foodgrains and the cultivator could fetch the best price for his produce. The little procurement that Government did was generally by means of an easy levy so as not to be irksome to the farmer. Private trade in food-grains had now been revived considerably, and, if only the trade continued to play fair by the consumer, no restrictions on its freedom would be necessary.

The overall acreage under cereals, the Minister said, was the highest ever in 1952-53, being 200 million acres, and the total production of cereals during the period was five million tons better than the previous year.

The grow-more-food campaign was now being worked as part of the Five-Year Plan, of which agricultural development was the most important sector. The success or failure of the Plan would, therefore, depend very largely on the success or otherwise of the agricultural development programme. Up to 31 July 1953, loans totalling 104.3 million rupees and grants totalling 15.9 million rupees had been sanctioned under the grow-more-food campaign against a total provision of 285.6 million rupees for loans and 50 million rupees by way of grants. Special emphasis was now being laid on the permanent schemes of minor irrigation. In 1952-53, for instance, more than 50 per cent of the total outlay from the grow-more food funds was on schemes of minor irrigation. In the programme for 1953-54, the schemes costing 58.9 million rupees have been sanctioned so far, of which 53.6 million rupees were loans and 5.3 million rupees subsidies.

A new programme for the construction of 2,000 tube-wells in the Punjab, ~~Pakistan~~ and East Punjab States Union, the Uttar Pradesh, and Bihar had been undertaken and work was likely to start soon. In a second agreement with the U.S. Government, a further programme of 650 tube-wells would be taken up this year.

The usual grow-more-food efforts were supplemented this year with a drive for the new method of rice cultivation. The south-west monsoon was, on the whole, satisfactory in most parts of the country, although extensive damage by floods had been reported.

Food prices.- The prices of foodgrains had also not given any cause for undue anxiety so far; June to September was the lean period of the crop year and owing to the usual seasonal shortage the prices had risen somewhat recently. The prices of cereals, however, had generally been lower than in the corresponding period last year. To arrest any sharp rise in prices, the Government had taken several measures in co-operation with the States. These included the following: modified rationing had been introduced in 13 districts, including 40 municipalities, in West Bengal since May 1953; the rice content of the ration had been increased in West Bengal, Madras and Travancore-Cochin; the issue prices of rice had been reduced in Madras; imported wheat had been supplied at the specially reduced price of 14 rupees per maund (1 maund = 92 lbs approximate) for sale in scarcity areas in Bombay, Mysore, West Bengal and Uttar Pradesh; and the pool price of imported wheat had been reduced by one rupee per maund in March 1953 and by another one rupee per maund from 1 July 1953. The Minister stated that the present population put under rationing was 80 million as against 126 million at the end of 1952.

Food imports.- Pointing out that the stocks of foodgrains with the Central and State Governments were plentiful, Dr. Deshmukh said that with the increased production of cereals in the country and greater flow of the marketable surplus, it has been possible to reduce dependence on foreign imports. As against the actual imports of 4.7 million tons in 1951 and 3.8 million tons in 1952, the import target for 1953 was originally fixed at 2.9 million tons. The actual imports may, however, be less than even this low target. Under the ~~renewed~~ renewed International Wheat Agreement, the Government had reduced the import quota from 1.5 million tons to 1 million tons annually.

(The Hindustan Times, 10 September, 1953).

Commodity Controls Committee's Report:
Permanent Control Legislation recommended.

The enactment of a single, permanent and consolidated piece of legislation which will confer on the Central Government reserve powers of control over any commodity at any time, and which would be sufficiently elastic and comprehensive to meet any emergency, has been recommended by the Commodity Controls Committee. The recommendations of the Committee and the action proposed to be taken on them are contained in a resolution placed before the Parliament on 9 September 1953. The proposed Central law, according to the Committee should be on the lines of the Essential Supplies (Temporary Powers) Act, due to expire on 25 January 1955. The resolution states that the Government of India would shortly examine this question in consultation with the States.

The Commodity Controls Committee was appointed in October 1952, to make recommendations for improving the existing system of controls and for streamlining the present control orders.

The Committee in its report has expressed the view that for balanced progress in the economic field the Government must retain the power of overall guidance and control, and that controls on all essential commodities should be regulated on an all-India basis. The Government has accepted this conclusion of the Committee.

Existing laws.- Regarding the existing enactments conferring powers of control on the Centre, the Committee felt that there are no strong reasons to continue the Supply and Prices of Goods Act 1950. The Government has accepted this recommendation, and does not propose to extend the life of this Act beyond 15 February 1954, when it is due to expire. In the meantime, with immediate effect, the controls exercised under this Act on casein, tanning materials and tannery wool, will be lifted. The question whether controls on non-ferrous metals caustic soda, soda ash and sulphur, which are being exercised under this Act should be abolished or continued under Industries (Development and Regulation) Act, is under examination.

The Government is consulting State Governments as regards the withdrawals of the drugs control.

Food grains.- The Committee has accepted the need for compulsory procurement, for the continuance of the Food-grains (Licensing and Procurement) Order, 1952 for banning forward trading in respect of essential foodgrains, for expanding the scope of fair price shops either as an alternative or as a supplement to statutory rationing and for allowing normal trade channels to function as the food situation improves. It has recommended that the Ministry of Food and Agriculture should keep the question of inter-commodity and inter-State price parity under constant review, and minimise all such disparities as well as prevent exploitation by a surplus State of the difficulties of a deficit State.

Cotton textiles.- The Committee has recommended that progressively control over production of cloth should be lifted except for such measures of control as may be required to protect the handloom industry and to ensure that the consumer gets durable cloth. The Government has already relaxed control over production to a considerable extent.

The Government has accepted the recommendations of the Committee that the Government Contractors (Disposal of Cotton Textiles Unused Material and Rejected Stores) Order, 1949, should be withdrawn. The attention of the State Governments has already been drawn to the undesirability of restricting the movement of cotton textiles into or out of the States.

The Government has noted the Committee's views that a definite announcement should be made each year before the end of June at the latest regarding floor and ceiling prices of cotton even if no change in the price is intended.

Iron and steel.- The Committee has accepted the need for continuing the control on iron and steel subject to such relaxation in distribution control as the situation justifies. The Committee endorses the policy of dealing centrally with the needs of iron and steel industries of all-India importance and has also asked that special attention should be paid to the needs of small-scale industries.

Coal.- In view of the fact that the coal mining industry is an important industry on which several other important industries are dependent, the Committee has recommended that the existing controls on the coal industry should be continued. These controls are in respect of prices, distribution and production.

Distribution control in respect of coal, should, in ~~view~~ the opinion of the Committee, continue as long as transport is short. It has also recommended that special efforts should be made to create coal dumps in the south at central places like Madras and Bangalore to ensure regular supplies of coal to industries.

Salt.- While the Committee has recommended the continuance of the present zonal scheme for salt, until there is an easing of transport, it has made a number of recommendations suggesting relaxation of the existing control on salt which are under Government's consideration.

~~THANKS~~

(The Gazette of India, Extraordinary, Part I, Section 1, 9 September 1953, Pt 64-68; The Statesman, 10 September 1953).

35

Raw Jute and Jute Goods Trade: Inquiry Commission
appointed.

The Government of India has by a notification dated 8 August 1955 appointed a Commission consisting of three persons with Mr. K. R. P. Aiyangar, Joint Secretary, Ministry of Finance, Government of India, as chairman, to inquire into the practices in the raw jute and jute goods trade and the extent to which it is influenced by speculators, and also to recommend the measures to be taken to ensure a fair price for the grower and the industry, and to put down speculative malpractices.

(The Gazette of India, Extraordinary, Part 1,
Section 1, 8 August 1955, pp. 613-614).

The Companies Bill, 1953: Measure to consolidate
and amend the Law relating to Companies.

Mr. C. D. Deshmukh, Finance Minister, Government of India, introduced in the House of the People on 2 September 1953, the Companies Bill, 1953, to consolidate and amend the law relating to companies and certain other associations.

The Bill which has 612 clauses and 12 schedules is based largely on the recommendations of the Company Law Committee which suggested amendment of the Company Law with a view to ensure the maintenance of a minimum standard of good behaviour in company promotion and management, while at the same time, not imposing needlessly irksome or rigid rules which may hamper legitimate business or effect initiative or enterprise.

Recommendations of company law reform.— The Company Law Committee had recommended that the law should provide for the fullest possible disclosure in prospectuses or statements in lieu of prospectuses issued, both before and after a company is formed, and failure to make such disclosure should be made punishable. Company accounts should be prepared in such a way as to disclose all facts which are material to a full understanding of the manner in which companies are worked. Company meetings should be called and conducted in such a way as to ensure that shareholders receive all reasonable facilities for exercising an intelligent judgment on the activities of the management. It also suggested provisions for investigation into the affairs of a company designed to enable an appropriate authority to intervene in its affairs not merely when an offence has been committed, but also when it is established that the affairs of the company are being managed in a manner prejudicial to the shareholders of the company or oppressive to any substantial portion of them or when such investigation is otherwise necessary in the public interest. The law should also provide for the establishment of an appropriate authority not merely for enforcing the provisions of the Companies Act or for carrying out the investigations which may be necessary

under it, but also for generally overseeing the administration of the Act and for exercising in the public interest that reserve of authority which must necessarily vest in some organ of the Government.

Provisions of the Bill.- In accordance with these recommendations, the major changes in the present Indian Companies Act which the Bill introduces relate to the promotion and formation of companies, capital structure of companies, company meetings and procedure, presentation of company account, their audit, and the powers and duties of auditors, inspection and investigation of the affairs of companies, constitution of boards of directors, and the powers and duties of directors, managing directors and managers, appointment of managing agents, terms and conditions of their service, their remuneration, the powers of managing agents vis-a-vis directors, and the activities of managing agents in regard to borrowings, loans, contracts, sales and purchases and administration of company law.

An "important deviation" from the recommendations of the Company Law Committee relates to the statutory authority envisaged by the Committee. The Committee recommended that the Central Government should not only resume responsibility for the administration of joint stock companies which it had relegated to State Governments, but that a statutory authority at the Centre, to be called, "Corporate Investment and Administration Commission", should be set up under the new Act for the administration of the company law as well as for the discharge of other related functions, e.g., capital issue, control and regulation of stock exchanges when a central measure for this purpose was passed.

Action has already been taken on the first recommendation of the Company Law Committee. State Governments have been addressed regarding the intention of the Central Government to resume its powers under the Indian Companies Act and the constitution of a central organisation under the administrative control of the Department of Economic Affairs has been sanctioned. It is, however, proposed that the question of conferring statutory status on this organisation, if so necessary, may be considered after this Central Organisation has been set up and functioned for a reasonable period. For the present, therefore, the duties and responsibilities which the Company Law Committee visualized for the statutory authority would be carried on by the new departmental organisation.

The Bill seeks to repeal the Indian Companies Act (1913) and the Indian Companies (Amendment) Act (1951) except to the extent specified, and the whole of the Indian Companies (Amendment) Act (1952). Some of the special powers assumed in 1951 are proposed to be retained for a period of three years from the commencement of the new Act.

34

Advantage has been taken of the opportunity afforded for the consolidation of the Act for the first time since 1912 to rearrange its different parts in a more logical order.

Age-limit for director.- The Bill prescribes among other things, an age-limit of 65 for a director and 20 as the maximum number of directorships which a person can hold.

The age-limit may be waived by a resolution - for which special notice is required - passed by the company in general meetings.

Remuneration.- Unless it is expressly provided for in the Act a company in future shall not pay to its managing agent by way of remuneration, whether in respect of his services as managing agent or in any other capacity, any sum in excess of 12 1/2 per cent of the net annual profits of the company. Additional remuneration in excess of this may be paid to the managing agent if, and only if, such remuneration is sanctioned by a special resolution of the company and is approved by the Central Government as being in the public interest. However, if its profits are inadequate, the company may pay to its managing agent, by way of minimum remuneration, such sum not exceeding 50,000 rupees as it considers reasonable. No private company acting as the managing agent of any other company, whether public or private, shall itself be managed by a managing agent, whether such private company transacts in addition any other kind of business or not.

Share capital.- The Bill sets out in detail the matters to be specified in prospectuses and reports, for example, if the share capital of a company is divided into different classes of shares, the right of voting at meetings of the company conferred by and the rights in respect of capital and dividends attached to, the several classes of shares, respectively, have to be clarified.

Voting rights.- The share capital of a company formed after the commencement of the Act or issued after such commencement, it is provided, shall be of two kinds only, namely, equity share capital and preference share capital. Every holder of any equity share capital shall ~~have~~ have a right to vote on every resolution placed before the company, and his voting right shall, subject to the provisions of this Act, be in proportion to his share of the paid-up equity capital of the company. The holder of any preference share capital shall not have a right to vote on any resolution placed before the company, which does not directly affect the rights attached to his preference shares. However, the holder of any preference share capital shall be entitled to vote on every resolution placed before a company at any meeting held during any period in which the dividend due on the preference shares or any part of such dividend remains unpaid.

Special provisions.- In the light of the recent experience of the Central Government, provision has also been made in the Bill in respect of one of two matters which were not covered by the recommendations of the Company Law Committee, but which are considered to be of sufficient importance to the working of joint stock companies in future to justify the making of special provisions in regard to them. One such clause empowers the Central Government to provide for the amalgamation of companies in national interest.

(The Gazette of India, Extraordinary, Part II, Section 3, 2 September 1953, pp.479-857 ; The Hindustan Times, 3 September 1953).

National Laboratories Scheme: Central Electronic Research Institute Opened at Pilzani.

The foundation stone of the Central Electronic Research Institute, twelfth in the series of national laboratories was laid at Pilzani by Pandit Jawaharlal Nehru, on 21 September 1953.

Function of the Institute.- The object of the Institute will be to undertake research and development on all aspects of electronics engineering. Special attention will be devoted to the utilisation of indigenous raw materials in the manufacture of components, development and use of electronic circuits for industry, building of standard electronic instruments for test purposes, investigations on radar and other types of equipment and applications of electronics in metallurgy. The Institute will undertake projects sponsored by industry and close liaison will be maintained between the Institute and industry.

(The Statesman, 21 September 1953).

36. WagesIndia - September 1953Assam: Minimum Rates of Wages fixed for
Employment in Agriculture in Cachar.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Assam, by a notification dated 24 August 1953, has fixed the following minimum rates of wages payable to employees in agriculture in the district of Cachar with effect from 1 October 1953.

Casual Labourers.- (1) Ploughing, sowing and other confined operations - 1 rupee 4 annas per day of 5 hours. (2) Transplanting - 1 rupee 8 annas per day of 8 hours. (3) Harvesting (including carrying) - 1 rupee 8 annas per day of 8 hours. (4) Threshing - 1 rupee for 5 hours. Existing amenities, e.g., of supply of perquisites shall remain unaltered and will have to be provided in addition to cash wages.

In transplanting and harvesting where the contract rate prevails, the minimum rate should be 3 rupees 8 annas per bigha.

Attached Labourers.- The minimum wages for attached labourers should be 20 rupees per month for adults and 10 rupees per month for adolescents, i.e. those between the age of 12 and 16. These rates are over and above free board, lodging, and other perquisites now provided.

The wage rates fixed are subject to the price of rice and paddy remaining at the existing level.

(The Assam Gazette, Part IIA, 26 August 1953,
pp 1379)

40

Madras: Industrial Tribunal's Decision
fixing wages for Boatmen

The Government of Madras published on 29 July 1955 the award of the Industrial Tribunal at Madurai in the industrial dispute between the boatmen and boat-owners in Tuticorin.

In the statement of demands filed by the boatmen before the Tribunal it was contended that the workers were being paid low wages. There were 51 boat-owners in Tuticorin owning about 85 boats and employing about 1,400 workers. The boats not only plied between shore and the steamers that called at the Port of Tuticorin but also carried cargo to and from and along the West and East Coasts. The average earnings of a boatman while doing lighterage work was not more than 50 rupees per month and while doing coastal trips 5,000 rupees per season, while the average annual income of a boat-owner ranged between 15,000 rupees to 20,000 rupees per season. The workers held that the wages were miserably low, the work difficult, strenuous and risky, and that the industry being highly prosperous, it could very well afford to pay a decent living wage. It was pointed out that the prevailing practice now was that 50 per cent of the gross hire earned by the boats was taken by the boat owners, and the balance of 50 per cent was left to be divided between the tindal and the crew, (the tindal getting two shares as compared with the share of the crew). Besides the boatmen had to incur other expenses such as engaging boys to prepare food. The boatmen contended that they should be paid for these expenses and out of the remainder 75% should be divided among them, 25% being the share of the owner. Other demands of the boatmen related to regular weekly payment of wages, regulations of recruitment and discharge.

The boat-owners stated that the system of sharing the freight on a fifty-fifty basis was one which did full justice to both parties, as the prosperity was shared by both, and that the demand that 75 per cent of the earnings in both coastal trips and lighterage should be given to the boat crew was unjust. As regards payment of wages the boat owners pointed out that the usual procedure was for the tindals who got the money from the landing contractors for lighterage work, to pay the share of both workers as well as the

owners on the seventh and 23rd of each month. It was the tindal who arranged for the freight and collected the freight; ~~that~~ in those circumstances it was not possible for the boat-owners to take the responsibility for payment of wages. With regard to recruitment and dismissal also, it was argued that the tindal was practically the master of the boat, that in the interests of discipline he must have sufficient power to enforce his authority during the voyage.

The Industrial Tribunal held that with regard to the fixation of wages for coastal trips, from out of the freight earned by a boat should be deducted as common expenses, the following, viz., light dues, clearance charges, port dues, food expenses at the rate of one rupee per day per head, wages for cook boys and money for tea. The net balance that remains after deducting the common and general expenses should be divided in the proportion of half and half. One half should be taken by the concerned boat-owner and the other half shall be taken by the members of the crew and of the tindal and divided as between them according/ or to the shares agreed upon and settled as between them, i.e., each member of the crew other than the tindal getting full 3/4 or 1/2 or 1/4 share according to his particular share, the tindal getting twice the share of a full crew.

With regard to wages for lighterage, from out of the earned freight should be deducted as common expenses the following viz., general expenses like port dues, etc., meal expenses at the rate of 8 annas per head per day, money for tea. The balance that remains should be divided in the proportion of half and half as between the concerned boat-owner on the one hand and the boat-crew on the other, the other half share payable to the boatmen to be divided as between the tindal and other members of the crew according to the shares agreed upon and settled as between them.

The tribunal held that the concerned boat-owners should be responsible for all payments due to the boat workers in the boat at all stages. All the amounts due to the lascars both in the matter of remuneration for lighterage and remuneration for coastal trips should be paid to them by the seventh and 23rd of each month.

As regards recruitment, the tribunal ordered that the tindal shall select and recruit the crew of a boat, in consultation with the concerned boat-owner.

Bombay: Draft Proposals fixing Minimum Rates of Wages for Employment in Agriculture

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Bombay has given notice of its intention to fix for certain areas in the State minimum rates of wages payable to persons employed in agriculture. The following are the rates of minimum wages:-

Classes of employees	Umbergaon and Dahanu Talukas and Mokhada Mahal of Thana District
Rs. A. P.	
A. Employees employed in-	
(i) ploughing -----	1 0 0
(ii) embanking -----	
(iii) harrowing -----	
(iv) sowing -----	
(v) Manuring -----	
(vi) Irrigating -----	
B. Employees employed in-	
(i) grass cutting -----	0 12 0
(ii) transplanting -----	
(iii) weeding -----	
(iv) harvesting -----	
(v) threshing -----	
(vi) winnowing -----	
(vii) picking of cotton -----	

The minimum rates of wages payable to a child shall be fixed at annas 8 per day. The minimum rates of wages payable to an adolescent certified to work as an adult, shall be the same as those fixed for an adult and if certified to work as a child, shall be the same as those fixed for a child. When a free meal is supplied to an employee three-fourth of the minimum wage shall be given in cash.

The proposals will be taken into consideration by the Government after 29 October 1953.

(Notification No.146/48 dated 29 August 1953; The Bombay Government Gazette, Part IVA, 10 September 1953, page 595)

43

38. Housing.

India - September 1953.

Conference on Town and Country Planning in India,
Hyderabad, 2-4 September 1953: Outlines of Draft
Enactment suggested.

A Conference on Town and Country Planning was held at Hyderabad from 2-4 September 1953, under the auspices of the Institute of Town Planning of India, Mr. M. Fayazuddin, Director of Town Planning, Hyderabad State, and President of the Institute, presiding. The Conference was inaugurated by Mr. B. Ramakrishna Rao, Chief Minister, Hyderabad. The Conference suggested the outlines of a draft legislation on this subject.

Ministry for Town and Country Planning needed: Presidential address.- Mr. Fayazuddin, in the course of his presidential address, expressed the view that special attention should be paid to town and country planning by creating a separate ministry for them both in the States and at the Centre. The Government of India had taken a right step by centralising housing under one ministry, but even that did not bridge the gulf between housing and town planning. Housing and town and country planning must be under a single administrative control.

Mr. Fayazuddin added that considering the acute shortage of town planners in the country, the Ministry of Education had sanctioned a school of town and regional planning to be started at Delhi. The recommendation of the All-India Council of Technical Education to establish such schools at the enterprise of the Institute of Town Planning had been accepted by the Ministry of Education. As suggested by the Planning Commission, the Institute had drafted a model legislation for town and country planning for the country which was being finalised in the present conference.

Mr. Fayazuddin also commended the initiative taken by the Central Government to give financial help to the States for slum clearance. He appealed to State Governments to come forward to bear at least the initial expenses for the preparation of the survey and planning schemes to avail the grants and loans sponsored by Government of India.

Draft legislation.- According to the draft legislation outlined by the Conference, the State Governments would be responsible for planning control in their jurisdiction. Areas coming under States' jurisdiction could be considered to be divided into two parts:

(i) areas under the direct control of a local authority and (ii) areas which were not under local authority and normally fell under the control of the State.

Planning control of areas coming under the jurisdiction of local authorities would be exercised by local authorities by virtue of legislation to be enacted by State Governments.

In regard to areas coming under the second category, a State Government by virtue of the same legislation would have to exercise directly its own authority for planning control. For this purpose and for serving the State Planning Advisory Board the State would need to employ qualified planning staff.

The local authority according to the legislation would be required to prepare a set of zoning regulations within a specified time and submit them to the State Government. The State Government would refer these proposals to its Planning Advisory Board which would study them and see how they fitted into the plans of adjacent local authorities or areas coming under the State. Zoning regulations would then be notified to the public and an enquiry held after which regulations would come into force. The local authority would control land use and development according to these regulations to be approved by the State Government. That would ensure that pressure groups at local level would not unduly influence and manipulate regulations to suit their own needs. So far as areas coming under the State were concerned, they should be controlled by regulations enacted by the State Government.

Role of Central Government.- The role of the Central Government would be directed mainly to social welfare activities such as housing, re-development of urban areas, industrial housing etc. By making it possible for State Governments to obtain financial help from the Centre for large-scale housing and redevelopment projects, the Central Government would exercise certain overall control over the standards relating to housing and environmental conditions. Besides, the Centre could provide competent planning personnel who would advise the States and help them in the planning of their projects. The Centre, through its political relations with the States, could persuade the latter to enact legislation in the form envisaged as early as possible so that there was relative co-ordination between one State and another and the results of the work done in one State might not adversely affect the adjacent State. The Centre could also usefully publish guide books to instruct the local authorities regarding the principles on which zoning regulations were to be prepared, planning principles in regard to zoning and financial implications of such zoning. In all these cases there are ~~xxxxxxx~~ bound to be problems in which two or more States are concerned and in such cases the Centre would be the authority which could advise, co-ordinate and actually direct as to the most desirable form of agreement which

should be worked out between the concerned State Governments.

Zoning regulations contained in the legislation may give directions to the local authorities as to how the zones are to be created, regarding the rules applicable to each of the zones and actions relating to non-conforming uses.

The legislation also provides for development charges to be levied by the States where zoning regulations raise incomes from land and compensation scales provided for in the regulations are expected to make the implementation of the regulations self-paying.

(The documents of this Conference have been sent to Geneva under this Office Minute No. A.15/2318/53 dated 28 September 1953).

(The Hindu, 3 and 6 September 1953).

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

INDIA - SEPTEMBER 1953.

41. Agriculture.

Restrictions on Free Access to Plantation Labour:
Question in Parliament.

Answering a question in the Council of States on 4 September 1953, Mr. Abid Ali, Deputy Minister of Labour stated that workers on plantations had a genuine grievance in regard to free access of outsiders to the residential areas of workers on plantations. The Government of India had addressed the Indian Tea Association and the United Planters' Association of Southern India requesting them to advise their members to allow free access to the residential areas of workers in plantations. In its reply, the India Tea Association had stated that it had long been the policy in all gardens to allow full freedom of access to those parts of the plantations where in workers were housed. The Association, however, considered that the managements should retain the right to exclude persons seeking entrance to gardens with the intention of causing disturbances.

The Minister stated that previously there had been complaints that persons proceeding to labourers' quarters on plantations had been prosecuted for trespass. He was not, however, aware whether besides this, the owners used directly to collect fines. It was true that under the guise of preventing access to persons who were likely to cause disturbances, trade union workers were prevented access. "We know that workers have a genuine grievance in this matter" he added.

(The Hindustan Times, 5 September 1953).

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47

Patiala and East Punjab States Union Abolition of
Ala Malikiyat Rights Act, 1953 (No. 2 of 1953) and
the Patiala and East Punjab States Union Occupancy
Tenants (Vesting of Proprietary Rights) Act, 1953
(No. 3 of 1953): New Tenancy Law for P.E.P.S.U.

The Government of India published on 29 August 1953 the text of the President's Acts abolishing rights of ala maliks (superior owners) and vesting proprietary rights in occupancy tenants in the Patiala and East Punjab States Union.

The Patiala and East Punjab States Union Abolition of Ala Malikiyat Rights Act, 1953, abolishes the rights of superior landlords who have no specific function to perform and have no real connection with the land, and vests full proprietary rights in adna maliks (inferior owners) on payment of compensation. The amount of compensation payable to a superior owner shall be five times the amount of annual rent payable ~~by him~~ to him, whether by the inferior owner or whether partly by the inferior owner and partly by the Government. The other provisions of the Act ~~which~~ are on the lines of the Punjab Abolition of Ala Malkiyat and talukdari Rights Act, 1951.

The Patiala and East Punjab States Union Occupancy Tenants (Vesting of Proprietary Rights) Act, 1953, vests proprietary rights in occupancy tenants and provides for the payment of compensation to landlords and for matters connected therewith.

Under the Act an occupancy tenant becomes a full proprietor of his holding on payment of compensation to the landlord. Persons who are occupancy tenants at the date of the commencement of the Act become proprietors from the date of commencement; others who acquire occupancy rights, thereafter become proprietors from the date on which they obtain rights of occupancy.

The amount of compensation payable to the landlord for the end of his rights is 12 times the annual rent. The payment of compensation is the liability of the occupancy tenant. Where an occupancy tenant has not paid rent in respect of his land for any period prior to the appointed day, the compensation payable to the landlord will include the amount of arrears of rent lawfully recoverable from the occupancy tenant.

(The Gazette of India, Extraordinary,
Part II, Section 1, 29 August 1953,
pp. 199211).

Rajasthan Holdings (Consolidation and Prevention of Fragmentation) Bill, 1953.

The Government of Rajasthan published on 10 September 1953 the text of the Rajasthan Holdings (Consolidation and Prevention of Fragmentation) Bill, 1953, proposed to be introduced in the Rajasthan Legislative Assembly. The Bill seeks to provide for the compulsory consolidation of agricultural holdings and for preventing the fragmentation of agricultural holdings in the State. It empowers the Government to determine in notified areas the size of optimum holdings and to prohibit all transfers and partitions which are likely to reduce the size of a holding to that lower than the optimum size so determined. It also empowers the Government to make out and enforce in specifically notified areas schemes of consolidation and of scattered holdings.

(Rajasthan Gazette, Extraordinary, Part III, 10 September 1953, pp. 162-173).

Burma: Land Nationalisation Scheme: Compensation to be scaled down.

The Government of the Union of Burma has proposed amendments to the existing Land Nationalisation Act of 1948 detailing revised scales of compensation.

The proposals, laid down in a Bill placed before the Upper House of the Burmese Parliament on 11 September 1953, provide for a maximum compensation of 12 times the land revenue per acre for the first 100 acres of private land and scales downwards for every subsequent hundred acres. Land above 1,100 acres will be paid only the equivalent of land revenue. Land revenue in Burma varies from 1 anna to 10 rupees per acre. For land classed as 'State land' only an equivalent amount of land revenue will be paid as compensation.

The Bill provides that the Government can pay the compensation in money or bonds or in other ways and in one instalment or several as will be prescribed. A ten-man compensation commission will advise the Government on the form of payment.

The Bill also provides that after nationalisation each cultivator's family will be allotted ten acres and an additional area of two and a half acres per head for every additional member over four in that family.

About 8,000 Indian and 5,000 Burmese landowners are estimated to be affected by the new scales. A spokesman for landowners pointed out that the previous Act provided a flat rate of 12 times the land revenue. The new sliding scale would materially reduce the amount of compensation.

It is estimated that out of the total of about six million acres of paddy land to be nationalized, Indian landowners hold about 40 per cent. Preliminary estimates showed that under the old Act Indians would have received about 100 million rupees as compensation but the new Act whittles it down to about 30 million rupees to 40 million rupees.

(The Hindustan Times, 13 September 1953).

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CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - SEPTEMBER 1953.

50. General.

Factories(Amendment) Bill: Measure to implement
ILO Conventions prohibiting Night Work for Women
and Young Persons in Factories.

Mr. V.V. Giri, Labour Minister, Government of India, introduced in the Council of States on 3 September 1953 the Factories(Amendment)Bill in order to give effect to the ILO Conventions No.89 and 90 prohibiting employment of women and young persons during night in factories. The amending Bill also seeks to carry out largescale amendments in respect of provisions in the Act for annual leave with wages and to remove some practical difficulties experienced in the working of the Act.

The present Act excludes some of the printing presses including Government presses, from its scope as they cannot be considered as being carried on by way of trade or for purposes of gain. As this was not the intention of the original Act, the definition of manufacturing process is now amended to include such presses within the purview of the Act.

At present State Governments are empowered to declare different departments of a factory as separate factories. An amendment now enables the State Governments to declare two or more factories of the same occupier being declared as single factory if an application for that purpose is made by the occupier.

By an amendment the Section 22 of the Act, the Bill seeks to make it clear that women and young persons will be prohibited from cleaning, lubricating or adjusting any prime mover or transmission machinery while it is in motion if such work would expose them to risk of injury.

Safety provision - An amendment to Section 26 besides making clear that all new machines should comply with the requirements of casement also authorises State Governments to make rules specifying any further safeguards to be provided in respect of any class or description of machines.

The safety provisions in respect of cranes and other lifting machinery is sought to be amended to provide for safety requirements in respect of chains, ropes and lifting tackles in addition to cranes and other lifting machinery.

Working hours.- Under Section 54 of the Act, adult workers cannot be required to work for more than nine hours in a day. An amendment now enables the chief inspector of factories to permit the exceeding of this period in order to facilitate change of shifts.

An amendment to Section 55 will permit six hours work at a stretch without any interval when the total number of hours to be worked on any day in a shift does not exceed six hours. This amendment is intended mainly to enable workers to avail themselves of half holidays in full on Saturdays wherever such holidays are allowed.

The amendment will also permit newspaper printing presses to work their entire night shift of six hours at a stretch.

Overlapping of shifts.- Under Section 58(2) of the present Act, State Governments have been empowered to frame rules exempting ~~any~~ any factory or class of factories from the provisions relating to overlapping of shifts. It has been found not possible to prescribe by rules the type of factories or the conditions under which the exemption can be granted to these factories as the grant of exemption has to be considered on the circumstances of each case. A redraft of the section enables State Governments to exempt "any factory, class or description of factories".

Overtime wages.- The calculation of "each equivalent of the advantage accruing through the concessional sale to workers of foodgrains and other articles" for the purpose of computing the ordinary rate of wages of individual workers for payment of wages for overtime has given rise to certain difficulties. Calculation to be made in each individual case depends on the size of the family, the actual rations bought as distinct from the maximum quantities the worker is entitled to buy and the actual difference. This involves considerable volume of clerical and computational work and the only practical way of avoiding this is to lay down in the section itself that the cash equivalent will be computed on the basis of the maximum ration admissible to a standard family of a specific number of consumption units. Section 59 is now sought to be amended in this regard.

An amendment to Section 64 will now enable State Governments to frame rules to exempt workers engaged in the printing of newspapers who are held up on account of the breakdown of machinery from the provisions of the Act governing weekly hours, daily rest and spread-over. The Section is also sought to be amended to liberalize overtime and enable continuous employment to workers in case some of the subsequent shift workers do not turn up in time.

Change of shift.- Under an amendment to Section 66, besides the existing restrictions on the employment of women in factories, a new restriction is imposed prohibiting a change of shift except after a weekly holiday.

Night work of women and young persons.- Section 70 is sought to be amended so that an adolescent who has been given a certificate of fitness, to work as an adult should not be permitted to work in the factory at nights if he is less than 17 years of age. Under another amendment to Section 71, the existing provision prohibiting the employment of children between the hours of 7 p.m. and 6 a.m. is sought to be changed into a prohibition prohibiting employment during night. "Night" has been defined as a period of at least 12 consecutive hours which shall include the interval between 10 p.m. and 6 a.m.

These amendments regarding employment of women and children is intended to give effect to I.L.O. Conventions Nos.89 and 90 which have been ratified by the Government of India.

Annual leave.- Existing provisions relating to annual leave with wages are sought to be simplified by substituting new provisions for the entire Chapter 8 of the Act. Under the existing law a worker has to put in 12 months' "continuous service" for eligibility to leave with wages. The determination of continuous service has, however, been causing considerable difficulty as interruptions on account of various causes such as sickness, involuntary unemployment, etc. have to be reckoned.

Under the new provisions a period of 240 days has now been fixed as the minimum attendance necessary during a calendar year to qualify for leave with wages. The conditions of qualifying service will not be applicable to workers who are discharged or dismissed by the employer in the course of the year. Proportionate leave will be granted to workers whose service commences after the beginning of the calendar year. The annual leave with wages admissible under the Act will be exclusive of holidays occurring during or at either ends of the period of leave. No prior notice will be necessary when a worker requires leave to cover a period of illness. The sums payable by an employer on account of leave with wages will be recoverable as if they are wages under the Payment of Wages Act.

Section 93 of the Act is being recast to specify more clearly and definitely the responsibility for compliance with the various provisions of the Act between the owners of the premises and the occupier of the ~~factory~~ factory.

(The Gazette of India, Extraordinary, Part II,
Section 2, 3 September 1953, pp.859-872;
The Hindustan Times, 4 September 1953).

53

Factories Act, 1948: Non-Official Amending Bill
withdrawn.

The Factories (Amendment) Bill (vide page 84 of the report of this Office for December 1952) introduced by Mr. S. Guruswami, General Secretary, National Federation of Indian Railwaymen, in the Council of States was withdrawn on 4 September 1953 after a debate. The Bill sought to bring the railway running sheds under the operation of the Factories Act by deleting them from the exempted categories in section 2(m) of the Act.

Moving the Bill for consideration, Mr. Guruswami said that out of about 250,000 factory workers employed on the railways, about 150,000 were covered by the old Factories Act. They had enjoyed all the facilities such as a 48-hour week, overtime payment etc., which were enjoyed by other factory workers. But the railway workers were excluded from the purview of the Factories Act in the new Act of 1948, without consulting the railway labour organisations. It was a well-accepted axiom of international labour legislation, Mr. Guruswami continued, that no employee should under a new legislation face worse conditions of service. Yet this was what the Government had done.

The Railway Minister, Mr. Lal Bahadur Shastri, stated that without going into the merits of the case, he would like to correct one of Mr. Guruswami's statements. Out of 313 running sheds on the railways, only 92 had been declared as factories under the previous Factories Act, bringing only about 20,000 workers under the purview of the Act. Appealing to Mr. Guruswami to take up this issue through the negotiating machinery with the Railway Board, the Minister said that if Mr. Guruswami was not satisfied with the results he was prepared to consider what further action should be taken. The Labour Minister, Mr. V.V. Giri, endorsed this suggestion.

Replying to the debate, Mr. Guruswami said that in view of the assurances given by the two Ministers, he was prepared to withdraw the Bill. The railway tribunal was already functioning and the Factories Amendment Bill had been introduced by the Labour Minister. It should, therefore, not take much time for the negotiating machinery to come to a conclusion in the light of the assurances given by the Ministers.

(The Hindustan Times, 5 September 1953).

54

Mysore: Census of Manufacturing Industries
Rules, 1953.

The Government of Mysore published on 30 July 1953 the Census of Manufacturing Industries Rules, 1953, made in exercise of the powers conferred under the Industrial Statistics Act, 1942. The Rules proscribe, inter alia, the procedure for the service of notice on the employer by the Statistics Authority, the furnishing of returns by the employer and the forms of returns.

(The Mysore Gazette, Extraordinary,
30 July 1953, pp. 1-6 and forms).

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53. Women's Work.

India - September 1953.

Ceylon: Socio-Economic characteristics of Women
Factory Workers in the Colombo Suburbs.

The July 1953 issue of the 'Ceylon Labour Gazette' contains a study of the socio-economic characteristics of women factory workers in the suburbs of Colombo. The following is a summary of the review.

Scope.- For the purpose of the study three suburbs, Peliyagoda, Mount Lavinia and Mirihana, north, south and east respectively of the Colombo Municipal Area, and within a ten mile radius of it, were selected. Factory work for women was defined as regular employment for wages in the processing of any material in a workshop outside the home. Quarrying was therefore excluded as also pottery making. In Peliyagoda, a sample of women engaged in sorting and packing tobacco leaves to meet contracts for cigarette factories in Colombo, could not be obtained as the survey was carried out during a slack season. During the season about 50 to 100 Moor (Muslim) women from a village situated in close proximity to the largest store were engaged in this trade. Women in a ~~temporary~~ tannery were excluded as they were the wives of the workers and were called upon only for a few days each month to grind dyes on a nominal wage. Girls employed in a confectionery in Wanawala were excluded for the same reason; pay was small, work irregular and workers engaged only a week or more each month. The makers of inner or outer boxes, on a contract basis, for a match factory - the only instance of industrial homework - were also excluded. One woman, who helped her husband to supply toys to a shop in Colombo by painting them, was also treated as a homemaker.

Percentage of women workers.- The following table shows the percentage of women workers in the various industries:-

Suburb	Industry	Percentage of women employed
Peliyagoda	Match -----	29.3
	Tile -----	15.9
	Manure -----	12.0
	Rubber -----	3.8
	Gunny bag repairing---	3.5
	Fibre -----	3.5
Mirihana	Spinning and Weaving ---	10.0
	Balloons and rubber teats--	10.8
	Fireworks -----	7.0
	Banian-making -----	3.2
Mount Lavinia...	Spinning and Weaving-----	3.0

Wages and welfare.- Wages varied little between one industry and another, as they tended to settle round the minimum payable for unskilled grades, i.e., about 1.15 rupee per day. Payment was often at piece rates but wages seldom rose higher than the prescribed minima and sometimes fell below them, due to competition of women desperately in need of work.

Amenities also often fell below a decent minimum. All three suburbs were carefully combed for employers using female labour. The sample was selected from all 14 work places which processed material under factory conditions and employed women. It was found that overcrowding and bad light were avoided more by accident than design and obligatory movement was at a maximum. Men and women served as substitutes for the crane and conveyor belt found in modernised factories.

Four shops had no privies at all and only two provided washrooms, it being alleged that women preferred to perform their ablutions, even after a hard dusty day's work, at their homes or by the riverside.

One factory provided 22 semi-detached houses for their work people which dated back to the time when it moved from Colombo to the suburbs.

Only one workplace provided a very poor lunch room, two allowed the use of workrooms but usually if the worker did not go home for lunch, the nearest tea boutique or the garden had to suffice.

In Colombo many large firms provide their workers with free lunch and two free cups of tea. In the suburbs only one firm gives its workers free bread and curry but no one provides tea. Only three firms even allowed intervals for tea at 9.30 and 3.30 p.m.

Restrooms and creches were non-existent. No workplace allowed children; 8.3 per cent women left their children under 6 in the care of older children and 18.9 per cent left them with adult relatives.

Trade unionism.- Three firms had trade unions, and 40.8 per cent belonged to an union but it was self-evident that for the most part interest was merely perfunctory and not deep-seated. Workers did not seem to combine for welfare objects such as thrift societies or sickness or unemployment benefit. Two firms had started savings schemes, one voluntarily and the other compulsorily. An atmosphere of jealousy and suspicion existed among all factory workers chiefly engendered by a fear of losing a much prized job. There was however a certain amount of co-operative effort in organising pilgrimages at festivals and other rare occasions.

Conditions of work.- Conditions of work were everywhere poor. Workers had to protect their hair in some cases by wrapping dirty linen rags round their heads. Only three shops provided even work benches.

Insecurity of employment was probably greater in the suburbs than in the metropolitan area. Small firms of the single proprietor type are more sensitive to slight variations in price of such export products as rubber and fibre. Only three public joint stock companies were met with; of these only one employed over 100 women workers and two over fifty. The majority of the suburban shops work on contract for large firms in Colombo. In this way stability of employment is secured for the town worker at the expense of the suburban.

The review points out that the whole match industry according to 1946 Census employs 156 females, 61 per cent of whom earn below 40 rupees per month. These figures tally with the findings of the survey. Even in mechanised industries where women predominate, they draw lower wages than men because they crowd the unskilled grades never rising higher than a machine help. It adds that anyone who studies the distribution of tasks in the labour field cannot but be struck by a clearly defined division of labour between men and women which seems to have its roots in the distant past. In the fields certain specified tasks such as transplanting traditionally belong to women, also in tile making, where the moulded brick is carried to the drying ground by women. Now that tile making has become a factory industry women still carry the bricks on their heads as they do in the building industry. The job of fetching and carrying belongs to boys and women. Strenuous weight lifting belongs to men and it is probably for this reason that machine operators are men. Certain trades however seem specially reserved for women, the most notable being fibre hackling. In the large stores in Colombo, in the cottage fibre industry located along the coast south of Colombo and in the mills, hackling has been done for generations by women alone. All processes in fibre making when practised as a cottage craft are done by women but in the mills certain mechanised tasks are assigned only to men. This division of labour seems to be perpetuated by the fact that women seeking employment are far in excess of the demand. It is only their lower rate of payment that tempts many to employ them. In the town where labour legislation is more strictly enforced discrimination against married women is more widely practised than in the suburbs. Only one or two firms paid maternity benefits, and then married women were no extra burden as in the town. Many proprietors claimed that absenteeism among women was not high in comparison with men who often keep away after pay day. It would appear that the very much smaller number of job opportunities open to women, and their greater need, make them more docile than men.

58

Poverty was the main cause of seeking work, poverty in certain cases intensified by the death of the wage earner or desertion by the husband or father. A factor contributing to the poverty of workers was the number of dependants, in many cases not restricted to children. Even unmarried women often have aged or unemployed parents or relatives to support. The review says that the fact that only 2 per cent were not dependent either entirely or partially on their earnings and that these were unmarried workers is a striking commentary on the reason why women seek employment. All workers above thirty years of age were married and 75 per cent of them were the chief wage earners of the household because husbands were dead, or had deserted the home or were earning insufficient incomes.

Age of women workers.- About 30.8 per cent of the women workers started work after 15 years of age while 5.6 per cent of those who started work were between the ages 40-44 years and 0.6 per cent between 45-49. Twenty-six per cent of the workers had never been to school and 59 per cent had left before they were 14 years of age. The following table shows the age group by industries:-

Industry	Per cent Under 19	Percent 20-29	Per cent 30-39	Per cent 40-49	Percent Over 50
Fibre-----	-	-	75	25	-
Spinning & Weaving----	36.8	52.6	10.6	-	-
Rubber-----	16.6	33.2	50.2	-	-
Gunny bag repairs	-	25	50	25	-
Match					
Fireworks-----	16.6	41.8	16.6	25	-
Tile-----	-	12	48	36	4
Match-----	10.8	41.3	17.6	19.5	10.8
Manure-----	-	15.8	31.6	21	31.6
Banians-----	20	60	20	-	-
Balloons-----	41.1	53.1	5.8	-	-

The survey says that the older and more needy women crowd the industries where actual physical discomfort is greatest. However solicitous of workers welfare the management may be they cannot entirely eliminate the unpleasant nature of certain tasks. The older workers were also found in the long established workplaces. The manure works have been located at Kelaniya for over half a century. Although factory manufacture of tiles and bricks is a new industry the clays on the banks of the Kelaniya have been used for centuries for making bricks, tiles and pottery. Fibre making is in the same way an age old handicraft. Mobility was also very low, few had moved from one industry to another and these were casual labourers ready to take any job that turned up. There was some movement within industry from worse to better shops. No data however, was collected in respect of labour turnover in the factories themselves.

Social implications.- The review states that the tradition of the country is against a woman having to earn a living, outside the home. And "anyone who enters the working world, especially a young girl immediately places herself in an invidious position being generally regarded as a woman of easy virtue. She often becomes a prey to the adventurer from whom careful parents guard their daughters. Proximity in the workplace also often leads to hasty unions which are short lived".

Economic status.- The average number of persons per household was 5.6. 24.2 households comprised three generations. Although housing shortage has led to considerable overcrowding the fact that 50.6 per cent paid no rent and lived in ancestral homes is an indication that a patriarchal type of family life still persists though in a very attenuated form.

The economic status of the household may be judged from the size of home. Of the total 56.3 per cent live in one roomed houses and 36.5 per cent had two rooms but in practice there is very little difference between one roomed and two roomed houses, the second room being merely a verandah or lean-to kitchen roughly enclosed with tin, cadjan or jute hessian to afford a minimum of privacy. The following table shows the occupational status of the household:-

Employment	Per cent Chief Wage Earner	Per cent Fathers' Occupation	Per cent Mothers' Occupation
Semi Prof. and Clerical-----	5.7	14.3	-
Skilled trade-----	5.1	6.2	-
Own business-----	3.2	11.5	22.3
Carter-----	1.3	5.5	-
Labour in Factory---	74.2	51.3	22.4
Personal service----	3.8	2.7	11.7
Cultivator-----	6.7	28.5	.6
Housewife-----	-	-	43

Fifty-seven per cent of the workers had a mother in paid employment. As many were in factory work as in independent business which was no more than hawking vegetables or fish from door to door.

Skilled trades were represented by tinkers or workers in small repair shops.

The fragmentation of holdings was the chief reason given for persons abandoning the traditional occupation of cultivation.

Not one single trade represented fetched an income of more than 100 rupees per month. This coupled with the fact that 45.1 per cent of the households had only one person employed full time gives a fair idea of the low economic level of factory workers.

Education.- The review states that despite free education 63.4 per cent of the factory workers do not send their children to school, mainly due to the other expenses of education like purchasing of books, clothes etc. Every unmarried worker had had some education but not one had been at school more than three years; so most of them were barely literate. The table below amply demonstrates the vicious circle of low education resulting in low economic status and vice versa:-

	NO Education	1-5 Years	Over 6 Years
Father of Earner ---	33.1	55.6	31.3
Mother of Earner ----	28.9	38.7	32.4
Earner -----	28.2	39.1	32.7

Recreation.- Recreation is at a premium among these workers. A total of 77.8 per cent said they had no recreation; 77.5 per cent had never been a film.

Conclusion.- In conclusion the survey says that the average suburban housewife has a very drab life specially as she is hedged about by old fashioned customs and prejudices. "It would seem a natural corollary of work outside the home that horizons are widened and narrow outlooks abandoned. The ~~reverse~~ reverse was the case." This was particularly so in regard to marriage, where the traditional taboos, caste and otherwise, still prevailed. The main finding of the study is that sociological patterns do not survive under economic pressure. The conundrum to be solved is how to relieve the pressure yet preserve the best in the pattern.

55. Protection of Minors.

India - September 1953.

Need to reorient Secondary Education:
Enquiry Commission's Report published:
Importance of Technical Schools stressed.

The report of the Secondary Education Commission, which has been published recently, presents a picture of the present state of secondary education in the country and a preview of what is possible of accomplishment. In a volume of 16 chapters covering about 250 pages, the report dwells on the salient problems connected with secondary education and discusses in a practical and realistic manner the suggestions for a reorientation of the policy and methods to be adopted if education is to meet the needs of the country and provide suitable avenues of employment.

The defects of the present system have been pointed out. The unilinear nature of education, the dominant role of universities in the control of secondary education, lack of practical work, failure to cater to the varying aptitudes and interests of the student population, meagre facilities for technical education at varying levels, ~~that~~ lack of proper co-operation with industry and commerce and the need for greater co-ordination of educational efforts between the different Ministries of the Centre as well as State level have been clearly pointed out.

The Commission has taken note of the education to be imparted to the age group 11 to 17 or 18, but in so doing it has stressed the need to appreciate the scope of the education to be imparted before this age period and the facilities for further education that should be available to those who have the necessary aptitudes, after this period. It has also taken note of the constitutional provision in this regard that all citizens should be given education up to the age of 14.

Thus taking an overall picture of the needs, the Commission recommends that the period of education subsequent to the primary stage should be seven years, three years being devoted to the middle school or senior basic stage and four years to what may be termed the higher secondary school stage.

This change necessarily involves a reconsideration of university education and it has been suggested that the first degree course should be of three years' duration to those successfully completing the higher secondary course. The Commission has stressed that this change is one that has been strongly advocated by different University Commissions in the past.

62

At the higher secondary stage, diversified courses have been recommended and the starting of at least a few multipurpose schools. The importance of agricultural schools, technical schools and schools of commerce in addition to the usual types of studies has been emphasized. The reorientation of the objectives of rural schools and their impact on rural life have been clearly defined.

Among other points emphasized are the importance of physical education, the care of health, the promotion of habits of commodity life, the development of the creative faculties and the tasks for art and training in crafts, so as to train the growing child from the very beginning in the dexterous use of all its facilities, the use of the hands being simultaneously developed.

Technical education.- In the chapter on Technical Education, the Commission has given a full picture of the need for and the different types of technical education that ought to be made available. Besides the technical education that may be imparted at the high or higher secondary stage, it has been suggested that technical education should be available to those who may not be suited to pursue the full higher secondary course, to those who after completing the secondary course wish to pursue technical education in polytechnics or occupational institutes and to the large body of individuals who may be gainfully employed but have a desire to improve their knowledge and prospects by attending part-time evening classes for subjects of their choice.

The training of craftsman for industry that has been stressed while the importance of apprenticeship training and securing the co-operation of industry in all schemes of technical education has been clearly stated. The Commission has recommended the passing of suitable legislation for apprenticeship training in industry on a mutually profitable basis, so as to secure the whole-hearted co-operation of industry. In the scheme of studies the utilization of the All-India Council of Technical Education has been recommended.

Working conditions of teachers.- The Commission reports that there was unanimity of opinion that the status and conditions of service of teachers require to be improved considerably and urgently. The Commission has made specific recommendations with regard to the recruitment of teachers, the period of probation, the qualifications of teachers recruited for different posts in the high and higher secondary schools as well as conditions of service. The scales of pay must be immediately improved so as to conform at least to those scales that have been recommended repeatedly by successive commissions.

One of the important recommendations made by the Commission is that there should be a uniform scale of pay to teachers with the same qualifications and serving in the same capacity irrespective of the type of institution in which they serve, Government, Local fund or private management. The Commission has drawn up a scheme known as the Triple Benefit Scheme wherein a teacher will be entitled to Pension-cum-Provident Fund-cum-Insurance. This scheme is being tried in some States and the Commission recommends that it may be made applicable to all the States in the country.

Likewise, security of tenure is one of the important items recommended and to see that the teacher is not unnecessarily victimized, an Arbitration Board has been suggested to whom the teacher can appeal in the case of any adverse treatment by any management. Other amenities have been suggested to attract the right type of people to the teaching profession including free education of the children, a housing scheme, railway travel concession, holiday homes and health resorts, medical relief to teachers and their families and study leave.

The Commission has also suggested the setting up of a Board of Secondary Education which will consist of not more than 25 members, 10 of whom should be competent to advise on matters pertaining to vocational or technical education, the Director of Education being the Chairman of the Board. The functions of the Board will be to frame conditions of recognition of high schools and higher secondary schools, to frame courses of study on the recommendation of expert committees and generally, to advise the Director of Education when required on all matters pertaining to secondary education.

(The Statesman, 28 August, 1953).

Complete overhaul of Secondary Education in U.P.
suggested: Narendra Deva Committee Report .

Far-reaching recommendations of a fundamental character, aiming at complete overhaul of the system of secondary education in the State have been made in the U.P. Secondary Education Reorganisation Committee report, published recently. The proposed changes, which cover examinations, syllabus, technical education, text books, management of institutions, holidays and religious and ~~amoral education~~ moral education, are under the considerations of State Government.

The Committee has favoured the suggestion contained in an earlier Committee report and also by the University Commission to carry over the final year of intermediate classes to the university course and to make the higher secondary course of only three years' duration as a single unit with only one public examination at the end of these three years. Among the changes in the syllabus recommended is that home science should not be allowed

to be offered by the boys and should be made a compulsory subject for girls although the four year course of the higher secondary school.

Technical and vocational education.- After reviewing the present conditions in the State vis-a-vis, technical education the Committee has outlined the scope of vocational and technical studies to be pursued at various stages of secondary education. At the basic primary schools arts and crafts should be taught as is done today, and more emphasis should be laid on the practical side of constructive subjects at the junior high school stage. After the junior high school stage there should be separate institutions for vocational or occupational subjects and adequate provision for higher technical or vocational training. Emphasis is laid on the fact that after the first two years' course at industrial or general schools a student should be able to go in for higher general education or higher technical education, according to his choice.

The Committee has also recommended that the diplomas and certificates should be awarded by the Board of Technical Education (comprised of representatives of Industry, Labour and Industries and Education Departments) in co-ordination with the Board of High School and Intermediate Education if the Government of India takes upon itself the work of regulating it through the National Trade Certification Board. It suggested that the constructive subjects taught in the higher secondary schools should be such as would encourage interest in practical things and would not entail heavy equipment or expenditure. The choice of subjects of study would be based, as far as feasible, on the economic conditions and modern requirements of trade and industry. An important recommendation of the Committee is that students in the industrial or technical schools should not be charged any tuition fees. They should be put on wage system according to their efficiency in training and production.

The Committee has made a detailed survey of the existing arrangements for training in various technical subjects in the higher secondary schools and technical schools run by the Government and has recommended changes in the syllabi for constructive subjects and for humanities and polytechnics.

Technical course for girl students.- As regards girls the Committee admits the right of girls to offer any constructive subject of their choice. Though there is absolutely nothing to prevent girl students from learning spinning and weaving, woodwork and light smithy, if adequate provision is made for tuition in their schools. Yet there are subjects specially suited to their taste and temperament in addition to those in which they can obtain equal proficiency with the boys. These subjects are: book-craft, tailoring, embroidery (hand and machine), laundry with needle work dyeing and printing, applied home science, fruit preservation and canning combined with preparation of soaps, oils, polishes, tooth-powders and cosmetics, stenography and dairying.

It adds that shop assistants' training would be admirably suited to the girls only if provision could be made for it in any school.

Co-operative research.- The Committee points out that the higher technical colleges would have to be provided with facilities for industrial research. In the United Kingdom the important industries have developed a system of 'co-operative research'. The main feature of the scheme is that the competing firms in an industry combine together to carry out the research on problems common to all of them. The success of such research leads to an improvement in the standard of technical efficiency throughout the industry and thus serves to promote the larger national interest. In India unfortunately, the industry is not alive to this necessity. In order to place technical education on a sound basis and also to expedite the implementation of this scheme, it might, therefore, be necessary to require the important industries to make suitable monetary contributions. Some action on these lines is particularly desirable in view of the fact that the state Government did not have very elastic finances.

Continuation classes.- The provision of "continuation classes" was one of the important features of the scheme of reorganisation of secondary education in U.P. as a result of the recommendations of the first Secondary Education Committee. These classes are meant for the education of adolescents who under financial stress have to leave their schools at the age of 14, as the average parent in India is so poor that he needs whatever little income which his boy can earn at the earliest possible time. After the junior high school stage some of the students drop off and follow their parents' trade and profession. In order to keep up their interest in education, to save them from reversion to illiteracy, to give them specialised knowledge of trade and profession, and to keep them ~~xxx~~ abreast of the times, provision was made in the reorganisation scheme for "Continuation Classes". These are held in selected higher secondary schools for two hours in the evenings, so that there may be no interference with the bread earning activities of the boys and girls attending these classes. The subjects to be taught at these classes would include besides general subjects, any two crafts e.g., book-binding, tailoring, basket-making, spinning and weaving, woodcraft, metal work, paper-making, fruit preservation and bee-keeping, decorative leather work, ceramics, etc. Watch repairing, painting and sculpture, radio-mechanism, photography, military science, agriculture, short-hand and typewriting, hat-making and dari-making to boys, and newar-weaving to girls are also to be taught in some of the continuation classes. No age limit is prescribed for admission to these classes, nor is any fee charged at some of the classes although annas eight per mensem per student is permissible. Provision has been made for two courses,

one of six months duration and the other of two years duration, the latter for specialised training in selected crafts in selected schools. All told there are 45 continuation classes attached to the higher secondary schools of the State, 42 for boys and 3 for girls. Eight of them are attached to the Government institutions and 37 to the non-Government institutions. Only part time instructors selected from amongst the members of the regular staff, working in the institutions concerned, have been employed for these classes. They are paid an allowance of 30 rupees to 40 rupees per month each. Not more than three teachers are employed at any one centre.

The Committee considered the present position of these continuation classes and found that the opinion expressed on this problem is not unanimous. It is stated that so far as the classes for girls are concerned they are generally satisfactory, and in certain places the classes for boys also are doing good work. But on the whole, the general condition is far from being satisfactory. The Committee, therefore, recommends that the existing defects in the working of these classes be removed and that classes in particular crafts should be started in only those institutions, which are the local centres for particular industries of the town or area concerned, and which are also recognised by the Intermediate Board for those particular subjects in the constructive group so that the requisite equipment for the crafts taught there ~~and~~ could be utilised for the continuation classes also. There should also be a well defined course for each subject to be taught, probably on the lines of the training provided in Industrial schools, and a certificate should be awarded to the trainees after holding a regular examination. Unless this is done, these classes are not likely to serve any useful purpose. These certificates should be regarded as equivalent to those awarded by the Industries Department for similar proficiency attained at their own schools.

Further in view of the suggestion made for better co-ordination of general education with technical education, the Committee suggests that some sort of special class should be started with a view to making up the deficiency of general education in boys desirous of coming over to the literary schools from technical schools after finishing their two years course and also for making up the deficiency of technical training in boys willing to change over from literary schools to technical schools after completing the first two years course at the higher secondary stage. This deficiency can easily be made good within a space of one year.

(The Hindustan Times, 12 September 1953;
National Herald, 18 and 19 September
1953).

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

INDIA - SEPTEMBER 1953.

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

Mysore: Payment of Wages Act, 1936, to be extended
to Motor Omnibus Service Employees.

In exercise of the powers conferred under the Payment of Wages Act, 1936, the Government of Mysore has published the draft of a notification proposing to extend the provisions of the Payment of Wages Act 1936, to the payment of wages to drivers and conductors employed in motor omnibus service in the State. The proposal will ~~not~~ be taken into consideration by the Government after 12 December 1953.

(Notification No. LB 3308-LW-137-53-2 dated 8 September 1953; The Mysore Gazette, Part IV, Section 2c, 10 September 1953, p. 475).

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66. Strike and Lockout Rights.

India - September 1953.

Lock-out at Burnpur lifted: Workers advised against slow-down tactics.

The lock-out at the Steel Works and the Indian Standard Wagon Factory of the Indian Iron and Steel Company at Burnpur was lifted on 18 September 1953, following withdrawal of the 25-day lock-out. The lock-out was declared on 24 August after submission of a strike notice on behalf of the Burnpur Workers' Action Committee. The number of workers is about 14,000 (vide page 43 of the report of this Office for August 1953).

Workers' advised against go-slow tactics.- Addressing a workers' rally on 17 September, Mr. Michael John, President of Asansol Iron and Steel Workers' Union said that slow-down was the greatest enemy of trade union movement, industry, labour and the nation - more particularly when the country was giving effect to the Five-Year Plan. He explained that after long efforts on behalf of the Union he had been able to persuade the management to lift the lock-out.

The management, Mr. John said, was under no circumstances ready to terminate the lock-out without restraining about 500 workers from attending normal duties as they felt that there would be no peace and production with "these discredited men". He made it clear that he stood for each and every worker of the industry and would not brook any victimization on this issue.

(Amrita Bazar Patrika, 19 September, 1953).

Uttar Pradesh: Hosiery Industry declared a Public Utility Service.

In exercise of the powers conferred under the U.P. ~~XXXX~~ Industrial Disputes Act, 1947, and by a notification dated 13 August 1953, the Government of Uttar Pradesh has declared the hosiery industry and every undertaking connected with the manufacture or distribution of hosiery to be a public utility service for the purposes of the said Act for a period of six months with effect from 1 September 1953.

(Notification No. 7974(TD)XXXVI-A-194(TD)-48 dated 13 August 1953; Government Gazette of Uttar Pradesh, 22 August 1953, Part I, page 982).

Madras: Sugar Industry declared a Public Utility Service.

In exercise of the powers conferred under the Industrial Disputes Act, 1947, and by a notification dated 29 August 1953, the Government of Madras has declared the sugar industry in the State to be a public utility service for the purposes of the said Act for a period of six months from 5 September 1953.

(GD MS No.3925 Development, dated 29 August 1953; the Fort St. George Gazette, Part I, 2 September, 1953, page 1303).

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68. Labour Courts.

India - September 1953.

Wife's Dismissal for Husband's Fault held illegal:
Appellate Tribunal's Ruling.

The Labour Appellate Tribunal, Calcutta, has, in a decision against the award of the Assam Industrial Tribunal, held that the termination of employment of a woman worker following the dismissal of her husband for insubordination, was illegal as the terms of their employment did not provide expressly that the employment of one would depend upon the employment of another.

The facts of the case were a worker and his wife were ~~each~~ both employed by the management of a tea company. On 25 July 1951 the husband was dismissed on a charge of gross insubordination. On 31 October 1951 another notice was served on the wife terminating her services. Before the Assam Industrial Tribunal the management contended that as the woman worker was an adjunct to her husband and was dependent on him, and as the husband's presence in the estate was prejudicial to its peace, the decision terminating her employment was bona fide, just, legal and proper. The Industrial Tribunal held that "the wives and children of the employees in a tea garden do not ipso facto become workmen in the company. They become workmen when so employed and even then they are only adjuncts to the workmen in regular service whose dependents they are and they have not separate existence".

The Appellate Tribunal observed "The mediaeval concept of a wife being regarded as a dependent having no separate existence of her own apart from her husband had long lost its ground with the changed conditions of society and particularly in regard to her contractual relations with outsiders. It will lead to serious anomalies in view of the modern trends of legislation which includes in its ambit the Industrial Disputes Act 1947 if such a concept is adhered and given effect to when the husband and wife work independently and earn separately though such earnings may be for supplementing the income of each other for their maintenance or for the maintenance of their joint dependents... Admittedly Ruchi Tanti and his wife Banabashi had been employed in service independently of each other. It is further admitted that the terms of their employment did not provide expressly that the employment of one would depend upon the employment of the other".

The Tribunal therefore ordered that the woman worker be reinstated and be paid from the date of her discharge till reinstatement.

(The Indian Worker, Vol. I, No. 46, 22 August 1953, pp. 10-11).

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - SEPTEMBER 1953.

81. Employment Situation.

Contract System in Railway Collieries to be abolished: Government decision Announced.

The Government of India has decided to abolish the contract system in all railway collieries, and action has already been taken in nine of them, according to an official statement attached to the supplementary demands presented to Parliament on 11 September 1953.

The Statement says: "The contract system of coal raising at the railway collieries has been the object of repeated criticism by various committees and commissions which have examined the question, on the ground that it gave rise to various abuses. Labour also has been insistent in demanding the termination of this system.

"Recognising the force of the criticism, the Government of India has decided to abolish the contract system in all railway collieries. These railway collieries are at present owned by the Government of India in the Ministry of Railways but are administered by the Ministry of Production. The transfer of ownership of these collieries to the Ministry of Production has been accepted in principle and formal orders are expected to be issued soon.

"The contract system has already been abolished in nine of the collieries. The introduction of the departmental system of working in Bokaro and Kargali has also been under consideration for some time, and it has been decided that every endeavour will be made so that with effect from 1 April 1954, the coal raising at these collieries may be done departmentally. These are two of the biggest collieries in India, employing a large labour force, and the problems attendant on the introduction of departmental working have been many and complex.

"The change-over might eventually necessitate a capital expenditure up to 2 million rupees on the acquisition of land and construction of offices, godowns and quarters for miners, clerical and supervisory staff. But such capital expenditure of 650,000 rupees will also be required on account of pay and allowance of staff".

(The Statesman, 12 September 1953).

Employment Exchanges: Working during July 1953.

According to the review of the work done by the Directorate General of Resettlement and Employment during the month of July 1953, the total number of registered unemployed increased by over 19,000 during the month of July. At the same time the number of vacancies available at exchanges registered a further fall. Employment opportunities in the private sector continued to show a steep downward trend. The overall employment situation throughout the country continued to be unsatisfactory.

A shortage of experienced engineers, surveyors, women doctors, nurses, wiremen, machinists and tractor mechanics was reported by a number of exchanges. Applicants belonging to the clerical category, unskilled office workers, untrained teachers and electricians were reported to be surplus by a number of exchanges.

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

	July 1953	June 1953
Registrations-----	136,333	123,883
Placings -----	14,487	16,045

During the month registrations recorded an increase of 12,450 as compared to the previous month. All the regions except Assam and Orissa contributed towards the increase. There was a notable increase in Uttar Pradesh (5,862), Hyderabad (1,727), Madhya Pradesh(1,145) and Bombay (920).

Of the total number of placements effected 3,702 were placed with private employers and 10,785 in Central and State Government establishments. There has been an overall decline of 1,558 in placings as compared to previous month. Fall in placements was recorded in Orissa (573), Uttar Pradesh (466), Bihar (229) and Bombay (267). Madras and Hyderabad regions on the other hand, showed an increase of 288 and 253 respectively as compared to previous month.

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

<u>Wage Groups</u>	<u>Number placed</u>
101 rupees and above-----	1,541
61 rupees to 100 rupees-----	6,642
30 rupees to 60 rupees -----	5,662
Below 30 rupees -----	642

Vacancies notified and submissions.- The number of employers who used the exchanges during the month was 4,521 as compared to 4,563 during June 1953. The number of vacancies notified by them was 18,714 as against 21,398 during the previous month, i.e. a fall of 2,684. Of the vacancies notified during the month 13,298 were by Central and State Government establishments and 5,416 by private employers. There was a fall in the number of vacancies notified in the regions of Uttar Pradesh(1,784), Punjab (648), Orissa(478) and Bombay (312). Madras and Delhi regions on the other hand, showed an increase of 415 and 300 respectively as compared to the figures for June 1953.

The number of persons submitted to employers during July 1953, was 65,905 as against 68,486 during the previous month.

Employment of displaced persons and ex-servicemen.- During the month, 8,999 displaced persons were registered and 1,050 were placed in employment as against 9,393 and 1,092 respectively during the previous month. Of those placed in employment 363 were migrants from East Pakistan and 687 migrants from West Pakistan. The number of displaced persons still requiring employment assistance at the end of the month was 43,801.

A total of 8,534 ex-Service personnel were registered during July 1953, and 1,313 were placed in employment. The number still requiring employment assistance at the end of the month was 28,660.

Placement of scheduled caste and tribal applicants.- A total of 14,546 scheduled caste applicants were registered at the employment exchanges during July 1953, as compared to 12,649 during the previous month. Two thousand two hundred and ninetythree such applicants were placed in employment. One thousand two hundred and seventyone were placed in Central Government vacancies, 505 in State Government vacancies and 517 in other vacancies. Three hundred and fortyone vacancies specifically reserved for scheduled caste applicants were notified to the employment exchanges during July 1953. A total of 44,687 such applicants remained on the live register at the end of the month, of whom 2,287 were women.

The number of scheduled tribe applicants registered by the employment exchanges during the month was 1,007 as against 1,015 during the previous month. One hundred and seventy one such applicants were placed in employment. The number of vacancies notified specifically for this

type of applicants was 57. At the end of the month, 3,106 scheduled tribe applicants remained on the live register of the employment exchanges.

Re-employment of surplus and retrenched Government employees.- During the month a total of 2,050 surplus and discharged Central and State Government employees were registered as against 1,776 during the previous month, and 674 were placed in employment as against 646 during the previous month. Of those who were found employment 330 were surplus or discharged Central Government employees and 344 were ex-State Government employees. At the end of July the number of such persons still requiring employment assistance was 7,378 of whom 4,360 were ex-Central Government employees and 3,018 ex-State Government employees.

During the month two surplus and retrenched Central Government gazetted and commissioned officers were included in the All India register. The number of such applicants on the register on the last day of July 1953 was 227. Forty five Class I or Class II vacancies were notified by the various Ministries during the month. Twelve submissions were made against them and non-availability certificates were issued in respect of 35 vacancies. Eighty nine submissions were made against vacancies advertised by the Union Public Service Commission.

Employment of highly qualified applicants.- A total of 1,168 applicants possessing high technical, scientific, professional or administrative qualifications and experience were registered during the month as against 1,080 during the previous month, and 88 were placed in employment. The number of such applicants still requiring employment assistance at the end of the month was 4,998 representing an increase of 497 over the figures at the end of ~~the~~ June 1953.

The live register.- The number of persons still seeking employment assistance through the exchanges on the last day of July 1953, was 493,408 which was 19,491 more than the figures on the last day of the previous month. Of these on the live register 2,081 were known to be employed persons who desired further employment assistance.

Placement of educated applicants.- During the quarter April to June 1953, 90,566 matriculates and graduates registered with the employment exchanges as against 64,837 during the previous quarter. Of those registered, 80,706 were matriculates (including 12,647 persons who had passed the intermediate examination) and 9,860 were graduates. Of the 9,860 graduates registered, 437 ~~were~~ had degrees in engineering, 134 in medicine and 9,289 in other subjects. During the same period the exchanges placed in employment 7,059 matriculates (including 1,102 persons who had passed the intermediate examination) and 1,145 graduates of whom 75 were engineers and 12 were medical men. The employment exchanges in Madras region recorded the largest number of registrations (24,176) and placings (2,276) of educated persons. There were 147,609 ~~were~~ such applicants on the live registers of exchanges at the end of June 1953, as against 117,936

at the end of March 1953. Of these on the live register 130,950 were matriculates (including 18,588 who had passed intermediate examination) and 16,659 were graduates. The heavy increase in registrations and of the live register figures might, to a great extent, be regarded as seasonal in view of the fact that most of the Universities published their examination results during the quarter under review.

Employment assistance to women.- A total of 5,027 women were registered for employment assistance during the month and 864 placed in employment as against 5,666 and 964 respectively during the previous month. The number of women on the live register of the employment exchanges at the end of the month was 18,377 as compared to 17,229 at the end of the previous month.

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

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83. Vocational Training.

India - September 1953.

Labour Ministry's Training Schemes:
Progress during July 1953.

Training of adult civilians.- According to the review of work done by the Directorate General of Resettlement and Employment for the month of July 1953, the number of trainees on the rolls of various training institutes and centres on 31 July 1953, was 5,882. There were 5,828 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 July 1953, was 1,893, of whom 1,890 were in technical trades. The remaining were undergoing training in vocational trades.

Apprenticeship training for displaced persons.- A total of 572 displaced persons were undergoing training as apprentices in industrial undertakings and establishments in West Bengal and Uttar Pradesh against 900 seats sanctioned. They were recruited and posted direct to the undertakings and establishments concerned.

Training of women.- A total of 9 women were undergoing training at the end of the month at the four women's training institutes in New Delhi, Dehra Dun and Madras.

Training of supervisors and instructors.- In the 11th regular session at the industrial training institute for instructors, Koni-Bilaspur(M.P.) the total number of supervisors and instructors under training on 31 July 1953 was 112.

Trade tests in vocational trades.- The third batch of trainees undergoing training in vocational trades completed training and were trade tested throughout the country on an all India basis in July 1953. The test papers were set by experts who were appointed from Government departments and industry and the tests were conducted by a board of examiners including an outside expert in each trade, appointed locally for each centre. One thousand five hundred and twenty trainees including 377 women, passed the trade tests in vocational trades during the month under report.

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

85. Migration and Colonisation.

India - September 1953.

Colonisation in North Borneo: Offer to India
withdrawn.

It is understood that the Government of British North Borneo has withdrawn a year-old invitation to India to send 10,000 agriculturists for settlement in the Colony to develop its rice resources, according to ^a ~~the~~ Press Trust of India message from Singapore.

The message added: "Diplomatic quarters here said, that recently the scheme was put in abeyance as the Colony Government was faced with "some local opposition" and also felt unable to finance even a pilot project".

(The Hindu, 19 September, 1953).

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CHAPTER 9. INCOME SECURITY.

INDIA - SEPTEMBER 1953.

91. Pre-Legislation Measures.

Madras: Maternity and Child Welfare Workers' Conference 19-20 September 1953.

A conference of maternity and child welfare workers was held at Madras on 19 and 20 September 1953 under the auspices of the Indian Red Cross Society (Madras State Branch). The conference which was attended by a large gathering of workers in the field made a number of recommendations to the Government on matters concerning administration of maternity and child welfare services, co-ordination of voluntary and official agencies and training of personnel. The conference was inaugurated by Mr. T. Changanvaroyan, Mayor of Madras and presided by Mr. K. Ramaswami Gounder, Judge of the Madras High Court and Vice-President of the Indian Red Cross Society (Madras State Branch).

The conference held discussions on the following subjects: (1) Organisation and administration of maternity and child welfare work, (2) co-ordination of maternity and child welfare activities of official with non-official agencies, and (3) training of personnel at village level for maternity and child welfare.

Dr. Miss H.M. Rajamanikam, Assistant Director of Public Health, Government of Madras, and Honorary Director Maternity and Child Welfare, Indian Red Cross Society, in her welcome address traced the origin and growth of the maternity and child welfare services in the State. No less than 572 Maternity and Child Welfare Centres inclusive of well-established maternity homes existed in the State today. They were now manned by 121 women medical ~~officers~~ officers (Maternity and Child Health), 141 health visitors, 10 general trained nurses and 1,109 midwives. She added that the establishment of ancillary institutions, such as, creches and day nurseries, the introduction of child guidance clinics and a specific immunisation programme for pre-school children and a well integrated and co-ordinated school health and medical services, are some of the items of an ambitious programme envisaged for the advancement of child health services in the State in the near future.

Recommendations: i) Scope of services.- In regard to the organisation and administration of maternity and child welfare services the conference expressed the opinion that the existing scope of such service was extremely limited and should be enlarged to cover all aspects of the child, namely, its physical, mental and social well-being and provide for its welfare from the embryo stage right through its school age. The scope of maternity service should include care of the mother during her pre-natal and post-natal periods. Greater emphasis should be laid on pre-natal and post-natal care. An efficient maternity service should provide for health education of the mother with special reference to mothercraft during these periods. It should also make provision for family planning advice and internal examination to detect early cases of cancer and help in its treatment.

ii) Methods of organisation.- It was recommended that maternity and child welfare service should be an integral part of the health service of the locality and that the institutional and domiciliary service should be well co-ordinated. The pilot scheme of integration as proposed for the City of Madras, it was suggested, should be implemented so that the experience so gained from this scheme could be utilised for integrating the institutional and domiciliary services throughout the State.

The conference further suggested that pre-natal service be extended to rural areas so that abnormal conditions could be detected in time and appropriate arrangements made for hospitalisation. With a view to bringing about better co-ordination in the institutional and domiciliary services special clinics should be organised in hospitals on special days for cases referred by the maternity and child welfare centres. School health service should be an extension of the maternity and child health services including the nursery schools.

iii) Work of voluntary agencies.- To ensure proper co-ordination of the work of voluntary and official organisations, the conference urged that maternity and child health workers should acquaint themselves with the work of various voluntary agencies in their locality and utilise their resources in furthering the services. Health workers should utilise voluntary workers for such help as did not require technical assistance and could be undertaken by voluntary workers. In furthering maternity and child health services, efforts of the voluntary organisations should supplement the work of the official agency.

iv) Training of personnel.- With regard to training of personnel and expansion of activities in rural areas, the conference emphasised that the training programme should be related to the schemes in progress, considering that a large number of trained workers at all levels were required to man the maternity and child health services under the new expansion schemes such as community projects. In training personnel, local needs

of areas should be ascertained and the training of workers at various levels should be such that it fulfilled the immediate health needs of the community at large. In view of the fact that maternity and child welfare services were influenced by other services in the area, every worker, namely, at district, municipal and village level, should have a wider scope of training to ~~serve~~ serve as a multi-purpose worker.

Training of the personnel should include adequate instruction in domiciliary practice, especially for midwives, health visitors, public health nurses, women medical officers and village level workers. It was recommended that, with a view to promoting child care programmes training in pediatrics be included in the syllabus for midwives, health visitors and social workers. For the existing workers, short refresher courses should be organised in obstetrics, gynaecology and pediatrics.

It was recommended that uniformity be adopted for the minimum requirements of training and that an expert committee ~~be~~ be constituted to suggest such uniformity for the training of different types of personnel in this particular field work. With a view to preparing the proper type of workers, it was suggested that training should be conducted in areas and institutions where there were adequate facilities and well-trained staff.

(The Hindu, 20 and 21 September, 1953).

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92. Legislation.

India - September 1953.

Employees' Provident Funds (Amendment) Bill, 1953.

Mr. V.V. Giri, Labour Minister, Government of India, introduced in the Council of States on 14 September 1953, a Bill to amend the Employees' Provident Funds Act, 1952.

According to the Statement of Objects and Reasons the amending Bill seeks to remove certain defects brought out in the working of the Act. The principal difficulty related to the application of the Act. There have been considerable doubts regarding the expressions used in the schedule of the Act and no authority has been prescribed for removing such doubts and difficulties. There is also no power for applying the scheme to a factory not covered by the Act even when the employer and the employees ask for such application. Under the amending Bill the Central Government by notification may apply the Act to a factory if it is satisfied that the employer and a majority of employees in any factory have agreed to such application. Any annual due from the employers under any of the sections of the Act would now be recoverable as arrears of land revenue.

At present the employees of exempted factories are not entitled to the benefits of nomination, protection against attachment or prior claim on the assets of an insolvent employer. The defect is now sought to be remedied.

The Bill also seeks to prohibit the reduction by an employer, either directly or indirectly, of the wages of an employee, or the total quantum of benefits in the nature of old age pension, gratuity or provident fund to which the employee is entitled under the terms of employment, express or implied, by reason only of his (employer's) liability for the payment of any contribution to the fund or any charges under the Act or the scheme.

Any contravention of the provisions of the Act or of any of the conditions subject to which an exemption is granted ~~will~~ would be punishable with imprisonment which may extend to three months or with fine extending up to 1,000 rupees or with both.

Power is also sought to recover from the employer damages not exceeding 25 per cent arrears, where an employer either defaults in the payment of a contribution to the fund or in the transfer of accumulations required to ~~max~~ be transferred, or in the payment of any charges payable under the Act.

The Central Government has been empowered to exempt any class of factories from the operation of the Act for such period as it may specify on the ground of either the financial position of such class of factories or other circumstances of the case. Another clause of the Bill provides for the inspection of exempted factories.

(The Gazette of India, Part II, Section 2, Extraordinary, 14 September 1953, pp. 901-910;)
The Hindustan Times, 15 August, 1953).

Punjab Maternity Benefit (Amendment) Bill, 1953:

The Government of the Punjab published on 7 September 1953 the text of the Punjab Maternity Benefit (Amendment) Bill, 1953, proposed to be introduced in the Punjab Legislative Assembly.

Under the Punjab Maternity Benefit (Amendment) Act, 1952 (vide page 96 of the report of this Office for December 1952) maternity benefit is granted for 42 days in case of miscarriage or abortion but for 30 days in case of delivery. The Bill seeks to make necessary amendments to the Act so that maternity benefit is granted for 42 days in case of delivery also. This is considered desirable both from the medical point of view and for the sake of uniformity.

(Punjab Government Gazette, Extraordinary,
7 September 1953, pp. 1535-1536).

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CHAPTER 10. SOCIAL AND INDUSTRIAL MEDICINE.

INDIA - SEPTEMBER 1953.

105. Industrial Medicine.

Rajasthan: Silicosis to be declared Occupational
Disease.

By a notification dated 17 August 1953, the Government of Rajasthan has notified its intention to add to Part B of Schedule III to the Workmen's Compensation Act, 1923, "any employment wherein the mineral dust is such as to cause silicosis" and to specify in the case of such employment "Minersphthisis or Silicosis" to be the disease which will be deemed for the purposes of the said Act to be the occupational disease peculiar to such employment.

(Notification No.F 15(14)Lab/52 dated 17 August 1953; Rajasthan Gazette, Part I, 29 August 1953, page 658).

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LIST OF THE PRINCIPAL LAWS PROMULGATED DURING
THE PERIOD COVERED BY THE REPORT FOR SEPTEMBER
1953.

INDIA - SEPTEMBER 1953.

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

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