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INTERNATIONAL LABOUR OFFICE
INDIA BRANCH

Industrial and Labour Developments in October 1958.

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

<u>Contents.</u>	<u>Pages.</u>	<u>S.</u>
<u>CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.</u>		
12. <u>Activities of External Services:</u>	1	
<u>CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.</u>		
23. <u>Other Governmental International Organisations:</u>		
Annual Meetings of the International Monetary Fund, International Bank for Reconstruction and Development and International Finance Corporation, New Delhi, 6-10 October 1958.	2-9	
26. <u>Organisations of Foremen and of Manager of Undertakings:</u>		
Zonal Council of Chambers of Commerce of Southern States to be constituted.	10-12	
<u>CHAPTER 3. ECONOMIC QUESTIONS.</u>		
34. <u>Economic Planning, Control and Development:</u>		
(a) West Bengal: Rehabilitation Industries Corporation to be set up.	13	
(b) Cotton Textiles Consultative Board set up.	14	
(c) Reappraisal of the Second Five Year Plan: Memorandum Submitted to Parliament: Additional Outlay of 1,500 Million Rupees Required.	15-19	
(d) Sugar Export Promotion Act, 1958 (No. 30 of 1958).	20	
35. <u>Productivity:</u>		
Incentive Bonus Scheme in Chittaranjan Locomotive Factory: Good Initial Results Obtained.	21	

<u>Contents.</u>	<u>Pages.</u>
36. <u>Wages:</u>	
Assam: Minimum Wages Act, 1948, to be extended to Employment in Printing Presses.	22
38. <u>Housing:</u>	
(a) Housing Ministers' Conference, Darjeeling, 1-4 October 1958: Cut in Plan Allocation for Housing Opposed.	23-28
(b) Loan Schemes for Housing to be liberalised: Government's Decision.	29-30
 CHAPTER 4. <u>CHAPTER 4. PROBLEMS PECULIAR TO CERTAIN BRANCHES</u> <u>OF THE NATIONAL ECONOMY.</u> 	
44. <u>Merchant Marine and Fisheries:</u>	
(a) Central Advisory Committee set up for Sailing Vessels Industry.	31
(b) Review of Welfare facilities for Indian Seamen.	32
 <u>CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.</u> 	
50. <u>General:</u>	
Labour Conditions in Manganese Mines.	33-43
51. <u>Hours of Work:</u>	
Working of Hours of Employment Regulations in Railway during the Year 1956-1957.	44-46
52. <u>Workers' Welfare, Recreation and Workers' Education:</u>	
Bombay: Government's Pilot Project for Workers' Education.	47
 <u>CHAPTER 6. GENERAL RIGHTS OF WORKERS.</u> 	
67. <u>Conciliation and Arbitration:</u>	
The Industrial Disputes (Rajasthan Amendment) Act, 1958.	48

<u>Contents.</u>	<u>Pages.</u>
69. <u>Co-operation and Participation of Industrial Organisations in the Social and Economic Organisation:</u>	
Meeting of Sub-Committee on Workers' Participation in Management and Discipline in Industry: Grievance Procedure outlined.	49-59
<u>CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES OF WORKERS.</u>	
71. <u>Employees and Salaried Intellectual Workers:</u>	
The Rajasthan Shops and Commercial Establishments Act, 1958.	60
<u>CHAPTER 8. MANPOWER PROBLEMS.</u>	
81. <u>Employment Situation:</u>	
(a) Employment Exchanges: Working during July 1958.	61-64
(b) Central Committee on Employment to be set up.	65-66
(c) Employment Bureau to be set up in Mysore University.	67
83. <u>Vocational Training:</u>	
Labour Ministry's Training Scheme: Training during July 1958.	68-69
<u>CHAPTER 9. SOCIAL SECURITY.</u>	
92. <u>Legislation:</u>	
VI. <u>Compensation in Cases of Employment Injury or Occupational Diseases:</u>	
(a) Workmen's Compensation (Amendment) Bill, 1958.	70-72
(b) Employees' State Insurance Scheme extended to certain Areas in Assam.	73

<u>Contents.</u>	<u>Pages.</u>
<u>CHAPTER 11. OCCUPATIONAL SAFETY AND HEALTH.</u>	
<u>112. Legislation, Regulations, Official Safety and Health Codes:</u>	
Safety in Coal Mines: New rates of excise duty fixed.	74
<u>LIST OF PRINCIPAL LAWS PROMULGATED DURING THE PERIOD COVERED BY THE REPORT FOR OCTOBER 1958.</u>	75
<u>BIBLIOGRAPHY - INDIA - OCTOBER 1958.</u>	76-77

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - OCTOBER 1958.

12. Activities of External Services.

Meetings and Conferences.

- (a) The 1958 annual meetings of the Board of Governors of the International Monetary Fund, the International Bank of Reconstruction and Development, and the International Finance Corporation were held at Delhi from 6 - 10 October 1958. The Director of this Office represented the ILO at these meetings.
 - (b) The Director attended a meeting of the Governing Body of the National Productivity Council held at New Delhi on 9 October 1958.
 - (c) The Director attended a meeting of the Standing Labour Committee held at Bombay on 27 October 1958.
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CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

INDIA - OCTOBER 1958.

23. Other Governmental International Organisations.

Annual Meetings of the International Monetary Fund,
International Bank for Reconstruction and Development
and International Finance Corporation, New Delhi,
6 - 10 October 1958.

The 1958 annual meeting of the Board of Governors of the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (IBRD) and the International Finance Corporation (IFC) was inaugurated on 6 October 1958 by Shri Jawaharlal Nehru, Prime Minister. Shri V.K.R. Menon, Director of this Office, represented the I.L.O. at these meetings.

Prime Minister's inaugural address. - Shri Nehru inaugurating these meetings at a joint session on 6 October 1958, called on the highly industrialised countries of the world to help underdeveloped nations "in their own interest". The Prime Minister declared that he would not "venture" to speak about financial matters to his expert audience. But knowing something about "humanity" in Asia and elsewhere, he wished to request delegates to import into their monetary discussions the human element.

He hoped that they would enjoy the "feel of the Asian sun", and keep in mind the "vast millions" of Asia and Africa "who are no longer quiet and who have no reason to be quiet".

In stressing the duty of the developed countries to help their less fortunate brethren, Shri Nehru reminded his audience that the present growing gap between living standards in the West and in Asia was of recent origin. Until two or three centuries ago, Asia was ahead of Europe even in technology. He added that the real division in the world today was that between the developed and underdeveloped countries, rather than the political division between the Communist and anti-Communist camps.

Shri Nehru strongly defended India's second Plan against the oft-voiced criticism, both at home and abroad, that it was "over-ambitious" and said it might be over-ambitious according to their resources but not according to the needs of the people. Problems and difficulties could not be solved by shutting one's eyes to them. They had to take note of the fact that there was a ferment in the minds of hundreds and hundreds of millions of people, rightly or wrongly. "This ferment has got to be considered and an effort has to be made to direct it rightly after understanding it", Shri Nehru said.

Chairman's address.- The Belgian Finance Minister, Mr. Jean Van Houtte, Chairman of the conference, said in his opening speech that the flow of foreign private capital to underdeveloped countries was dependent on encouragement given to private enterprise. There should also be no obstruction to repatriation of either capital or profits.

Mr. Houtte said planning was doubtless necessary, "but it can be done from above without involving an intrusion by the State into all sectors of economic activity". In this connexion he praised India which, he said, while pursuing steadfastly, despite extremely complex problems, a broad and varied programme of development, "has not lost sight of the need to seek a proper balance between the private and public sectors of the economy".

He added; "Provided an adequate field of action is left to it, private investment can and should play an increasingly important part, but it will do so only if no obstacle seems likely to prevent the repatriation of capital or of income from it to the country of origin."

"The Governments of countries in process of development are certainly more and more convinced - and I believe that the activity of the Monetary Fund has made a significant contribution here - of the need to pursue their efforts towards economic expansion within the framework of a system of international transactions that is as liberal as possible. Unfortunately, the effort to advance along this path has been recently hampered by a decline in these countries' export receipts due to the behaviour of the world raw materials markets."

It seemed obvious, he said, that the drop in prices was not due entirely to changing economic conditions but was partly the result of a structural weakness underlying the market. The efforts at international co-operation by which producing countries tried to establish a certain control over production were of great interest, although it was too early to judge their effectiveness.

4

It should be remembered, however, that if a stabilisation or a reduction of output could help in solving the problem, the latter would be made much less intractable by an increase in the demand for the raw materials involved. Such increased demand was a byproduct of the growth of industry. There was thus a manifest solidarity in the progress of developed and underdeveloped countries.

He said the general economic situation in the developed countries since the war had not been unfavourable to the underdeveloped countries, and it appeared likely that this trend would continue. This did not necessarily imply that all the problems with which the underdeveloped countries were faced would thereby be solved.

"Should such problems subsist, the developed countries will have to do their best to help the underdeveloped countries to deal with them. This they will have to do first of all because in all fairness those countries that have reached an advanced stage of development should do what they can to help solve the problems of others. But they will also have to do it from sheer self-interest, because they cannot hope to pursue their prosperous course if raw material producing countries are unable to provide them with a market for a large part of their manufactured products."

International Monetary Fund.- The Board of Governors of the IMF meeting on 7 October 1958, unanimously agreed to the U.S. proposal asking the executive directors of the Fund to "promptly consider" the question of enlarging the resources of the Fund through increases in quotas of member-countries.

The U.S. resolution was strongly supported by Shri Morarji Desai of India.

Endorsing the U.S. proposal, Shri Desai said: "While the objective of the proposal is to strengthen the common international reserves, this should be achieved in a manner which does not put excessive strain on the position of countries with unduly low reserves."

Welcoming the attention the problem of international liquidity had been receiving of late the Finance Minister expressed gratification that the U.S. President had taken the initiative to suggest prompt consideration of this question.

Commending the U.S. resolution to the Governors, Mr. Robert B. Anderson, Secretary to the U.S. Treasury, said a strengthened monetary fund would give encouragement to the efforts which member-countries were making to maintain or achieve convertibility.

51

Speaking on the annual report of the Fund, Shri Morarji Desai, Indian Finance Minister, stated that it was within the "legitimate functions of the Fund" to provide short-term assistance for meeting the payments difficulties of under-developed countries.

He said most under-developed countries, because of the low level of their national income, had to depend on large amounts of foreign capital for long periods in order to be able to carry out worthwhile plans of development. This dependence on outside constituted a serious weakness of the development programmes of most of these countries.

It exposed them to payments difficulties, because of certain inevitable time lags or other obstacles to a continuous inflow of foreign capital. Such payments difficulties were sometimes aggravated by fluctuations in exports and also in imports especially where food was an important item in the import trade. Unless such an economy received the necessary short-term assistance to overcome them, the whole programme of development might come to a sudden halt, resulting in serious losses and dislocation.

"It is, of course, the duty of the Fund to satisfy itself about the soundness of the economic policies being followed in the countries concerned", the Finance Minister said.

Urging international action to help in the economic development of backward countries, Shri Desai said: "The living standards in India and indeed over large parts of the world, in Asia, in Africa and in Latin America are very low, and the disparity between the levels of living in these parts and in the industrially advanced countries is growing. To raise these standards, to lift these economies from their existing grooves and to place them on the road to progress is a task which calls for steady endeavour nationally. But it also requires international action to buttress and strengthen these national efforts at various points. The Fund too has a part to play in this respect, although its primary concern is short-term or temporary balance of payments difficulties."

The Finance Minister then dealt with the difficulties experienced by India in executing its second Plan. This in itself was a modest one. It aimed at an increase of national income by 25 per cent and an increase in investment from about 7 per cent of national income to some 11 per cent. The outlays proposed in the Plan had a large foreign exchange component because of the emphasis placed on industrialisation, mining and transport. Other factors like the persistent shortage of food, had added to the foreign exchange requirements. "We have, in view of these developments, taken a series of measures to increase exports and to secure more external assistance. Simultaneously, we have imposed tight restrictions on imports. We are also readjusting the size of the Plan in the light of the present situation", he said.

6

"We agree entirely with the Fund approach in this matter of adapting economic policies and adjusting investment outlays to the needs of the emerging situation. The keeping down of inflationary pressures and the safeguarding of internal and external value of the currency are basic to sound development."

"At the same time, development is itself a primary desideratum, and its pursuit can be sacrificed only at peril, economic, social and political."

Referring to the impact of recessionary conditions on the economy of primary producing countries, Shri Desai said: "The emergence of recessionary conditions has weakened markedly the payments position of the primary-producing countries and has put their development programmes in jeopardy. While the prices of their exports have declined sharply, they do not get a corresponding advantage in respect of their imports, with the result that the terms of trade have moved heavily against them. The long-term answer to this problem is, of course, a diversification of the economies of primary producing countries, but this immediately raises the question of how they are to raise the resources required for the purpose. While it is not the function of the Fund to provide the long-term resources required for the purpose. ~~While it is not the function of the development,~~ the Fund cannot remain indifferent to this basic problem confronting the primary producing countries."

International Finance Corporation.— The main feature of the proceedings of the IFC was the discussion on the annual report of I.F.C. Mr. Robert L. Garner, President of the IFC, addressing the Board of Governors of the IFC stated that one of the greatest difficulties in making the Corporation's investments was that it had to ask for repayments in U.S. dollars. "In a world unfortunately marked so widely by depreciating currencies, we continue to find it necessary, with few exceptions, to ask for repayment of our principal and some part of our return in U.S. dollars, which make up our capital."

The burden of dollar repayment was not a light one for an enterprise which sold its products in a currency which continued rapidly to depreciate, Mr. Garner said.

Mr. Garner said that in general there was some approximate compensation in higher prices and profits which accompanied inflation, but there was no certain and continuous relationship between what a business could earn in a weakening currency and its foreign exchange value.

7

This, he said, had led the Corporation to consider the possibilities for it to acquire the use of some local currencies to supplement its dollar funds. There were in the hands of various Governments and agencies large amounts of various currencies as a result of inter-government aid and trade transactions. These already presented complex economic and political problems, which promised to grow as amounts piled with up.

"I would earnestly request that the responsible financial officials of I.F.C.'s member Governments give consideration to making available to the Corporation some of these funds", Mr. Garner said.

Mr. Garner said from the beginning it had been emphasised that the Corporation was in essence an investment institution rather than a conventional lender; that its was venture capital. He would also emphasise that the private enterprise system was one of profit and loss - of opportunities and risks, of success and failure.

It should not expect guarantees of profits, nor protection against the losses inherent in bad judgment or inefficiency, or the normal vicissitudes of life. "It operates under the natural laws of survival, which have not yet been entirely repealed."

If the IFC proved over the years mutually profitable - "to the cause of development on the new economic frontiers; to those businessmen with whom we have associated; to other investors with their private funds; to the Corporation as a public institution promoting the virtues and demonstrating the rewards of private enterprise around the world" - then, Mr. Garner said, he and his associates would feel justified in their efforts.

After the end of the meeting, Mr. Garner told the Press that the "road was now clear" for an investment of "a few million dollars" by the IFC in India in suitable projects presently under discussion.

International Bank for Reconstruction and Development. - As in the case of the IIF, the Board of Governors of the International Bank of Reconstruction and Development also unanimously passed the U.S. resolution that the Executive Directors of the Bank should promptly consider the question of enlarging the Bank's resources through an increase in its authorised capital.

Mr. C.D. Dillon, Under-Secretary of State for Economic Affairs and alternate Governor for the USA, who formally introduced the resolution, said that in any intensified effort to promote development, the Bank must continue to occupy a central position. "In our view", he said, "an increase in the capital of the Bank should be of sufficient magnitude to permit the Bank to sustain its lending operations at a substantially expanded level over an extended period."

Shri Morarji Desai welcomed the U.S. proposal and said that all members of the Commonwealth who had discussed this question at the recent Montreal Conference were of the view that a strengthening of the resources of "this well-trained and proven institution" would make an important contribution to development at this stage.

Shri Morarji Desai praised the work of the Bank and said it had won the confidence of the investor and earned the appreciation of its borrowers. India, he said, deeply appreciated the assistance the Bank had been giving her and particularly the action taken on the initiative of its President in August last to work out arrangements, jointly with several countries, for finding the foreign exchange resources required urgently by India for the period up to the end of March 1959.

Shri Desai emphasised the need for some supplementary agency to make long-term loans for certain types of projects which, though not capable of yielding an adequate financial return, were basic to development. The Bank could not meet all the requirements of external finances for a growing economy and its investments had to bring in a reasonable return and had therefore to be limited to strictly productive and "bankable" projects. Hence the need for a supplementary agency.

What form this new organisation should take and how exactly it should function were matters which, he hoped, would receive speedy consideration.

Shri Desai referred to the "special urgency of the needs of underdeveloped countries" and said the urgency could not be measured by the traditional criterion of the strength of effective demand they could register or their standing in the world's capital markets.

Of interest, were the references made during the discussion to the proposed International Development Association (IDA) envisaged by President Eisenhower two months ago.

9

Urgent need to assist Under-developed Countries:
Closing Speeches.- Emphasis on the urgent need of measures to aid under-developed countries was the keynote of the speeches at the closing session of the series of "Fund-Bank" Conferences on 10 October 1958. Both Mr. Per Jacobsson, Managing Director of the IMF and Mr. Eugene Black, President of IBRD, hoped that early action would be taken on the proposals to raise the resources of the IMF and the World Bank. They said that staff action had already been taken and data would soon be placed before the Executive Directors of the two organisations.

In his speech, Mr. Jacobsson said that the basic monetary and credit principles applied equally to developed and under-developed countries. He emphasised that there would be no change in the principles which the Fund had been following hitherto in the matter of making available its increased resources to member countries.

Some of the delegates had expressed apprehension during the debate on the Fund's annual report that any relaxation in those principles might increase inflationary dangers.

Mr. Black emphasised the human element as different from abstract technical or financial concepts, which were the real justification for the existence and work of these institutions.

The Indian Finance Minister, Shri Morarji Desai, said that the conference would turn to be a landmark in the history of these financial institutions for the enlargement of the resources of the Fund and the Bank.

The conference unanimously elected the Governor of Peru as Chairman of the Fund and the Bank for the next year and decided to hold the next annual meetings in Washington.

(The Statesman, 7 - 11 October 1958;
Documents of the "Fund-Bank"
Conferences received in this Office).

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26. Organisations of Foremen and of Manager of Undertakings.

India - October 1958.

Zonal Council of Chambers of Commerce of Southern States
to be constituted.

A Regional Conference of the Chambers of Commerce of South India, held at Bangalore on 19 and 20 September 1958, resolved to constitute a Zonal Council of Chambers of Commerce of Southern States. Over 100 delegates representing 13 Chambers of Commerce from Mysore, Madras, Kerala and Andhra Pradesh attended the Conference, which was inaugurated by Shri B.D. Jatti, Chief Minister of Mysore.

The resolution inter alia stated that the proposed Zonal Council would be a "consultative and deliberative body in respect of economic, industrial and trading problems peculiar to the Southern region".

The resolution also stated that the Zonal Council should consist of two persons nominated by each of the Chambers of Commerce and affiliated to the Federation of Chambers of Commerce and Industry or the Associated Chambers of Commerce, Calcutta.

The Zonal Council was to meet not less than twice a year preferably by rotation in places of the region determined by the Council.

Shri M.G. Lakshmarasu, President of the Federation of Chambers of Commerce and Industry, Hyderabad, who moved the resolution on the constitution of the Southern Zonal Council made it clear that it was not a move to bring about disruption in the Federation of Chambers of Commerce and Industry, New Delhi. It would not be a sectional or parochial body, but was intended to make the Southern region stronger and more representative.

11

Shri S. Narayana Swamy of the Southern Indian Chambers of Commerce, Madras, said the proposed Council was not intended to be a federation, or a sub-federation or a rival body of any organisation. This was only an attempt to show that time had come to recognise the existence of certain problems of trade and commerce which were peculiar to the South. The Council would be a deliberative body without any constitution. There need not be any mental reservations, he added.

By other resolutions, the Conference urged upon the Government of India to provide adequate representation for the Chambers of Commerce in the South on various committees, delegations, and other bodies appointed by the Government of India in the Ministries of Commerce, and Industry, Transport, Communication and Finance.

It also wanted the Federation of Indian Chamber of Commerce and Industry to amend its constitution with a view to giving more representation to all the regions, thereby making the Federation more representative.

Resolution^{MA} on labour.— The Conference also adopted a resolution on labour. Speaking on the resolution Shri V. Pandurangiah of Southern India Chamber of Commerce said the complex problem of labour had imparted a sense of frustration among businessmen. He charged the Government of being not alive to the situation and that they were "pro-labour". The spate of labour legislation, he said, were calculated to capture votes in the elections and the labour laws had resulted in a setback to industrial production in the country. News of the view that labour strikes were more often inspired by their leaders.

Shri A.M.M. Murugappa Chettiar, Managing Director of T.I. Cycles of India and of Southern India Chamber of Commerce, said labour legislation should always keep pace with industrial progress as in most of the Western countries. In India labour legislation had overtaken industrial progress. He pointed out that if labour leaders kept themselves out of politics, there would not be strained relationship between the employers and the workers. He was surprised to see that Government was very solicitous in regard to 20 million industrial workers while neglecting millions of workers in agricultural sector.

Second Plan.— The Conference expressed the view that the Government of India had not paid sufficient attention to the needs of the Southern States in economic planning and development consistent with their area, population and resources. The Conference unanimously adopted a resolution urging the Planning Commission "to redress this inequality with particular reference to power development, irrigation and rail and sea transport".

Chapter 11. Southern States

The Conference also expressed its view that the allocation of funds under the Second Five-Year Plan for the development of the Southern States was "totally inadequate and not commensurate with the contributions made by the area towards the economic prosperity of the country."

Speaking on this resolution, Shri D.N. Hosali of the Mysore Chamber of Commerce stated that out of 356 million, South had 96 million population with 26.4 per cent of the total area of the country. South accounted for 25.9 per cent of the total revenue, 14.1 per cent of gross industrial production of the country and only 11.7 per cent of the revenue under income-tax. The Southern Region had been allotted only 15.9 per cent of the available foreign exchange. He told the conference that out of a total outlay of the Second Plan, only 19.3 per cent had been distributed among the four Southern States, which he said, was not "Just".

(The Deccan Herald, 20 and 21
September 1958)

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Chapter 3. Economic Questions.

34. Economic Planning, Control and Development.

India - October 1958.

West Bengal: Rehabilitation Industries Corporation to be set up.

A decision to set up a Rehabilitation Industries Corporation for rehabilitation of displaced persons in West Bengal was taken on 17 October 1958 by the Government of India.

The Corporation which will have an authorised working capital of 100 million rupees will set up industries on its own as well as in partnership with private enterprise in areas where displaced persons are settled in large numbers.

Special attention will be devoted to the setting up of small labour intensive industries. It may also undertake allied activities such as the running of training and apprenticeship institutions which will be specifically directed towards meeting the requirements of major industrial projects which are going to be set up either in the public sector or in the private sector.

The Corporation will have as its chairman a leading industrialist of Calcutta and will consist of four other industrialists of West Bengal to be selected by the Government in consultation with him representatives of the Ministries of Rehabilitation and Commerce and Industry and one representative of the West Bengal Government. Its headquarters will be in Calcutta.

(The Amrita Bazar Patrika, 18 October, 1958).

14

Cotton Textiles Consultative Board set up.

The Government of India by a Resolution dated 1 October 1958, has set up a Cotton Textiles Consultative Board in view of the important part played by the textile industry in the economy of the country. The Board consists of eleven official and non-official members with the Minister for Commerce as its chairman. The Government will endeavour as far as possible to consult the Board generally on important matters concerning the industry, particularly in regard to production, distribution and exports of cotton textiles, imports and exports of raw cotton and matters relating to the procurement of raw materials, machinery and accessories required for the industry.

(The Gazette of India, Extraordinary,
Part I, Section 1, 1 October 1958,
page 821).

15

Reappraisal of the Second Five Year Plan:
Memorandum Submitted to Parliament: Additional
Outlay of 1,500 Million Rupees Required.

A total additional outlay of 1,500 million rupees over the ceiling of 45,000 million rupees fixed by the National Development Council in May 1958 (vide Section 34, pp. 18-23 of the report of this Office for June 1958), will be required by the Centre for the implementation of the "core" and other "inescapable" schemes of the second Plan, according to the latest reappraisal of the Plan. A resume of the reappraisal in the background of the developments which have taken place in regard to the Plan since May when the Planning Commission submitted to the National Development Council and Parliament a "Memorandum on the Appraisal and Prospects of the Second Plan", was submitted to the Parliament on 17 September 1958*.

The National Development Council had adopted a resolution under which projects and programmes were to be undertaken within a ceiling of 48,000 million rupees. Of this, a total outlay of 45,000 million rupees allotted for Part "A" of the Plan was to include, besides projects and programmes directly related to the increase in agricultural production, "core" projects and projects which had reached an advance stage and other "inescapable" schemes. The remaining schemes were to be included in Part "B" with a total outlay of 3,000 million rupees. Projects in Part "B" were to be undertaken to the extent to which additional resources became available.

According to the reappraisal, if the outlay on State plans were maintained at the level envisaged in the memorandum and the allotments suggested by the Ministry were to be made, even Part "A" might involve a total expenditure of the order of 46,500 million rupees. Of the envisaged increase of 1,500 million rupees, industries and minerals get the largest share - 920 million rupees.

* Government of India: Planning Commission: Reappraisal of the Second Five Year Plan - A Resume. September 1958, pp.33.

The importance given to oil exploration is reflected in the reappraised scale of expenditure in this industry. The allocation for ~~this in~~ oil exploration, estimated at 113 million rupees in May, has jumped to 200 million rupees.

Another significant increase is under the head, Irrigation and Power, the new provision for which is 750 million rupees compared to 630 million rupees in the memorandum.

The allocation to village and small industries is to be raised from 550 million rupees to 670 million rupees.

The following table shows the increased allotments now urged at the Centre for the five-year period and for 1959-1961:-

(In Million Rupees)

	Allotments for 1956-61		Allotments for 1959-61	
	According to Planning Commission's Memorandum.	According to recent discussions.	According to Planning Commission's Memorandum.	According to recent discussions.
1. Agriculture and Community Development.	540	560	230	250
2. Irrigation & Power.	630	750	270	390
3. Village & Small Industries.	550	670	70	190
4. Industries & Minerals.	7,750	8,670	3,630	4,550
5. Transport & Communications.	11,770	11,850	4,740	4,820
6. Social Services.	2,980	2,980	1,520	1,520
7. Miscellaneous.	300	330	120	150
TOTAL.	24,520	25,810	10,580	11,870

It will be seen that the total addition to the outlays in the memorandum proposed at the Centre during the recent discussions amounts to 1,290 million rupees. Besides these, there are few proposals which have still to be considered (such as those relating to the expansion of technical education). Thus, the total additional outlay needed at the Centre would be of the order of 1,500 million rupees.

17

Internal resources.- The resume says that discussions held with the Central Ministries since the publication of the memorandum show that it will be extremely difficult to contain their unavoidable demands within an aggregate outlay of 45,000 million rupees.

"On an overall view, having regard to possible short-falls in expenditure and changes in estimates under individual heads", adds the resume, "the gap in financial resources may thus be of the order of 3,000 million rupees to 3,500 million rupees rather than 2,500 million rupees mentioned in the memorandum. This represents the order of additional effort that has to be put in during the remaining period of the Plan for raising internal resources."

"In view of the efforts which have been and are being made to obtain foreign exchange resources, the central problem in the present reappraisal of the Plan is the magnitude of internal resources which can be raised during the rest of the Plan period. In this respect the estimates given in the memorandum are still broadly valid."

Surveying the internal resources, the resume says that the recent improvement in receipts from market loans is a favourable development which has occurred since the Planning Commission's memorandum was prepared. The total borrowings of the Centre and the States in the current year, it says, are expected to work out at about 2,250 million rupees against 1,370 million rupees given in the "memorandum".

External resources.- As regards external resources, the resume says that since the publication of the "memorandum" the requirements of external resources for the rest of the Plan period have been re-estimated at 5,600 million rupees - an increase of 600 million rupees over the amount estimated by the Planning Commission in May.

Changes in Targets.- The Planning Commission's resume analyses the changes in targets in relation to reappraisal and says that in regard to agriculture as explained in the memorandum, the achievement in 1956-57 in terms of production potential is assessed at 1.3 million tons and in 1957-58 at 2.3 million tons. It is expected, it adds, that in 1958 the increase in production potential may be of the order of three million tons. "Thus over the three years, 1956-59, the total increase in production potential may be less than one half of the revised target for the Plan period."

17

Since the publication of the memorandum the Planning Commission and the Ministry of Food and Agriculture are jointly engaged in scrutinizing the data underlying these estimates and seeking the means for intensifying the total effort. Along with the decline of 9.8 per cent in food production in 1957-58 on account of unfavourable weather conditions, these estimates do, however, stress the importance of implementing agricultural production programmes with the highest sense of urgency at every level in national life.

"It is against this background that the rabi production campaign which is now being organised by State Governments in co-operation with the Ministry of Food and Agriculture has been drawn up."

Under the current reappraisal the expenditure on agriculture and community development is to increase from 230 million rupees to 250 million rupees for the rest of the Plan period.

While on the subject of irrigation and power, the resume says that it is now anticipated that the additional power installed in the public sector may be about 2.5 million k.w., in the private sector 175,000 k.w. and in industrial establishments providing their own power 300,000 k.w., so that the total achievements may be about 3 million k.w. or about 0.5 million k.w. less than the additional capacity envisaged in the Plan. "If the shortfall in the target for power is not to have an excessive effect on employment through small and medium industries, from now on it will be necessary to regulate the non-industrial consumption of power in every urban area much more carefully than in the past."

The resume ~~then~~ says that on mineral development schemes the provision now required is 1,100 million rupees in place of 855 million rupees indicated in the Planning Commission's memorandum.

The principal additions are in respect of coal from 284 million rupees to 400 million rupees and for oil exploration from 113 million rupees to 200 million rupees. In the target of 60 million tons for coal production by the end of the Plan period, as mentioned in the memorandum, there may be a shortfall of three to four million tons.

According to the resume the total outlay proposed (as mentioned in the memorandum) for transport and communications is 13,400 million rupees in place of 13,850 million rupees given in the second Five Year Plan. Among the projects which are likely to be deferred are certain electrification schemes, the metre-gauge coach factory and furnishing unit of the Integral Coach Factory. The resume says that some shortfall in the achievement of the road construction target of 20,000 miles is anticipated since as against 2,460 million rupees allocated in the Plan the amount likely to be provided is 2,190 million rupees.

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The allocation for social services remains static at 1,520 million rupees for the rest of the Plan period.

Effect on Employment and National Income.- Regarding the effect of the reappraisal on employment and national income, the resume says that it was estimated in the Plan that as a result of the implementation of various programmes in the public and private sectors, employment outside agriculture might increase in the course of the plan period by about 8 million. If the outlay in the public sector were maintained at 48,000 million rupees and private sector outlays were more or less according to the Plan, having regard to the increase in cost estimates, the employment potential outside agriculture would be about 7 million. With outlay in the public sector at 45,000 million rupees, the additional employment opportunities were estimated at 6.5 million. It appears from such calculations as can be made at present that about 2-1/2 million persons may have secured employment so far in the non-agricultural sections of the economy. This suggests that since the commencement of the Plan, agriculture has had to absorb a larger proportion of the growth in the labour force than had been envisaged three years ago. The problem has been recently further accentuated by the difficulty of securing raw materials and imported components.

Since the preparation of the Planning Commission's Memorandum, an attempt has been made to assess the likely effects of the reappraisal of the Plan on the targets of national income. There are several factors affecting the growth of national income for which reliable forecasts are specially difficult to make on account of the uncertainties of agricultural production and developments in the unorganised sectors of the economy. It was visualised in the Plan that national income would increase by about 25 per cent over the five year period, about a third of the increase being contributed by agriculture. Despite the difficulties which have been encountered, the period since the commencement of the Plan has been marked by high levels of public and private investment as well as of imports. These have stimulated growth, particularly in the non-agricultural sectors of the economy. In the reappraisal of the Plan, which has been attempted in the Planning Commission's Memorandum, on the whole the productive investments have not been affected to any great extent. On the other hand, levels of current production depend on the supply of raw materials, components etc., and the results of some of the investments under the Second Plan are not likely to be realised until the early years of the next Plan. On balance, it is anticipated that in the non-agricultural sectors the increase in national income may be close to the level suggested in the Plan. Whether national income as a whole will grow as anticipated in the Plan turns largely on the extent to which the targets of agricultural production as revised in 1956 are realised.

Sugar Export Promotion Act, 1958 (No.30 of 1958).

The Sugar Export Promotion Bill (vide page 17 of the report of this Office for August 1958) as passed by Parliament received the assent of the President on 16 September 1958 and has been gasetted as Central Act No.30 of 1958. The Act provides for the export of sugar in the public interest and for the levy and collection in certain circumstances of an additional duty of excise on sugar produced in India.

(The Gazette of India, Extraordinary,
Part II, Section 1, 16 September 1958,
pp. 191-196).

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35. Productivity.

India - October 1958.

Incentive Bonus Scheme in Chittaranjan Locomotive Factory:
Good Initial Results Obtained.

According to report in the Hindustan Times, 28 September 1958, it is understood that, the incentive bonus scheme introduced in the Ministry of Railways' Chittaranjan Locomotive Workshops has started paying handsome dividends and has vindicated the Railway Board's policy of gradual introduction of the scheme in most of its workshops by the end of the second Plan. The scheme, it is reported has resulted in additional earnings of 25 to 30 per cent for the workers and these increased earnings have come from piece-work profits for excess production beyond a certain "norm".

The production of locomotive and boilers is also said to have gone up substantially since the advent of the scheme. In January, 1955, when there were only 273 workers under this scheme, Chittaranjan produced 10 W.G. locomotives and eight W.G. boilers per month. Three years later, in January 1958, with 3,200 workers under the scheme, production had gone up to 14 W.G. locomotives and 14 boilers per month.

The cost of production per locomotive is also claimed to have been brought down from 588,000 rupees in January 1955, to 476,000 rupees in May 1958.

A feature of this incentive scheme is that workers are encouraged to offer suggestions for improved productivity and are rewarded for such suggestions as are accepted.

The Chittaranjan Locomotive Works was the first State-owned undertaking to introduce the scheme of "payment by results" as early as December 1954. To begin with, the scheme was introduced with the help of experts from the British Locomotive Manufacturing Company and those obtained under the Colombo Plan. A team of Indian personnel has since been gradually trained in this work.



36. Wages.

India - October 1958.

Assam: Minimum Wages Act, 1948, to be extended to
Employment in Printing Presses.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Assam has given notice of its intention to include 'Printing Presses' in the State as an additional item in Part I of the Schedule of the said Act for the purposes of the fixation of minimum rates of wages. The proposal will be taken into consideration by the Government after 24 December 1958.

The total area of the State is about 78,000 square miles and the State is one of the poorest in the world, therefore, the Government of Assam has decided to extend the provisions of the Minimum Wages Act, 1948, to the printing presses in the State. (The Assam Gazette, Part IIA, 24 September 1958, page 2945).

The Government of Assam has decided to extend the provisions of the Minimum Wages Act, 1948, to the printing presses in the State. This decision is based on the fact that the printing industry in Assam is one of the most important industries in the State and the workers in this industry are entitled to the same protection as the workers in other industries.

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38. Housing.

India - October 1958.

Housing Ministers' Conference, Darjeeling,
1 - 4 October 1958: Cut in Plan Allocation
for Housing Opposed.

The Housing Ministers' Conference was inaugurated on 1 October 1958 at Darjeeling by Dr. B.C. Roy, Chief Minister, West Bengal; Shri K.C. Reddy, Union Minister for Works, Housing and Supply presided.

Minister's Address. - Addressing the Conference, Shri Reddy stated that the provision of 1,200 million rupees for housing in the second Plan was likely to be reduced to 840 million rupees. He added: "This is a development which we wish had not taken place". He asked the Ministers to consider how best to utilize the amount at their disposal.

The total expenditure on housing and slum clearance in the first instance three years of the Plan, he said, was expected to be about 360 million rupees. The States would, therefore, have to spend 240 million rupees per year, against the average of 120 million rupees a year so far, to ensure that the allotment of 840 million rupees was utilized.

Shri Reddy said it was difficult to put up a low-cost house. The challenge had to be met. They had, therefore, always urged the States to set up housing departments which could give their entire attention to the problem of building costs.

He believed a cell of technical talent in every such department would produce good results. The States now had the powers to sanction projects themselves, and it was essential that the housing departments should have at least a technical officer to scrutinize schemes received from various organisations with a view to effecting economies wherever possible.

If the cost could be kept down the resulting subsidized rent would also work out to a reasonable figure, he said.

The same considerations applied to slum-clearance. They might have to think more in terms of open developed plots for slum dwellers and industrial workers. The low rent paying capacity of these groups had prompted his Ministry to suggest a skeletal house whose rent was somewhere between the subsidized rent of a pucca tenement which was normally 12.5 rupees and their rent paying capacity.

Referring to the low-income-group housing scheme, Shri Reddy said in view of the great demand for loans under the scheme the conference should consider whether instead of giving 80 per cent of the cost of the house as loan, only 60 per cent could be given. This would ensure the construction of greater number of houses within the allocation and help mobilize more private capital.

Emphasising that a construction agency also often helped in effecting economies, the Minister urged that popular participation in certain types of works would produce the best results. For instance, the slum population could be banded into a co-operative and entrusted with construction under proper guidance. He also commended for consideration the enlistment of social and voluntary organisations in the execution of housing and slum-clearance programmes.

The Minister said research was constantly under way in building materials and techniques but there was no magic formula which would reduce costs. "The attack must be on all fronts - an act of deliberate thinking and policy."

Recommendations.- The Conference adopted 59 recommendations on such subjects as provision for housing in the Second Five Year Plan, subsidised housing scheme for various sections of the population such as industrial labour, plantation labour, low-income group and middle income group, rural housing and slum clearance. The more important of the recommendations are briefly reviewed below.

a) Second Plan allocation.- The Conference disapproved the proposed reduction in the housing scheme from 1,500 million rupees to 840 million rupees as a result of the Second Plan's reappraisal.

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b) Subsidised Industrial Housing Scheme.- The Conference made several recommendations with a view to ensuring that houses after completion under the subsidised industrial scheme were duly allotted and occupied by eligible workers.

It also recommended that in cases where the workers cannot afford to pay the rent of a pucca tenement and are averse to taking up residence in the open developed plots now provided for under the Scheme, the State Governments might consider providing them wherever possible, and where only single storeyed construction is contemplated, something in between a pucca tenement and an open developed plot such as some roofing on pillars etc., of the total cost of about 2,000 rupees. The rent for such a skeletal house would be about 8 rupees per month.

The Conference expressed disappointment at the poor response from employers under the subsidised industrial housing scheme. It felt that unless employers were persuaded to lend co-operation to the scheme, a measure of compulsion requiring to build a certain percentage of houses for workers every year or compulsory levy per worker per month to be recovered from the employer should be enforced.

c) Low Income Group Housing Scheme.- The Conference noted the good progress made under the Low Income Group Housing Scheme and suggested, in regard to a proposal to reduce the maximum amount of loan permissible from 8,000 rupees to 6,000 rupees, the maintenance of the status quo for the duration of the Second Five Year Plan.

The Conference also stressed the need for making available properly developed land at a reasonable price to accelerate the pace of house construction in the country.

The Ministers suggested that in order to facilitate the sale of houses on a hire-purchase basis under the Low Income Group Housing Scheme and also to save themselves from investing the initial 20 per cent of the cost per house, the State Governments may try the experiment of building the houses up to 80 per cent of the estimated cost of the house, leaving the balance to be completed by prospective house-owner himself. Alternatively, they may get the 20 per cent of the estimated cost of the house from the prospective purchaser as an initial deposit before commencing the construction of the house under the hire-purchase system.

The Conference recommended suitable provision in the State Plans for housing government employees.

d) Slum Clearance Scheme.- The Conference recommended that the quantum of Central subsidy should be increased from 25 per cent to 37-1/2 per cent so that the total subsidy given by the State and Central Governments is increased from the existing 50 per cent to 62-1/2 per cent of the approved cost of the project.

The Conference noted with concern the very slow progress made in the matter of acquisition of slum areas and recommended that the State Governments should now take full advantage of the amendment made to Article 31 of the Constitution and accelerate proceedings for passing of enabling legislation for acquisition of slum areas and land for rehousing of slum dwellers on payment of reasonable compensation.

The State Governments should, while formulating the slum clearance programmes, wherever possible, provide for open developed plots in order to keep the rent within the paying capacity of slum dwellers. Construction of pucca tenements may be avoided unless it is reasonably certain that the erstwhile slum dwellers can pay the prescribed standard rent. For the intermediate category of slum dwellers, it might be considered advisable to build skeletal houses costing about 2,000 rupees containing besides a separate bath and W.C., roofs over pillars, which the erstwhile slum dwellers could complete themselves and the rent for which would be about 8 rupees per month.

The Conference also generally endorsed the recommendations of the report of the Slum Clearance Committee (vide Section 38, pp. 56-57 of the report of this Office for September 1958).

e) Plantation Labour Housing Scheme.- The Ministers recommended that all the States concerned with implementation of the Scheme should publicise the Scheme adequately, and take steps to persuade the planters to build more houses for their resident workers by taking advantage of the financial assistance admissible under the Scheme. If necessary, the State Governments should consider enforcing the relevant provisions of the Plantations Labour Act with a view to compelling the planters to build houses for their plantation workers.

f) Health Services.- The Conference recommended that the Central and State Governments should consider providing health services to the plantation workers. The Conference also recommended that the State Governments should consider providing health services to the plantation workers. The Conference also recommended that the State Governments should consider providing health services to the plantation workers.

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f) Rural Housing.- On rural housing, the Conference suggested that the outlook of rural housing should be predominantly rural such as will fit organically in the rural environments. Rural housing by definition should also include rural institutions such as Block headquarters, schools, hospitals, Panchayatghars and Community Centres, etc., besides housing for Block staff including gramsewaks, which are to be financed out of the Community Development and other allied budgets. Along with new villages and new housing, emphasis should equally be placed on minor improvements in existing houses which are immediately practicable - more or less on the lines of slum improvement as against slum clearance. With this end in view, a drive should be launched by the States with the co-operation of the Community Development staff. Improvement of existing houses can be brought about on a self-help basis with such financial help as may be available from the Community Development resources. The housing cells in the States should be so developed as to constitute eventually the National Housing Corporation for rural areas based predominantly on self-help and self-reflection by villagers.

It further suggested that the constitution of a special committee at the State level consisting of representatives of the departments concerned to co-ordinate rural housing and connected activities.

g) Middle Income Group Housing Scheme.- The Conference generally approved the tentative provisions of the Middle Income Group Housing Scheme proposed by the Ministry of Works, Housing and Supply, subject to the following modifications:-

- (i) The benefit of the Scheme should be restricted to those whose income does not exceed 12,000 rupees per annum.
- (ii) The total cost of the house to be built under the Scheme, exclusive of cost of land, should not exceed 20,000 rupees.
- (iii) Since the State Governments will be fully responsible for the repayment of loans to the Life Insurance Corporation, the Scheme should not provide for compulsory insurance of houses. This matter should be left to the discretion of State Governments.

h) Housing Boards.- The Conference recommended that the Central and State Governments should consider passing necessary legislation empowering them to set up Housing Boards in Union Territories and respective States which will be responsible for the construction and management of housing estates as also for the financing of house-building activities in the Union Territories and States.

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i) Land Acquisition for housing Schemes.- The Conference, realising the vital need for the speedy and bulk acquisition and development of land, for undertaking large scale construction programmes under the various Housing Schemes, during the remaining period of Second Plan, as also for enabling an uninterrupted carrying out of such programmes, during the Third Plan period, recommended that the State Governments may be allowed, out of their existing plan allocations under Low Income Group Housing and Subsidised Industrial Housing Schemes, to earmark a substantial portion of the amount for acquisition and development of land; the State Governments should consider the advisability of taxing vacant plots of land in urban areas where layout plans have been sanctioned, and use the proceeds to further Housing Schemes in the States.

j) Administration.- The Conference recommended that the State Governments should take immediate steps to set up full-fledged Departments or Boards to deal with all housing, slum clearance, slum improvement and town and country planning schemes and vest them with adequate powers for undertaking expeditious implementation of the projects formulated under various housing schemes. An adequate organisation for a technical scrutiny of the projects was also recommended for which the Central Government should give a grant to the States to the extent of 50 per cent of the cost of additional staff.

k) Two-room tenements.- The Conference accepted the desirability of providing two-roomed minimum accommodation and disapproved two families being allowed to occupy a two-roomed house temporarily.

The Conference also recommended that the State Governments should take immediate steps to set up full-fledged Departments or Boards to deal with all housing, slum clearance, slum improvement and town and country planning schemes and vest them with adequate powers for undertaking expeditious implementation of the projects formulated under various housing schemes. An adequate organisation for a technical scrutiny of the projects was also recommended for which the Central Government should give a grant to the States to the extent of 50 per cent of the cost of additional staff.

The following are the references (The Hindustan Times, 2 October, 1958; The Statesman, 7 October, 1958; Recommendations of the Conference, and other documents received in this Office).

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Loan Schemes for Housing to be liberalised:
Government's Decision.

The Government of India has formulated its views and taken decisions on the recommendations of the second Conference of Housing Ministers held at Mysore last year (vide Section 38, pp.66-69 of the report of this Office for October-November 1957) with a view to expediting implementation of various housing programmes envisaged in the second Five-Year Plan.

According to an official Press release the Union Government agreed with the recommendation that the State Governments should re-examine the present statutes to make the land acquisition process more speedy and that suitable administrative and technical machinery should be set up for this purpose.

The Government has also agreed that for long-range planning land in important cities should be acquired in the light of any master plans so that the land acquisition proceedings are made easier and cheaper.

Regarding integration of urban housing schemes the Union Government feels that it should be examined at the time of formulation of housing programmes for the third Five-Year Plan.

Regarding the various schemes of the Ministry of Works, Housing and Supply, the Government of India has decided that to enable the State Governments to acquire and develop land for constructing houses themselves or for sale to employers or co-operatives of industrial workers on a no-profit no-loss basis under the subsidised industrial housing scheme, loans at the appropriate rate of interest repayable in 5 to 7 years should be granted.

30

Aid to Civic Bodies.- The Union Government agrees that the State Governments may encourage municipal bodies by extending financial assistance on their responsibility to construct and own houses for renting out to industrial workers. To prevent employers from exploiting to their advantage the Government's anxiety for more housing for industrial workers, the Union Government agrees with the recommendation that the State Governments should not take the initiative in building houses.

The Government has accepted the suggestions that the quantum of loan admissible to employers should be raised from 37-1/2 per cent to 50 per cent of the approved cost and the mode of disbursement of loans and subsidies liberalised. Employers will also be given the option to repay loan either in 15 or 25 years.

To further induce employers, the Union Government has agreed that projects sent up for approval by employers may be technically scrutinised, processed and sanctioned by the State Governments who will, however, have to furnish full details of these to the Ministry of Works, Housing and Supply for determining whether the projects conform to the provision of the scheme.

Workers' Co-operatives.- ~~The Union~~ To encourage workers' co-operatives to build houses the Union Government has accepted the suggestion that a special unit should be set up in the housing board or housing department of each State to assist in their formation and registration and sanction of grants to them.

As regards the slum clearance scheme the Government is in agreement with the recommendation that legislation for purchase of land under the amended Article 31 of the Constitution should be enacted and steps taken to eliminate delays in land acquisition proceedings, through appropriate modifications in State legislation. It should also be ensured that compensation to former owners is not inordinately delayed.

(The Hindustan Times, 29 September 1958)

31

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

44. Merchant Marine and Fisheries.

India - October 1958.

Central Advisory Committee set up for Sailing Vessels
Industry.

The Government of India have decided to set up a central advisory committee at Bombay, and four regional advisory committees at the four regional headquarters of the sailing vessels organisations. The Director-General of Shipping will be the Chairman of the Central Advisory Committee.

The Committee will discuss major problems of all-India nature relating to the sailing vessels industry and to advise the Government on matters such as evolving a uniform system of trade practices, customs and usages to be observed throughout the country by those connected with the sailing vessels industry; the principles for the grant of financial assistance for the mechanization of sailing vessels; the education and training of tindels and seamen under sail; and improvement of port and repair facilities where possible with special regard to the needs of sailing vessels.

The regional Advisory Committees will be under the Chairmanship of the Regional Officer (Sails) in each region.

(The Hindustan Times, 1 October 1958).

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Review of Welfare facilities for Indian Seamen.

According to a review of maritime labour in India, the "nomadic life" of Indian seamen has been made normal by the provision of a number of special welfare measures in recent years. These measures include special seamen's clinics at Bombay and Calcutta, reservation of beds in certain hospitals for free indoor-treatment not merely while in service but also for a period of one year after their discharge, and a canteen in Bombay and Calcutta.

Health committees are functioning in Bombay, Calcutta, Vishakapatnam and Cochin, which provide facilities for medical treatment. There are two seamen's hostels in Bombay and one each in Calcutta and Madras, which provide accommodation to seamen at a nominal charge.

The review adds that special houses have been provided for Indian seamen in foreign ports, particularly in the U.K. Port welfare committees have been appointed to look after the interests of Indian seamen in the U.S.A., Australia and South Africa.

(The Hindustan Times, 2 October 1958).

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CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - OCTOBER 1958.

50. General.

Labour Conditions in Manganese Mines.

The Indian Labour Gazette, Vol.XVI, No.3, September 1958, contains the results of a survey undertaken by the Labour Bureau in December 1956 on labour conditions in manganese mines in India, for the first time after the Labour Investigation Committee's study in 1945.

There were, in all, 225 mines. It was decided to divide them in three categories, viz., small, medium and large. Small mines were defined as those which employed not more than 100 workers; medium as those which employed more than 100 but not more than 500 workers; and large as those which employed more than 500 workers. It was further decided to cover a proportion of mines in all the three categories in such a way that each of the manganese producing regions was properly represented. The total number of mines, sampling fraction and the number of mines sampled for survey in respect of each of the three size-groups are shown below:-

Size Group	Total No. of mines.	Sampling fraction.	No.of sampled mines.
Small (0-100) -----	93	25 per cent	23
Medium(101-500)-----	91	32-1/3 -do-	31
Large (above 500)-----	41	50 -do-	22
Total.	225	..	76

Of the 76 sampled mines, 14 fell in Eastern Region comprising of Bihar and Orissa, 46 in Central Region comprising of Madhya Pradesh and Bombay State and 16 in Southern Region consisting of Andhra and Mysore State.

I. Employment: Direct and contract labour.- The total number of workers employed in the sampled mines on 30 September 1956 was 35,572. Of these, 20,545 or 57.8 per cent were employed directly while the remaining 15,027 workers or 42.2 per cent were employed through contractors. In the individual regions, about 70 per cent of the workers were employed directly in the Eastern Region while in the Central and Southern Regions this percentage was 58.4 and 51.3 respectively. The contract labour was fairly high in Southern Region being 48.7 per cent followed by Central and Eastern Regions being 41.6 and 30 per cent respectively.

Women accounted for about 39 per cent of the total number of workers. Out of 13,855 female workers, 7,175 i.e. 51.8 per cent, were employed directly while the remaining 6,680 i.e. 48.2 per cent, were employed through contractors. Employment of women through contractors was more common in the Central Region where woman labour accounted for nearly 61.1 per cent of the total contract labour in all regions. Female workers were generally employed in mining, development, boulder, Ore cleaning and miscellaneous jobs.

Time-rated and piece-rated workers.- Out of 20,545 workers employed directly in the sampled mines, 7,681 workers or 37.4 per cent were employed on time-rates while the remaining 12,864 or 62.6 per cent were employed on piece-rate basis. Region-wise break up shows that employment on piece-rate system was more common in the Central and Southern regions where it was 66.7 and 62.3 per cent respectively. Employment on time-rates was common in the Eastern Region being 55.5 per cent. Break-up according to employment size groups revealed that the percentage of piece-rated workers was more or less uniform; being 64.3, 58.5 and 64.8 in large, medium and small mines respectively.

Women were more commonly employed on piece-rate basis. Of the 7,175 female workers, who were employed directly in the sampled mines, 5,106 workers or 71.2 per cent were employed on piece-rate system while the remaining 2,069 workers or 28.8 per cent were employed on time-rate basis. The employment of women on piece-rate basis predominated in the Central Region where the percentage employed on a piece-rate basis was 80.0.

35

Permanent, Temporary and Casual workers.- Out of 20,545 workers who were employed directly in the sampled mines, 10,284 workers or 50.1 per cent were permanent; 7,949 workers or 38.7 percent were temporary and the remaining 2,312 workers or 11.2 per cent were casual. Taking individual regions the percentage of permanent workers was the highest in the Central region, viz., 70.4 per cent and the lowest in Southern Region, viz., 15.5 per cent. The percentage of temporary workers was the highest in Eastern region 81.6 followed by Southern and Central region being 42.6 and 27.8 respectively. The proportion of casual labour was the highest in Southern region being 41.9 per cent. Out of the total of 7,175 women workers employed in all these mines, 47.1 per cent were permanent, 42.9 per cent temporary and only 10.0 per cent casual.

Length of service.- Workers having service below one year formed 49 percent of the total while those having service between 1 - 5 years, 5 - 10 years and 10 years and above formed 34.8 per cent, 12.2 per cent, and 4.0 per cent respectively of the total number of workers employed in the different mines. About half of the workers had service below one year. This is due to the fact that majority of the workers are agriculturists and they absent themselves during the sowing and the harvesting seasons. It results in break of their service and every time they are enrolled as fresh workers.

Absenteeism.- Data regarding absenteeism are available in respect of 56 mines. The average annual rate of absenteeism was the highest in Orissa (21.4 per cent) and the lowest in Mysore (13.8 per cent). The All-India average for the year was 16.6 per cent. The high rate of absenteeism may be attributed to various factors. Firstly, it may be stated that a very high percentage of labour is drawn from the agricultural communities and the labourers have a secondary interest in eking out their livelihood from employment in mines. At best, it can be stated that they supplement their income by taking to mining during idle season. Secondly, festivals and social customs are also to be a great extent responsible for spasmodic attendance in mines. Thirdly, the seasonal nature of working of certain mines also prevents a worker from taking to mining continuously.

Recruitment and apprenticeship.- It was reported that workers were recruited directly by the managements and also through the contractors. Local labourers, i.e., labourers from the adjoining villages, came of their own accord and were recruited directly by the mine managers while outside labourers were recruited by labour recruiting contractors. In the Andhra mines, recruitment was done through the contractors and such contractors were paid some commission by the Company. In certain mines of Bombay, recruitment was done through contractors on commission basis, while in Orissa, 'Munshis' and 'Mates' were employed for recruiting labour. Usually ex-employees and relatives of employees were given preference.

Apprenticeship scheme existed only in one mine of Mysore. Under this scheme, the apprentices were trained in workshop, ore sampling, sorting and mining supervision. Only educated and technically qualified candidates were given training for a period of 6 to 24 months and during the period of apprenticeship, a stipend of 30 rupees to 100 rupees per month was paid.

II. Wages and Earnings.- Information regarding basic wages and dearness allowance is available in respect of 72 mines. Of these, 67 mines furnished details about the minimum basic wage of the lowest paid male worker while the remaining 5 mines furnished details in respect of female workers only. The range of minimum wages and total earnings of the lowest paid male worker in the various States are given below:-

State	Basic Minimum Wage	Total Earnings
Andhra	Re.1/- to Rs.1/6/-	Re.1/- to Rs.1/6/-
Bihar	Re.1/-	Re.1/-
Bombay	Re.0/6/9 to Rs.1/12/-	Rs.1/3/11 to Rs.1/12/-
Madhya Pradesh	Re.0/5/4 to Rs.1/8/-	Rs.1/2 to Rs.1/9/6
Mysore	Re.1/- to Rs.1/10/-	Re.1/- to Rs.1/10/-
Orissa	Re.0/10/- to Rs.1/5/-	Rs.1/4/- to Rs.1/11/2.

N.B.- This table does not include, in some cases, foodgrains supplied at concession rates.

37

Of the 67 mines, only 7 mines paid separate dearness allowance to their workers. In some of the mines, the workers were paid consolidated wages while in others, wages of workers were supplemented by other allowances. Other allowances were paid both in cash and in kind. Allowances paid in kind included the supply of grains at concessional rates, rent-free quarters and free medical aid. In two mines of Orissa, other allowances also included attendance and service bonuses. The money value of such allowances ranged from ~~As.-1/1-~~ As.-/1/- to As.-/12/8 in different mines. The consolidated wage of the male worker in all these mines generally ranged between Rs.1/- and Rs.1/12/-. The minimum basic wage of the lowest-paid female workers varied from As.-/10/- to Rs.1/2/- and the consolidated wage ranged from As.-/12/- to Rs.1/6/4 in all the mines surveyed.

The details of basic wages paid in respect of some of these occupations are discussed below.

Bed Ore Mining.- Workers were engaged in this occupation both on time-rate and piece-rate basis. Employment of workers on piece-rate basis was more common. In Bombay State, workers who were employed on piece-rate basis were paid a basic wage of Rs.2/13/- per tub or Rs.2 to Rs.8/- per frame depending upon its size. Workers engaged on time-rates got a basic wage of Rs.1/8/- to Rs.2/5/- per day. In Madhya Pradesh, workers were employed on piece-rate basis only. On one mine, they were paid on the basis of 'kudo' at the rate of Rs.1/8/- per kudo while in another mine, they were paid on the basis of 'ton' at the rate of Rs.2/13/- per ton. Payment on the basis of 'tub' or 'frame' was also in vogue in certain mines. In one mine of Orissa, workers were paid Rs.2/- per box of 36 cubic feet while in another mine, they got Rs.1/8/- per ton. In Mysore, workers were engaged both on time-rates and piece-rates. In one mine, male workers got Rs.1/5/- per day while females got As.-/13/- per day. The monthly average earnings (on the basis of 26 working days) of bed ore miners ranged between Rs.34/6 and Rs.62/10/- in the different mines.

Underground Mining.- Very few workers were engaged on this occupation and that too in Bombay. In 2 mines, workers were engaged on time-rate basis and were paid Rs.1/12/- to Rs.4/2/- per day. Piece-rate workers in one mine were paid Rs.1/8/- to Rs.2/- per 16 cubic feet while similar workers in another mine were paid Rs.2/13/- per tub. The monthly average earnings (on the basis of 26 working days) of underground miners varied from Rs.33/14/- to Rs.67/- in different mines.

38

Boulder Mining.- The basic wage rates of workers employed on time-rate basis varied from Rs.1/8/- (in one mine of Mysore) to Rs.1/15/3 (in one mine of Bombay). Workers employed on piece-rate basis were paid Rs.8 to Rs.24/- per phanna, in one mine, Rs.9/- per frame of 2.5 cubic feet in another mine and Rs.1/8/- per maund or Rs.2/- for 100 cubic feet in the third mine in Bombay. In 2 mines of Madhya Pradesh, piece-rated workers were paid at the rate of Rs.22/- per phanna or Rs.4/- to Rs.6/8/- per 'Kudo'. The rate per 'Kudo' was Rs.1/4/- in 2 other mines of Madhya Pradesh. The monthly average earnings (on the basis of 26 working days) of workers belonging to this occupation varied for Rs.33/9/- to Rs.95/9/- in various mines.

Development.- Workers engaged on this occupation on time-rate basis got Rs.2/3/9 per day in one mine of Bombay and Rs.1/8/- to Rs.1/12/- per day in 2 mines of Mysore. Female workers who were employed on this occupation got Rs.1/2/- to Rs.1/4/- per day in the two Mysore mines. In 4 mines of Orissa, the time-rate varied from Rs.1/3/- to Rs.1/8/- per day. Piece-rated workers were paid As.-/8/- to Re.1/- per tub in one mine of Mysore and Rs.1/4/- per tub in one mine of Bombay. In 3 other mines of Bombay, workers got Rs.2/- to Rs.8/- per 100 cubic feet. The monthly average earnings (on the basis of 26 working days) of workers engaged on development work ranged between Rs.32/3/- and Rs.91/- in various mines.

Transport.- The basic wage rate of workers employed on time-rate basis varied from Rs.1/6/- to Rs.2/2/- in 2 mines of Bombay. In one mine of Madhya Pradesh, workers engaged on piece-rate basis were paid As.-/6/6 per tub while in another mine, workers were paid As.-/7/- per ton. In one mine of Orissa, workers were paid Rs.3/- per truck load. The monthly average earnings (on the basis of 26 working days) of workers engaged on transport varied for Rs.32/8/- to Rs.55/4/- in the various mines.

Railing and loading.- The basic wage rate of time-rated workers was Rs.1/14/- per day in one mine of Bombay. In four other mines of Bombay, piece-rated workers were paid at the rate of Rs.6/- to Rs.15/- per wagon. In 2 mines of Madhya Pradesh, the rate per wagon was Rs.6/8/- to Rs.10/-. In another mine of Madhya Pradesh, workers were paid Rs.5/- to Rs.7/- per ton. The monthly average earnings (on the basis of 26 working days) of loaders ranged between Rs.27/- to Rs.57/11/- in different mines.

99

Bonus.- A profit bonus scheme existed in 11 mines - 5 in Orissa, 4 in Andhra and 1 each in Bombay and Mysore. The rate at which this bonus was paid varied in the different mines. In all the 4 mines of Andhra, bonus equivalent to 3 months' wages was paid yearly to all workers with one year's service. In Orissa, the position was not uniform in the different mines. In 2 mines, bonus equivalent to 2.88 per cent of the basic wages was paid to all employees with one year's continuous service, while in other 2 mines it was paid at the rate of 3 months' wages to permanent monthly paid employees only. In the remaining one mine, bonus equivalent to 3 months' emoluments was paid to permanent staff only. In the Mysore mine, bonus equivalent to one month's basic wages was paid to all permanent workers with one year's continuous service. In the Bombay mine, bonus equivalent to 5/12th of the basic earnings was paid to all employees.

Production bonus was paid only in 2 mines - one each in Orissa and Mysore. In the Orissa mine, bonus equivalent to one month's salary was paid to permanent staff. Daily-wage labour mates and mechanical staff who worked for 6 months continuously were also eligible for the grant of this bonus. In the Mysore mine, this bonus was paid to mining gangs every month, the rate depending upon the production.

The system of paying attendance bonus was prevalent in 41 mines. Of these, 18 were in Madhya Pradesh, 15 in Bombay, 7 in Orissa and 1 in Andhra. The rate at which this bonus was paid differed from State to State and from mine to mine within a State. The rate was one month's basic wage in 7 mines, one month's basic earnings in 3 mines and 2 months' basic wage in 1 mine. All workers were eligible for the grant of attendance bonus in these mines. The condition of eligibility was 60 to 65 days' attendance in a quarter. In 2 mines of Madhya Pradesh, attendance bonus was paid at the rate of 1/8th of total earnings to all workers with 65 days' attendance in a quarter.

In 4 mines of Orissa, all workers with more than 6 months' attendance during the year 1955-56 were paid attendance bonus at the rate of Rs.20/-. In 2 other mines, attendance bonus was paid at the rate of 10 to 20 per cent of the basic salary to all workers drawing a basic salary of not more than Rs.150/- per month. In the remaining mine of Orissa, attendance bonus was paid at the rate of 7 days' wages to all workers, with 250 days' attendance in a year. ~~In the Andhra bonus at the rate of 10 days' wages.~~
~~In one mine~~ In the Andhra bonus at the rate of 10 days' wages mine, all workers with 150 days' wages attendance during the year got bonus at the rate of 10 days' wages. In one mine of Bombay, good attendance bonus was paid at the rate of half-anna per day to workers having more than 22 days' attendance in a month. In the remaining mines, the rate of payment varied from Rs.11/11/- to Rs.15/- per worker and was paid quarterly.

100

III. Working Conditions.- In all the mines, working hours were 8 perday, except for 1 mine each in Orissa and Madhya Pradesh, where the working hours were 7 and 6 respectively. The period of rest intervals varied from half an hour to 4 hours daily. The daily spread over of working hours ranged from 8 to 12. Night shifts were worked in 8 mines - 4 in Bombay and 2 each in Madhya Pradesh and Orissa. No separate allowance for night shift workers was being paid but the system of change over of shifts every week was prevalent.

The number of days for which casual leave was granted varied from 4 to 14 in the different mines. The conditions of eligibility were also different in the different mines but in most of them workers with one year's service were eligible for casual leave. In 8 out of the 22 mines, all the workers were granted casual leave while in others it was granted only to certain categories of workers. Forty-six mines - 17 in Bombay, 14 in Madhya Pradesh, 6 in Orissa, 5 in Andhra, 5 in Mysore and 1 in Bihar granted sick leave to their workers. The number of days for which such leave was granted ranged between 7 and 42 in the different mines. Earned leave was granted to workers in 58 mines - 21 in Bombay, 18 in Madhya Pradesh, 11 in Orissa, 5 in Andhra and 3 in Mysore. The period of such leave ranged between 7 and 30 days in the different mines. About half the number of mines granted only 7 days while 6 of them granted 30 days. Two mines granted earned leave as per Mines Rules. In some mines the period of earned leave granted varied with the category of worker also. With regard to the conditions of eligibility there was no uniform standard but one year's service or a specified number of days' attendance was the necessary condition for claiming the earned leave.

With the exception of 5 mines - 2 in Bombay, 1 each in Mysore, Madhya Pradesh and Orissa - all the mines allowed holidays with pay to their workers. In 41 out of 71 mines, only 2 holidays were granted. In one mine 14 holidays were granted to monthly time-rated workers only. One mine allowed 12 holidays and 6 allowed 10 holidays. In rest of the mines the holidays with pay ranged between 3 and 9 days per year.

Of the 76 sampled mines, information about weekly-off was available for 71 mines. All of these granted weekly-off.

21

IV. Welfare.— Out of 76 sampled mines, 53 mines or 69.7 per cent of total number under survey, had provided housing accommodation. The region-wise break-up of these 53 mines was 31, 14 and 8 in Central, Eastern and Southern region respectively. The distribution of these mines according to size group was 18 large, 23 medium and 12 small. The percentage of workers housed in different mines varied from 4 to 100. Thirty mines had provided accommodation for more than 50 per cent of the workers and 9 of these had actually provided accommodation for less than 50 per cent of workers and 8 of them for even less than 25 per cent of its workers. No housing accommodation was provided to the workers employed in the Andhra mines as majority of the workers belonged to the nearby villages. In two large mines of Orissa, houses had been provided to those workers who came from distant places. Such workers were given top priority at the time of allotment of houses.

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The types of houses provided from mine to mine. Nearly in 87 per cent of the mines, the houses were either thatched, kachha or semi-pucca, while only in 13 per cent of these mines they were pucca. Kachha houses were made of bamboo and palmirah leaves and had slanting thatched roofs. In 2 mines of Orissa, workers had been provided with pucca single room tenements. One common feature in all the mines was that houses had been provided rent-free.

The source of water supply was wells in majority of the mines. In certain mines water carriers had been engaged while in others water taps or nearby streams provided the source of water supply. Sanitary arrangements existed only in 43 mines.

With the exception of 6 mines, all the other mines had provided medical facilities for their workers. Five mines had well-equipped hospitals while 13 mines had dispensaries. Medical aid, whenever needed was provided by 21 mines while 23 mines maintained first-aid boxes. In the remaining 8 mines services of doctors were made available to the workers in need. Only 8 mines had canteens for their workers. Recreational facilities were provided by 27 mines. Educational facilities were provided by 25 mines. Transport facilities were provided by 16 mines. In 23 of the mines, there were either cheap grainshops or workers were supplied grains at concessional rates. Rest shelters existed in 66 mines and in 1 mine rest shelter was under construction. Rest shelters had been build mostly with thatched roofs.

42

V. Social Security. - Provident Fund Schemes existed in 16 mines - 9 in Bombay, 3 in Orissa and 2 each in Madhya Pradesh and Mysore. The rates of contribution and conditions of eligibility varied widely from State to State and mine to mine. The rates of contribution by the employer and the employee were generally equal in most of the mines. One year's continuous service was the common essential condition of eligibility.

Gratuity Schemes existed in 12 mines - 8 in Bombay, 2 in Orissa and 1 each in Madhya Pradesh and Mysore. Gratuity was paid on the following basis in 6 of the mines of Bombay and the Madhya Pradesh mine. Gratuity Schemes in these mines were applicable to workers drawing a basic pay of less than Rs100 per month and were brought into force with effect from 1 January 1948.

- (a) 10 - 15 years' continuous service in case of retirement due to ill-health, ~~and~~ old age or dismissal on grounds other than misconduct - 2 weeks' pay for each completed year of service.
- (b) 10 - 15 years' continuous service, in case of resignation on proper grounds with good and sufficient notice - 10 days' pay for each completed year of service.
- (c) 15-20 years' continuous service - 3 weeks' pay for each completed year of service.
- (d) Above 20 years - One month's pay for each completed year of service subject to a maximum of 25 months' pay.

In another mine of Bombay, gratuity was paid to permanent workers only at the rate of 5/4th month's basic salary for each completed year of service subject to a maximum of 15 months' basic salary. In the 2 mines of Orissa, a ~~retiring~~ retiring gratuity Scheme existed for time-rated employees. Employees who had completed 15 years' service or had been discharged due to death after one year's service were entitled to gratuity at the rate of 15 days' basic salary for each completed year of service, subject to a maximum of 15 months' basic salary.

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VI. Industrial Relations.- Out of 76 mines, 58 had framed Standing Orders for regulating the conditions of service of their employees. These Orders were certified in 49 mines, while in 6 mines, these were under certification. In the remaining 3 mines, they were not certified.

In 40 mines Works Committees existed for looking after the grievances of workers. In one more mine such Committee was under formation. The workers had equal representation on such Committees in all the mines.

Labour or Welfare Officers had been appointed in 19 mines - 10 in Bombay, 6 in Madhya Pradesh, 2 in Mysore, and 1 in Orissa. They generally looked after recruitment and welfare of the workers, and served as liaison officers between the management and the workers. Two mines in Orissa had Personnel Officers. In the remaining mines, Labour or Welfare Officers had not been appointed.

In 27 mines - 13 in Bombay, 7 in Madhya Pradesh, 4 in Andhra, 2 in Orissa and 1 in Mysore, the workers had formed trade unions. With the exception of one union in Bombay, all other unions were registered and 22 of them were recognised by the managements of the respective mines.

Name of Factory
Northern India
North Eastern
Eastern India
Central India
Western India
Southern India
South Eastern

(Indian Labour Gazette, Vol. XVI, No. 3,
September 1958, pp. 199-220)

Total (1958)

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204

51. Hours of Work.

India - October 1958.

Working of Hours of Employment Regulations in Railway
during the Year 1956-1957.

The total staff covered by the Regulations during the year under report was 1,080,753 as against 1,011,039 during the previous year. Under the Railway Servants (Hours of Employment) Rules, 1951, railway servants are classified under four categories, viz., (i) intensive, (ii) essentially intermittent, (iii) excluded and (iv) continuous staff on the basis of the volume, nature and intensity of work. The table below shows the distribution of the above categories of workers during 1956-57:-

Name of Railway.	Intensive Number.	Continuous Number.	Intermittent Number.	Excluded Number.	Total Number.
Northern Railway -----	245	112,100	18,545	60,725	191,615
North Eastern Railway-	90	92,408	17,281	12,510	122,289
Eastern Railway -----	276	108,898	13,220	28,739	151,133
Central Railway -----	439	130,610	22,808	39,377	193,232
Western Railway -----	228	86,465	17,897	25,665	130,255
Southern Railway-----	565	107,328	16,470	42,728	167,091
South Eastern Railway-	198	80,606	13,053	31,281	125,138
(1956-57 -----	2,041	718,415	119,274	241,023	1,080,753
Total (1955-56 -----	2,008	676,766	118,729	213,536	1,011,039

The officers of the Industrial Relation Machinery paid special attention to correct classification of employees. Out of 147 cases of reclassification referred to the Railway Administration during the period under review, the Railway administration accepted the suggestions in 41 cases. Sixteen cases were contested by the Railway Administration and 90 cases were pending at the end of the year. During the period, 140 cases were referred to the Railway Administration for the appointment of additional staff. In 41 cases, the suggestions were accepted and in 21 cases they were contested. At the end of the year 78 cases were pending.

Inspection.- The Labour Inspectors(Central) carry out for about 12 to 15 days regular inspections of railway establishments every month under the Hours of Employment Regulations, Payment of Wages Act, Employment of Children Act, etc. A certain percentage of such inspections is rechecked by the Regional Labour Commissioners and Conciliation Officers who also do original inspection when they go on tour. Minor irregularities pertaining to non-display of regulations, working beyond rostered hours or during rest periods, non-maintenance of records regarding extra hours, instances of continuous night duty, etc., are taken up directly with the Railway Administration concerned. Cases of wrong classification and other major irregularities are referred to the Regional Labour Commissioners for scrutiny and further action with the head of the railways. In the period under review 5,796 establishments were inspected as against 7,207 during the preceding year, and the irregularities detected, so far as the Hours of Employment Regulations are concerned, were 13,208 as against 15,593 in the last year.

The number of irregularities of various kinds detected during the year were as follows:-

Nature of irregularities.	Number.	Percentage.
Non-existence of rosters -----	2,944	22.28
Non-display of rosters -----	664	5.03
Out of date rosters -----	473	3.58
Illegible or otherwise defective rosters----	1,328	10.05
Non-display of regulations -----	644	4.87
Habitually working outside rostered hours--	589	4.46
Occasionally working outside rostered hours-	389	2.95
Working contrary to roster -----	339	2.57
Habitually working on rest days-----	962	7.28
Occasionally working on rest days-----	722	5.47
Compensatory Off not given in lieu of weekly rest-----	1,138	8.62
Performing continued night day-----	93	0.70
Non-payment of overtime allowance -----	712	5.39
Non-maintenance of overtime registers-----	458	3.47
Irregularities regarding maintenance of muster roll and overtime register-----	483	3.66
Other irregularities-----	1,270	9.62
Total-----	13,208	100.00

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The largest number of irregularities was in the Southern Railway i.e. 3,085 of which the Transport Departments accounted for 2,043. The North Eastern Railway came next with 2,709 irregularities, of which the Transport Departments claimed 2,052. In the Railways as a whole, the largest number of irregularities detected were in the Transport Departments (9,052). The Medical Department accounted for the least number of irregularities (264).

All cases of irregularities detected were taken up with the Railway Administration concerned for rectification. Of the total 13,208 cases of irregularities, 4,747, i.e., 36 per cent were rectified against the previous year's percentage of 33. Seventy cases were contested by the Railway Administration as against 71 cases during last year and 8,391 cases were pending at the end of the year. Of the irregularities rectified 2,263 (47 per cent) were rectified within 3 months, 1,498 (32 per cent) from over 3-6 months, 437 (9 per cent) from over 6-9 months, 277 (6 per cent) from over 9-12 months and 272 (6 per cent) after 12 months.

(The working of the Regulations during the year 1954-55 was reviewed at pages 62-64 of the report of this Office for February 1957).

(Indian Labour Gazette, Vol. XVI, No. 3,
September 1958, pp. 220-223).

57

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

India - October 1958.

Bombay: Government's Pilot Project for Workers' Education.

The Bombay Government has decided to introduce a pilot project on "workers' education" for industrial workers in Bombay on an experimental basis.

It is being put into operation by the Institute for Labour Welfare, which has been specialising in labour welfare courses.

The scheme is open to all factory workers, but preference will be given to those falling in the age group of 18 to 35 years and to those who have attained the primary school certificate standard. It is the Government's intention to admit even illiterate workers, if they are found fit to take advantage of the course. The medium of instruction will be Hindi and Marathi.

The main purpose of the scheme is to make the worker useful citizens; to promote better industrial relations; to enable workers to understand modern economic trends and to discipline the mind of workers and develop their thinking power and latent potentialities.

(The Hindustan Times, 30 October 1958).

Chapter 6. General Rights of Workers.

67. Conciliation and Arbitration.

India - October 1958.

The Industrial Disputes (Rajasthan Amendment) Act, 1958.

The Government of Rajasthan gazetted on 21 August 1958, the Industrial Disputes (Rajasthan Amendment) Act, 1958. The Act will come into force on such date as the State Government may, by notification appoint.

According to the Statement of Objects and Reasons cited in the Bill, the measure is designed to afford further relief and protection to industrial employees in the matter of their representation and the settlement of industrial disputes by voluntary submission to arbitration. It provides for the registration of representative unions of employees and sets up the machinery to order such registration. It further provides for the reference of industrial disputes arbitration by the employer and the representative union agreeing to do so in writing and regulates the procedure to be observed in such arbitration proceedings. Parallel laws have been passed in other States of India and the former Ajmer State which now forms part of the State of Rajasthan in one of them.

(Indian Labour Gazette, Vol. ~~XV~~ XV, No. 10,
April 1958, pp. 1038-1039;
Indian Labour Gazette, Vol. XVI, No. 3,
September 1958, page 224).

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

India - October 1958.

Meeting of Sub-Committee on Workers' Participation in
Management and Discipline in Industry: Grievance
Procedure outlined.

A meeting of the Indian Labour Conference's Sub-Committee on Workers' Participation in Management and Discipline in Industry was held at New Delhi on 19 September 1958, Shri Gulzarilal Nanda, Union Minister for Labour and Employment presiding. The meeting was attended by officials of the Government of India, including representatives of the Ministries of Labour and Employment, Defence, Works, Housing and Supply, Transport and Communications, Railways, and Finance and the Government of West Bengal, and Workers' and Employers' representatives. Shri V.K.R. Menon, Director of this Office, attended the meeting by special invitation.

The meeting noted the progress made in the implementation of the scheme for workers' participation in management and finalised the grievance procedure.

Memoranda on agenda.- The Ministry of Labour and Employment had prepared memoranda on the subjects of the agenda for the meeting, a brief review of which is given below:-

a) Workers' Participation in Management.- It was in the 15th Session of the Indian Labour Conference held in July 1957, that it was decided to initiate the experiment on Workers' Participation in Management in 50 selected units. These units were to offer themselves voluntarily for the proposed experiment. By the time the Seminar was organized in January this year, about 30 units actually volunteered. In the Memorandum on the subject placed before the last session of the Indian Labour Conference, it was mentioned that subsequent to the Seminar, progress was disheartening. From the information received since then, it would appear that Joint Management Councils have been constituted only in about a third of the units which volunteered to try the scheme. The names of units where Joint Councils have been introduced and the progress of their working are briefly mentioned below:-

<u>Name of Unit.</u>	<u>Remarks.</u>
Simpson & Group Cos.	Two Management Councils set up, one for Engineering Section and the other for Press & Miscellaneous Section. The Engineering Council has met thrice.
Indian Aluminium Co.Ltd.	Practises joint consultation in a wide field of industry through five joint consultative bodies.
Hindustan Machine Tools (Private) Ltd.	Worker Participation through Joint Management Council.
Modi Spg.&Wvg.Mills Co.Ltd.	Joint consultative Committees already functioning.
Kerala State Transport Department.	District Staff Councils and Central Staff Council functioning on joint consultative basis.
Bally Jute Co. Ltd.	Joint Council constituted.
Punjab Government Press.	Works and Production Committee and Canteen Management Committee already existing. Labour Welfare Committee to be formed soon.
Kankmarrah Co. Ltd.	"Works Council" set up with three sub-Committees to deal with matters of Safety, Canteen & production.
Panitola Tea Estate Assam.	Joint Council set up - met three times - functioning satisfactorily.

51

<u>Name of Unit.</u>	<u>Remarks.</u>
Sonabheol Tea Estate Assam.	Joint Council set up - inaugural meeting held satisfactorily.
The Tata Iron & Steel Co.Ltd.	Practises joint consultation in a wide field of Industry.

Twenty-seven other units have agreed to implement the scheme.

Even allowing for a certain inevitable timeslag for the proper planning and launching of an important scheme of this kind in the different units, the halting progress is very much disappointing and calls for immediate solution by the combined efforts of all those who are interested in the success of the scheme. It cannot be that the units are still groping in the dark as to what is expected of them. The nature of the scheme and even the details thereof were settled in the Seminar by mutual consent. The recent agreement concluded between the Hindustan Machine Tools Private Ltd., and the Hindustan Machine Tools Workers' Association takes the scheme a step further and could very well serve as a model to all the other units who have volunteered to set up Joint Councils (vide Section 69, pp. 62-63 of the report of this Office for July 1958).

It will be recalled that the Indian Labour Conference was anxious that as far as possible, there should be no intervention by Government in the matter of setting up Joint Councils. The limitations of Government action in this regard were again made clear in the Memorandum placed before the last session of the Conference. Government is an interested party in maintaining industrial peace in the country, in the promotion of which 'Worker Participation in Management' is universally acknowledged to be an important element. As such, Government initiated the scheme and gave it a push forward by calling together in a Seminar, representatives of employers and workers from selected units. The agreed decisions of the Seminar were also publicised widely. More recently, the Minister wrote to the Presidents of the different All India Organisations of Employers and re-affirming Government's interest in the scheme and expressing his concern at its slow progress. It now becomes the responsibility of the Central Organisations of employers and workers to see that the units which have voluntarily come forward, carry out the experiment in the spirit of the understanding reached at the Seminar. Government could always help to resolve any difficulties that may crop up. In this, it can draw upon the valuable experience of the advisers, a panel of whose names is being maintained. But, the initiative in bringing the difficulties to the notice of Government has to be taken by the parties concerned.

It may be mentioned that where the scheme is being tried earnestly, encouraging results are already visible. In one instance, it was reported that all dissident elements among the workers had merged with the dominant union in order to make the scheme a success. In another instance, rival unions had come to an understanding for the purpose of securing representation on the Joint Councils. These are good portents for industrial harmony.

b) Grievance Procedure.— While approving the Sub-Committee's "Guiding Principles for a Grievance Procedure", the Indian Labour Conference had, at its last Session, recommended that a simple and flexible Grievance Procedure should be drawn up to accord with those principles (vide Section 11, pp. 11-32 of the report of this Office for May 1958). Comments were also received on the draft Grievance Procedure circulated earlier to the Ministries, State Governments and All India Organisations of Employers and Workers. In the light of these comments and the Guiding Principles, the draft has been revised for discussion at the meeting of the Sub-Committee.

It may be mentioned that one of the main criticisms of the grievance procedure outlined in the original draft was that under that procedure the aggrieved worker might have to wait for more than ten weeks before he got a final decision. In the revised draft, the total period for the grievance procedure to exhaust itself has been reduced to three weeks.

Proceedings: Shri Nanda's Address.— Shri G.L. Nanda, Union Labour Minister, who presided over the meeting, informed the committee that three more industrial units had set up joint management councils, thus bringing the number of undertakings that have implemented the scheme to 14.

The Minister added that it was the responsibility of the central organisations of employers and workers to see that the scheme was implemented by the units which had agreed to do so. Fifty units had accepted the plan.

Workers' participation in management.— Emphasised that in every establishment, effort should be made to constitute Works Committees on the lines laid down in the statute. In this connection, a complaint was made that in Uttar Pradesh

53

Workers' participation in management.- The representative of the A.I.M.O. revealed that the Bombay Silk Mills Ltd., the Malleable Iron & Steel Casting (P)Ltd., and the Devidayal Cable Industries (P) Ltd., had already started implementation of the scheme and agreed to send details to the Ministry.

A few instances of friction labour and management in the final arrangements for Joint Councils were brought to the notice of the Sub-Committee. It recommended that the good offices of the Panel of Experts maintained by Government should be used to settle these differences. A list of Panel members should be circulated to all the participating units.

The Labour Minister emphasised that the list of units chosen was not exhaustive and urged upon employers' and workers' organisations to extend the scheme to as many units as possible. It was recommended that employers' organisations should send a Progress Report on the scheme in respect of their constituent units to Government not later than the end of a month succeeding each quarter. The first report should be due by 31 October 1958.

Labour Minister agreed to write personal letters to employers of the undertakings which had agreed to implement the scheme but not yet done so.

Grievance Procedure.- The Sub-Committee considered the draft procedure presented by the Ministry and made certain amendments. Explaining one of the amendments, Shri Nanda emphasised that in every establishment, effort should be made to constitute Works Committees on the lines laid down in the statute. In this connection, a complaint was made that in Uttar Pradesh, Works Committees had been abolished by a Government order. The Sub-Committee recommended that this matter should be enquired into.

The text of the grievance procedure is as follows:-

A. Grievance Machinery.- A Grievance Machinery will be required to be set up in each undertaking to administer the Grievance Procedure. The minimum requirements of such a machinery would be as follows, except where an established procedure is already working to the mutual satisfaction of either party. Even in the latter case, every effort shall be made to bring the procedure in conformity with the Guiding Principles.

For the purpose of constituting a fresh Grievance Machinery, workers in each department (and where a department is too small, in a group of departments) and each shift, shall elect, from amongst themselves and for a period of not less than one year at a time, departmental representatives and forward the list of persons so elected to the management. Where the union(s) in the undertaking are in a position to submit an agreed list of names, recourse to election may not be necessary. Similar is the case of ~~cases~~, where Works Committees are functioning satisfactorily, since the Works Committee member of a particular constituency shall act as the departmental representative. Correspondingly, the management shall designate the persons for each department who shall be approached at the first stage and the departmental heads for handling grievances at the second stage. Two or three of the departmental representatives of workers and the two or three departmental heads nominated by the management shall constitute the Grievance Committee, the composition of which is indicated in Appendix. In the case of appeals against discharges or dismissals, the management shall designate the authority to whom appeals could be made.

B. Grievance Procedure.— While adaptations have to be made to meet special circumstances such as those obtaining in the Defence Undertakings, Railways, Plantations and also small undertakings employing few workmen the procedure normally envisaged in the handling of grievances should be as follows:—

1) An aggrieved employed shall first present his grievance verbally in person to the officer designated by management for this purpose. An answer shall be given within 48 hours of the presentation of complaint.

2) If the worker is not satisfied with the decision of this officer or fails to receive an answer within the stipulated period, he shall, either in person or accompanied by his departmental representative, present his grievances to the Head of the Department designated by the management for the purpose of handling grievances. (For this purpose, a fixed time shall be specified during which on any working day, an aggrieved worker could meet the departmental head for presentation of grievances). The Departmental Head shall give his answer within 3 days of the presentation of grievance. If action cannot be taken within that period, the reason for delay should be recorded.

3) If the decision of the Departmental Head is unsatisfactory, the aggrieved worker may request the forwarding of his grievance to the 'Grievance Committee' which shall make its recommendations to the Manager within 7 days of the Worker's request. If the recommendations cannot be made within this time-limit, the reason for such delay should be recorded. Unanimous recommendations of the Grievance Committee shall be implemented by the management. In the event of a difference of opinion among the members of the Grievance Committee, the views of the members along with the relevant papers shall be placed before the Manager for final decision. In either case, the final decision of the management shall be communicated to the workman concerned by the personnel Officer within 3 days from the receipt of the Grievance Committee's recommendations.

4) Should the decision from the Management be not forthcoming within the stipulated period or should it be unsatisfactory, the worker shall have the right to appeal to Management for a revision. In making this appeal, the worker, if he so desires, shall have the right to take a union official along with him to facilitate discussions with Management. Management shall communicate their decision within a week of the workman's revision petition.

5) If no agreement is still possible, the union shall and the management may refer the grievance to voluntary arbitration within a week of the receipt by the worker of Management's decision.

6) Where a worker has taken up a Grievance for redressal under this procedure, the formal Conciliation Machinery shall not intervene till all steps in the procedure are exhausted. A Grievance shall be presumed to assume the form of a dispute only when the final decision of the top management in respect of the Grievance is not acceptable to the worker.

7) If a grievance arises out of an order given by management, the said order shall be complied with before the workman concerned invokes the procedure laid down for redressal of grievance. If, however, there is a time lag between the issue of order and its compliance, the grievance procedure may immediately be invoked but the order nevertheless must be complied within the due date, even if all the steps in the grievance procedure have not been exhausted. It may however be advisable for the management to await the findings of Grievance procedure machinery.

8) Worker's representatives on the Grievance Committee shall have the right of access to any document connected with the inquiry maintained in the department and which may be necessary to understand the merit or otherwise of the worker's grievances. The management's representatives shall have the right, however, to refuse to show any document or give any information on which they consider to be of a confidential nature. Such confidential document(s) shall not be used against the workmen in the course of the grievance proceedings.

9) There shall be a time-limit within which an appeal shall be taken from one step to the other. For this purpose, the aggrieved worker shall, within 72 hours of the receipt of the decision at one stage (or if no decision is received, on the expiry of the stipulated period), file his appeal with the authority at the next higher stage, should he feel inclined to appeal.

10) In calculating the various time intervals under the above clauses, holidays shall not be reckoned.

11) Management shall provide the necessary clerical and other assistance for the smooth functioning of the grievance machinery.

12) If it is necessary for any worker to leave the department during working hours on call from the Labour/Personnel Officer or any other officer of the established grievance machinery, previous permission of his superior shall necessarily be obtained. Subject to this condition, the worker shall not suffer any loss in wages for the work-time lost in this manner.

13) If, however, there be any complaint against any individual member of the staff, who is nominated by the management to handle grievances at the lowest level, the workman may take up his grievance at the next higher stage i.e., at the level of Departmental Head.

14) In the case of any grievance arising out of discharge or dismissal of a workman, the above-mentioned procedure shall not apply. Instead, a discharged or dismissed workman shall have the right to appeal either to the dismissing authority or to a senior authority who shall be specified by the management, within a week from the date of dismissal or discharge. At the time the appeal is heard, the workman may, if he so desires, be accompanied by either an official of the recognised union or a fellow worker, as the case may be.

57

APPENDIX

Guiding Principles for a Grievance Procedure

Existing labour legislation does not provide for a well-defined and adequate procedure for redressal of day-to-day grievances in industrial units. Clause 15 of the Model Standing Orders in Scheduled I of the Industrial Employment (Standing Orders) Central Rules 1946 specifies that "All complaints arising out of employment including those relating to unfair treatment or wrongful exaction on the part of the employer or his agent, shall be submitted to the manager or the other person specified in this behalf with the right of appeal to the employers".

In some industrial units, however, detailed grievance procedures have been worked out by mutual agreement. In the absence of a satisfactory grievance procedure, day-to-day grievances are allowed to pile up with the result that the accumulated discontent culminates sometime or the other in cases of indiscipline, strikes, etc. In what follows, therefore, an attempt has been made to draw up Guiding Principles for a Grievance Procedure. It is realised that it may not be possible to apply all these principles in respect of each and every industrial unit. However, all units should endeavour to conform, as much as possible, to these principles.

Complaints affecting one or more individual workers in respect of their wage payments, over-time leave, transfer, promotion, seniority, work assignment, working conditions and interpretation of service agreement, dismissals and discharges would constitute grievances*. Where the points at dispute are of general applicability or of considerable magnitude, they will fall outside the scope of this procedure.

A Grievance Procedure should take note of the following principles:-

(1) Conformity with existing legislation:

A Grievance Procedure forms part of the integrated scheme intended to promote satisfactory relations between employers and workers. This procedure should be designed to supplement the existing statutory provisions and it may, where practicable, make use of such machinery as is already provided by legislation.

* In the case of Defence undertakings, however, a special provision may have to be made.

8

The Grievances machinery can be availed of on the receipt by the worker of the order causing a grievance. The operation of the order, however, need not be held up till the grievance machinery is completely exhausted. Wherever possible, attempts should be made to complete the grievance procedure between the time the Order is passed and when it is acted upon.

(2) Need to make the machinery simple and expeditious:

- (a) As far as possible, grievances should be settled at the lowest level.
- (b) No matter should ordinarily be taken up at more than two levels, i.e., normally there should be only one appeal.
- (c) Different types of grievances may be referred to appropriate authorities.
- (d) A grievance must be redressed as expeditiously as possible and towards this end, the employer, in consultation with the workers, should decide upon the time limit required for settling a grievance.

(3) Designation of authorities:

The workmen must know the authorities to be approached and it should, therefore, be incumbent on the management to designate the authorities to be contacted at various levels.

It may be useful to classify grievances as those arising from personal relationship and others arising out of conditions of employment. In the former case, a grievance should be taken up, in the first instance, with the authority in the line management immediately above the officer against whom the complaint is made. Thereafter, the matter may go to the Grievance Committee comprising representatives of management and workers. The size and composition of the Committee shall be decided at the unit level (See Annexure).

Other grievances should be taken up, in the first instance, with the authority designated by the management. Thereafter, a reference may be made to the Grievance Committee.

Where the matter goes to the Grievance Committee in the first instance, an appeal shall lie with the top management.

ANNEXURE

CONSTITUTION OF GRIEVANCE COMMITTEE

(1) In the case where the Union is recognised

Two representatives of management plus a Union representative and the Union departmental representative of the Department in which the workmen concerned work.

(2) In the case where the Union is not recognised there is not Union but there is a Works Committee.

^{Two} Two representatives of management plus the representative of the Department of the workman concerned on the Works Committee plus either the Secretary or Vice-President of the Works Committee (this is in case the Secretary of the Works Committee is also the workman's departmental representative).

It is suggested that in the case of the Management, their representatives should be the Departmental Head plus the official who dealt with the matter at the first stage, or the personnel officer should act as an adviser.

The size of the 'Grievance Committee' should be limited to a maximum of four to six; otherwise it becomes unwieldy.

(Documents of the Meeting received in this Office).

50

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES
OF WORKERS.

INDIA - OCTOBER 1958.

71. Employees and Salaried Intellectual Workers.

The Rajasthan Shops and Commercial Establishments Act,
1958.

The Government of Rajasthan gazetted on 31 July 1958, the text of the Rajasthan Shops and Commercial Establishments Act, 1958.

The Object of the measure is to afford relief to workers employed in shops and commercial establishments, who are labouring under very adverse conditions of service and the weekly Holidays Act, 1942 of the Central Legislature has not been found to be sufficient to ameliorate their condition. It is necessary to afford relief to these workers to regulate their working hours and to improve their conditions of service. Hence the Bill. It may be pointed out that there are already similar enactments in force in the Abu, Ajmer and Sunel areas which the present Bill seeks to repeal and replace.

(Indian Labour Gazette, Vol. XVI, No. 3,
September 1958, page 224;
Indian Labour Gazette, Vol. XV, No. 7,
January 1958, page 680).

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - OCTOBER 1958.

81. Employment Situation.

Employment Exchanges: Working during July 1958.

General employment situation.- According to the Review of work done by the Directorate-General of Resettlement and Employment for the month of July 1958, the number of registrations effected at employment exchanges during the month under report stood at 240,895 which was 46,026 more than the figure for June 1958. Due to the heavy increase in registrations, the Live Register stood at a record figure of 1,083,126. The number of employers who utilized the service of the employment exchanges also rose from 6,361 in June to 6,922 in July 1958. The number of vacancies notified by these employers was 30,651 which was 1,507 more than the figure for the last month. The increase in the notification of vacancies had its effect on the placements which increased from 18,945 during the previous month to 21,667, during July 1958.

Registrations and placings.- The following table compares registrations and placings during the months of June and July 1958.

	<u>June 1958</u>	<u>July 1958</u>
Registrations	194,869	240,895
Placings	18,945	21,667

62

Register of unemployed.- On the last day of the month under review 1,083,126 applicants were on the Live Register of the employment exchanges, this number being 81,773 more than the figure at the close of the previous month. A year ago there were 815,716 applicants on the Live Register of the employment exchanges. The increase in the Live Register during July 1958, was noticeable in all the States, but was conspicuous in the State of Uttar Pradesh (13,643), Bihar (9,721), Bombay (8,161), Madhya Pradesh (7,796), Kerala (7,496), Madras (7,066), Delhi (5,834), West Bengal (5,233), Rajasthan (4,421), Punjab (3,669), Andhra Pradesh (2,685) and Mysore (2,108). In all 16,489 employed and self-employed persons of whom 541 were women, remained on the Live Register at the end of the month under report.

The following table shows the occupation-wise position of the Live Register:-

<u>Occupation</u>	<u>Number on Live Register as on 31 July 1958</u>
1. Industrial Supervisory -----	8,350
2. Skilled and semi-skilled-----	77,254
3. Clerical -----	304,505
4. Educational-----	70,946
5. Domestic service-----	39,315
6. Unskilled-----	531,294
7. Others-----	51,462
Total.	<u>1,083,126</u>

Employment position of special category of workers.- The following table shows the employment position of special categories of applicants during the month under report:-

<u>Category</u>	<u>Registrations</u>	<u>Placings</u>	<u>Number on Live Register</u>
1. Displaced persons -----	4,688	755	42,992
2. Ex-service personnel-----	6,094	798	26,971
3. Scheduled Castes-----	28,031	3,330	115,633
4. Scheduled Tribes-----	10,606	432	20,554
5. Anglo-Indians-----	240	26	440
6.*EducatddApplicants-----	165,187	17,757	333,687
7. Women-----	21,085	1,412	78,991

*Figures relate to the quarter ending June 1958.

63

Collection of employment market information.- The scheme is now partially in operation in all the States in the country. Proposals for the appointment of additional staff for Employment Market Information work in Uttar Pradesh and Madras were accepted during the month and sanctions communicated to the respective Governments.

The Delhi Employment Market Report for the quarter ending March 1958 was completed.

The programme for 1959-60 has been worked out and expenditure estimates have been tentatively prepared for different States. Next year's programme will cover 72 employment market areas, (public and private sector) in addition to the 16 areas where employment market studies are being undertaken during the current financial year.

Youth Employment Service & Employment Counselling Scheme.- Out of the 8 additional Youth Employment Service and Employment Counselling Units proposed to be set up during the current financial year, two - one for Madhya Pradesh and the other for Orissa - have since been sanctioned.

Further progress was made in the work of the Employment Pattern Survey of the alumni of the Delhi University. Two thousand two hundred seventy-one or 63.3 per cent of the total alumni have been boated and 1,303 alumni have been interviewed in Delhi and 260 outside: total 1,563. The preliminary report will be completed by December.

A training course in Vocational Guidance for the second batch of Employment Officers commenced on 17 July 1958.

Central Co-ordinating Section: Damodar Valley Corporation.- Efforts to get alternative employment for surplus workers of Damodar Valley Corporation continued during the month. Out of 4,043 persons so far declared surplus, 3,375 have been provided with alternative employment. One hundred sixty-one surplus employees have voluntarily left the project as they do not need employment assistance. One hundred seventy-six are awaiting offers of employment from the Railways and Post and Telegraph Departments where they have been selected. Immediate employment is still needed by 331 persons.

64

Hirakud Dam Project.- According to the latest report received from the Chief Engineer, out of 1,156 work charges establishment workers rendered surplus during the month, alternative employment has been provided to 164. There are 992 workers out of which 418 belong to unskilled category, for whom alternative employment is immediately needed.

Handbook on Labour Laws and Regulations.- In accordance with the directions of the Ministry of Irrigation and Power, Officer on Special Duty discussed with the Personnel Department of the Damodar Valley Corporation to set up Handbook on Labour Laws and Regulations. Necessary action is being taken in accordance with the advice of the Ministry of Irrigation and Power on the subject.

Expansion of the Employment Services.- Four new exchanges, 3 in Mysore State and one in Jammu and Kashmir were sanctioned during July 1958. The total number of exchanges actually functioning at the end of the month was 202.

(Review of Work done by the Directorate-General of Resettlement and Employment for the Month of July 1958; Issued by the Ministry of Labour and Employment, Government of India, New Delhi).

Central Committee on Employment to be set up.

A Resolution dated 13 October 1958 of the Ministry of Labour and Employment, Government of India, states that the Government of India had, in 1946, set up a Committee, named the Central Employment Advisory Committee, to advise the Directorate-General of Resettlement and Employment on matters of policy regarding employment and training and also on the general performance of work by the employment service. The term of the last Committee expired in 1954. Pending the recommendation of the Shiva Rao Committee, it was not reconstituted. The Government of India has now decided to set up a Central Committee on Employment to advise the Ministry of Labour and Employment on problems relating to employment, creation of employment opportunities and the working of the National Employment Services. The object, Constitution and functions of the Central Committee on Employment will be as under:-

(1) Object.- The object of the Central Committee on Employment is to advise the Ministry of Labour and Employment on problems relating to employment, creation of employment opportunities and the working of the National Employment Service.

(2) Functions of the Central Committee on Employment.- The functions of the Committee shall be as follows:-

(i) to review employment information and to assess employment and unemployment trends - urban and rural - and suggest measures for expanding employment opportunities;

(ii) to advise on the development of the National Employment Service;

(iii) to advise on deployment of personnel retrenched on the completion of development projects;

(iv) to consider the special programmes relating to educated unemployed;

(v) to advise on the development of the Youth Employment Service and, Employment Counselling at Employment Exchanges; and

(vi) to assess the requirements of trained craftsmen and advise the National Council for Training in Vocational Trades.

The Union Minister for Labour and Employment will be the Chairman of the Committee which will consist of 30 members including representatives of State Governments, employers, workers and members of Parliament.

(The Gazette of India, Part I, Section 1, 25 October 1958, pp. 287-288).

Employment Bureau to be set up in Mysore University.

The Academic Council of the University of Mysore, meeting at Bangalore on 9 October 1958, approved certain *regulations* based on report submitted by a Committee of its members. One of the decision related to the setting up of a University Employment Bureau. Constituted by the Syndicate, it comprises Vice-Chancellor (chairman) a representative deputed by Government, two representatives of industries and one representative of commercial concerns, with the Registrar as secretary. The function of the bureau include, recommending such of those graduates who by their qualifications and aptitude are fit to be employed by the university; collecting literature relating to all competitive examinations and making it available for consultation by intending candidates; arranging for advice to graduates of the University intending to compete in competitive examinations; obtaining from the Public Service Commission concerned information relating to appointments available in the different departments of the State and foreign service; obtaining and furnishing information regarding the possible careers open to, and the kind of training required by graduates of the University in the various avenues of employment; getting the names of exceptionally able students and recommending them to industries likely to employ them; and maintaining registers of graduates seeking employment and of employers.

(The Deccan Herald, 10 October 1958).

83. Vocational Training.

India - October 1958.

Labour Ministry's Training Scheme: Training during July 1958.

According to the Review of Work done by the Directorate-General of Resettlement and Employment for the month of July 1958, the total number of additional seats sanctioned upto July 1958 went upto 20,570.

Training of Craftsmen.- The number of trainees on the roll of various trainings institutes and centres on 31 July 1958 was 17,959. There were 17,959 trainees (including 21 women) in technical trades.

Training of displaced persons.- The total number of displaced persons undergoing training in technical and vocational trades at the end of July 1958 was 1,532 of whom 1,532 were undergoing training in technical trades.

A total of 608 displaced persons were undergoing training as apprentices in industrial undertakings and establishments in Uttar Pradesh and West Bengal against 1,220 seats sanctioned for the purpose.

Training of Supervisors and Instructors.- A total of 327 Supervisors Instructors were receiving training at the Central Training Institutes for Instructors, Koni, Bilaspur and Central Training Institute at Aundh at the end of the month.

Training of Women Craft-Instructors.- Under the scheme for the training of women craft Instructors at the Industrial Training Institute for women, New Delhi, 32 women instructors trainees were receiving training at the end of month under review.

Training of Schoolgoing Children's Hobby Centre, Allahabad.-At the end of the month under report there were 50 trainees undergoing training at the Hobby Centre, attached to the Industrial Training Institute, Allahabad.

The following table gives the total number of training institutes and centres and the number of persons (including displaced persons) undergoing training:-

<u>Number of Training Institutes and Centres.</u>	<u>Number of Seats Sanctioned.</u>	<u>Number of persons undergoing training.</u>
367	24,977	20,099

Stores and Equipment.- The T.C.A. equipment worth approximately 323,300 rupees was reported to have been received at the Training Centres and Institutes during July 1958, drawing the total value of equipment received under this aid programme to 2,891,000 rupees (approximately).

Equipment worth 24,968 Russian Rubles (approximately) 29,961 rupees) was received upto July 1958, under the U.N.T.A.A Aid programme.

(Review of Work Done by the Directorate-General of Resettlement and Employment for the Month of July 1958: issued by the Ministry of Labour and Employment, Government of India, New Delhi)

CHAPTER 9. SOCIAL SECURITY.

INDIA - OCTOBER 1958.

92. Legislation.

VI. Compensation in Cases of Employment Injury or Occupational Disease.

Workmen's Compensation (Amendment) Bill, 1958.

Shri Gulzarilal Nanda, Minister for Labour and Employment, Government of India, introduced in the Rajya Sabha on 24 September 1958 a Bill further to amend the Workmen's Compensation Act, 1923.

According to the Statement of Objects and Reasons of the Bill, the Workmen's Compensation Act, 1923, which came into force on the 1 July 1924, has been amended several times, the major amendments being as follows:-

Act V of 1929 inter alia enlarged the categories of workmen, removed the restrictions on compensation in the building trades and altered the provisions relating to the distribution of compensation. In 1933, the Act was revised extensively on the lines recommended by the Royal Commission on Labour in India in 1931; the main amendments carried out were, a considerable enlargement in the number of workmen covered by the Act, increase in the scales of compensation and reduction of the "waiting period". By the amending Act I of 1946, the wage limit of workers covered by the Act was increased from 300 rupees to 400 rupees.

The working of the Act has shown that it requires to be further amended in certain respects. Some of the important amendments the Bill seeks to make relate to:-

71

(a) removing the distinction between an adult and a minor for the purposes of workmen's compensation;

(b) reducing the waiting period of seven days to five days for being entitled to compensation and, in cases where the period of disablement is twenty-eight days or more, providing for payment of compensation from the date of disablement;

(c) providing for penalty for failure to pay compensation, when due;

(d) enlarging the scope of Schedules I, II and III.

Clause 2 of the Bill removes the distinction between the an adult and a minor for the purpose of workmen's compensation. At present the Act prescribes different rates of compensation for adults and minors for death and permanent disablement on the ground that a minor will have, as a general rule, no dependants. There is not much justification for this distinction and it is reasonable that there should be uniform rates of compensation for workmen in similar wage-groups. Though for purposes of payment of compensation the distinction between an adult and a minor is being removed, for other purposes a 'minor' will have the normal meaning, namely, a person who has not attained the age of 18 years.

Clause 3 reduces the waiting period of 7 days to 5 days as prescribed in the I.L.O. Convention on Workmen's Compensation (Accidents), 1925. It also empowers the Commissioner to apportion the liability for compensation between different employers in certain cases where the workman has been employed in the same employment for a specified continuous period under more than one employer.

Clause 4 of the Bill contains consequential amendments. In clause 3(1) it has been proposed to reduce the waiting period to 5 days. No compensation will therefore be payable in respect of this period. In order, however, to reduce the hardship of a workman in case he suffers an injury which incapacitates him for four weeks or more, a provision is being made for payment of compensation for the waiting period also.

A provision is also being made that where an employer spends any sum of money on the medical treatment of an injured workman, he should not be permitted to deduct the amount from the compensation payable. The compensation is for loss of future earnings and not for getting medical treatment.

Clause 5 of the Bill seeks to provide a penalty for failure to pay compensation when due. This clause also provides for payment of interest if the compensation is not paid within one month from the due date.

72

Clause 8 of the Bill increases the period of limitation for preferring a claim before the Commissioner from one year to two years.

Clause 17 of the Bill substitutes a new schedule for the existing schedule I which lists the injuries deemed to result in permanent partial disablement. The 'Notes on Clauses' stated that Schedule I as a whole is outmoded and not in conformity with present day standards of assessing disabilities. The Schedule in the National Insurance (Industrial Injuries) Benefit Regulations, 1948, of the U.K. is more modern and it is proposed to adopt it.

The existing Schedule II which lists persons who are included in the definition of workmen is enlarged to cover other categories of workmen e.g. all workmen working in power using factories, workmen engaged in manufacture of handling of explosives irrespective of the number of persons employed in the factory, all workers in mines, master and seamen of ships of more than 25 tons, certain classes of workers in ports engaged in hazardous operations, persons employed in the routine work of repairing and replacing electric cables and other fittings, telegraphists and postal and railway signallers, etc.

The Third Schedule of the Act which lists occupational diseases is being amended to bring it in line with the provisions of Convention (42) concerning Workmen's Compensation (Occupational Diseases). The following new prevailing occupational diseases are included in the new schedule: poisoning by carbon disulphide or its sequolae, occupational cataract due to infra-red radiations, telegraphist's cramp, silicosis, coal miners' pneumoconiosis, asbestosis and bagassosis.

(The Gazette of India, Extraordinary,
Part II, Section 2, 24 September 1958,
pp. 1009-1027).

73

Employees' State Insurance Scheme extended to certain
Areas in Assam.

In exercise of the powers conferred under the Employees' State Insurance Act, 1948, the Central Government has appointed the 28 September 1958 as the date on which the provisions of Chapter IV (except sections 44 and 45 thereof, which have already been brought into force), Chapter V and Chapter VI (except sub-section (1) of section 76 and sections 77, 78, 79 and 81 thereof, which have already been brought into force), of the said Act shall come into force in the following areas in the State of Assam, namely: Gauhati; Dibrugarh; Dhubri Municipal area including the Assam Match Company area; Tinsukia municipal area excluding Assam Oil Company installation area but including factories located on the Assam Trunk Road extending over 2-1/2 miles on either side; Makum.

(Notification SO 1989 dated
27 September 1958, the Gazette of
India, Extraordinary, Part II,
Section 3 - Sub-Section ii,
27 September 1958, page 1065).

15
74

CHAPTER 11. OCCUPATIONAL SAFETY AND HEALTH.

INDIA- OCTOBER 1958.

112. Legislation, Regulations, Official Safety and Health Codes.

Safety in Coal Mines: New rates of excise duty fixed.

In exercise of the powers conferred under the Coal Mines (Conservation and Safety) Act, 1952 (12 of 1952) the Central Government has with effect from 1 October 1958, fixed the following rates at which the duty of excise referred to in the said clause shall be levied on coal and coke, namely:-

	<u>Rate of excise duty</u>
(i) on all coal, including soft coke but excluding hard coke.	thirty-eight naye paise per ton;
(ii) on hard coke.	fifty-seven naye paise per ton.

(The Act provides for the conservation of coal and makes further provision for safety in coal mines).

(Notification S.O.1990 dated 29 September 1958, the Gazette of India, Extraordinary, Part II, Section 3 - sub-section (ii), 29 September, 1958, page 1065).

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

INDIA - OCTOBER 1958.

CHAPTER 3. ECONOMIC QUESTIONS.

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(The Gazette of India, Extraordinary, Part II, Section 1,
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77

CHAPTER 9. SOCIAL SECURITY.

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