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INTERNATIONAL LABOUR OFFICE
INDIA BRANCH

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Industrial and Labour Developments in September 1958.

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

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - SEPTEMBER 1958.

11. Political Situation and Administrative Action.

Delhi: Voluntary Arbitration of Disputes Accepted by
Labour Advisory Board.

The Labour Advisory Board of the Delhi Administration has accepted in principle the method of voluntary arbitration for resolving disputes between employers and employees.

This principle, however, is subject to certain conditions such as acceptability of the arbitrator to the parties concerned, his judicial experience and awareness of the various aspects of the industry involved in the dispute and his complete detachment from any kind of financial gain accruing from it. Whether such an arbitrator should be paid or unpaid is a matter which the Board has yet to thrash out.

The Board, which has been constituted by the Chief Commissioner, with Shri Gopi Nath Aman as its chairman and representatives of various trades (including both employers and employees) dealt with a heavy agenda at its first meeting on 11 September 1958. The Board considered its sub-committee's report regarding the code of discipline drawn up for the observance of employers and employees.

It has been suggested that suitable machinery should be set up to enforce implementation of the code of discipline in the interests of both employers and employees. The code embodies nine conditions which are equally binding on the employer and the employee.

The Board also recommended that employees' unions should be given recognition not only by the Government but by the employers on the basis of the strength of the employees demanding it in any particular industrial establishment and the number of unions already in existence in that particular establishment.

(The Hindustan Times, 13 September
1958).

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12. Activities of External Services.

India - September 1958.

Participation in Conferences, Meetings, etc.

Shri V.K.R. Menon, Director, participated on 19 September 1958, the Indian Labour Conference's Sub-Committee on Workers' Participation in Management, at New Delhi.

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14. Conventions and Recommendations.

India - September 1958.

India Ratifies I.L.O. Convention No.100 concerning
Equal Remuneration for Men and Women Workers for
Work of Equal Value.

The Government of India communicated on 15 September 1958 to the I.L.O., its ratification of Convention No.100 concerning Equal Remuneration for Men and Women Workers for Work of Equal Value.

A statement placed before the Parliament, in this connection, recalls, that an earlier statement placed before Parliament in December 1952 on the action proposed to be taken on this instrument by the Government of India, stated that while the principle underlying the Convention was acceptable to India, it was not possible to ratify it in the absence of adequate machinery to ensure its immediate application in full to all workers. The question of ratification would, however, it was stated, be reviewed at a later date.

The question of ratification of this Convention was accordingly reviewed by the tripartite Committee on Conventions and at its first session held in August 1954 (vide Section 14, pp.13-17 of the report of this Office for August 1954). The Committee noted that -

- (i) the principle of equal pay for equal work was embodied in the Constitution of India (Article 39(d)); was acceptable by the Central Pay Commission and followed in practice by a number of Industrial Tribunals and the Central and State Governments; and

- (ii) it was not possible to determine to what extent, if any, the existing disparities in wages between men and women workers constituted a violation of the principle in the absence of a job appraisal machinery, which was difficult to create in India immediately.

The Committee, therefore, came to the conclusion that while it was not practicable to ratify the Convention, steps should be taken for the progressive application of the principle of equal remuneration. Action on the lines suggested by the Committee was initiated by the Central and State Governments and employing Ministries.

Meanwhile, the International Labour Office called for a detailed report from Member States, including India, which had not ratified the Convention, regarding the extent to which the provisions of the Convention were being applied in law and practice and the difficulties in the way of ratification of the Convention. These reports were placed before the I.L.O. Committee of Experts on the Application of Conventions and Recommendations, which, after making a detailed and critical analysis of the reports, came to the following conclusion regarding the implications of the Convention and the specific obligations devolving on ratifying States:

The Convention does not create an absolute obligation to implement the principle of equal remuneration regardless of existing conditions in the individual countries. A Government must ensure the application of the principle only in so far as it has control over the methods for determining rates of remuneration as in the case of public services and occupations and industries in respect of which Government is required to fix wages. In other cases, where Government has not the requisite control over the fixation of wages, its obligation is restricted to promoting the application of the principle through appropriate means.

This conclusion reached by the Experts was endorsed by the International Labour Conference at its 39th Session held in June, 1956.

This new interpretation given to the implication of the Convention provided an opportunity for reconsidering, especially in view of the factors mentioned below, the decision already taken by the Government of India not to ratify the Convention:

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- (i) If the acceptance of the principle by a Member State is sufficient to enable it to ratify the Convention, the directive ~~principle~~ principle relating to equal pay in the Constitution of India is already in compliance with it. Also, the Second Five Year Plan contains a Recommendation to the effect that the principle of equal pay for equal work needs to be more vigorously implemented.
 - (ii) If the responsibility of the State to enforce the principle is restricted only to fields where there is statutory regulation of wages, action in India would be necessary only in respect of employments covered by the Minimum Wages Act, 1948. The question of disparity between wages for men and women workers was discussed at the second session of the Minimum Wages Central Advisory Board held in April 1954. The Board recommended that -
 - (a) the principle of equal pay should be complied with,
 - (b) where wages were paid on piece-rate basis, the rates should be equal for men and women,
 - (c) in respect of time-rates also the rates should be equal for identical jobs, and
 - (d) it would be permissible to fix differential rates when the output was demonstrably unequal.
 - (iii) The State Governments have been requested to appoint officers to entertain complaints regarding the violation of the principle and many of them have done so already.
 - (iv) The attention of the State Governments and the Employing Ministries at the Centre has been drawn to the need for the principle of equal remuneration being taken into consideration by the wage fixing authorities under their control.

Both the Committee on Conventions and the Indian Labour Conference which considered the question of ratification of this Convention at their 4th and 15th Sessions (July, 1957) respectively, recommended that the matter should be re-examined in the light of the interpretation given by the I.L.O. Committee of Experts (vide Section 14, pp. 21-29 of the report of this Office for July 1957). The Government of India has accordingly re-examined the matter, in consultation with the State Governments, and has come to the conclusion that the I.L.O. Convention No. 100 concerning Equal Remuneration for Men and Women Workers for Work of Equal Value should be ratified by India. The Convention will come into force for India twelve months after the date on which its ratification has been registered with the International Labour Office.

The ^(ratification) Convention has been registered by the I.C.O on 25 September 1957.

Press Criticism.- In an Editorial on 22 August 1958, the Hindustan Times, observes: "While nobody denies the significance and value of this important ILO Convention, not everyone is convinced about the case for haste in ratification. Only 24 out of the 80 member States of ILO have taken this action so far. India could have at once demonstrated her faithful allegiance to ILO and her sense of realism by ratifying several other more practicable Conventions as for example the one concerning Occupational Disease. This, however, is not so much to oppose the action of the Government as to stress the enormous difficulties in the way of effective enforcement of the principle by reason of the peculiar conditions prevailing in the country, such as the more or less universal institution of the joint family system. These apart, there are certain legal, physical and biological limitations which prevent women from turning out the same quantum of work as men. These limitations have been recognised even in advanced countries, where employers have, in fact, been permitted to pay a relatively lower wage to women in order to ensure that unemployment among them does not increase. If the recent trend of employment of women workers in industries in India is any indication, presumably as an anticipating precaution against the prospective enforcement of the ILO Convention in question, there has been a distinct decline in the employment of women labour. The ratification of the equal wage Convention, when it comes into effect a year hence, will not only accelerate this trend but also act as a serious deterrent to the future employment ~~to the~~ of women in industry and in other occupations."

(Letter No.RD.207(17)/57 dated 15 September 1958, from the Ministry of Labour and Employment, Government of India, to the Director-General, I.L.O., Geneva;
The Hindustan Times, 22 September 1958).

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India Ratifies Convention No.107 concerning
Indigenous Population.

The Government of India has ratified the I.L.O. Convention No.107 concerning the protection and integration of indigenous and other tribal and semi-tribal populations in independent countries. The position in law and practice in India in respect of the matters covered by the Convention broadly satisfies the requirements of various provisions of the Convention.

This ratification has been registered by the I.C.O. on 29 September 1958.

(Press Note dated 23 September 1958,
issued by the Government of India).

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

India - September 1958.

Tenth International Conference of Agricultural Economists: Prime Minister's call for Peasant Co-operatives.

The tenth International Conference of Agricultural Economists was inaugurated at Mysore on 24 August 1958 by Shri Jawaharlal Nehru, Prime Minister. Mr. L.K. Elmhirst of the United Kingdom presided. The Conference was attended by experts from over 70 countries.

Prime Minister's Address.- Inaugurating the Conference, Shri Nehru, referred to the several complicated problems facing free India, particularly in increasing production of foodgrains and raising standards of living of the rural folk, and said co-operatives should be established, which would enable peasants to pool their profits by joint efforts. Such co-operatives, he said, should be those of peasants only, and not run by the State officials.

The Prime Minister emphasised that while they had to work in every plane, agricultural production, equitable distribution and the like, they had always to remember that in doing so, there were certain moral and cultural values which society must have. Otherwise mere material progress might lead it in a wrong direction.

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Shri Nehru referred in detail to the efforts made by India in the matter of increasing food production and of raising the standard of life of the peasants, who formed about eighty per cent of the population and the innumerable difficulties they had to encounter. He said he had immense faith in the Indian peasant and he was hopeful their conditions would improve a great deal in the near future.

Shri Nehru said that while agricultural production had gone up, still much more remained to be achieved. The problem became tougher when they remembered that there were millions of people who owned lands and who had to increase production. Peasants had to be convinced about the particular type of farming and induced to take to new methods. What was unfortunate was lack of initiative on the part of many, and this was due partly because of the poverty and also of the habits. During the British rule, the initiative was completely killed. Now, they in India had put an end to zamindaris, and large proprietorships and they were thinking in terms of land reforms. The average holding in India was pitifully low. Apart from this acting as a handicap for economic production there was the added handicap of their farmers not adopting progressive methods in agriculture.

It was his strong view that the only possible line of development was by co-operatives. He was anxious that lack of initiative should be removed and farmers made to realise the great importance of co-operative farming. Such co-operatives should be those of peasants only. Of course it was necessary that those people knew each other. If this was followed, then they could join a number of small co-operatives into a big one.

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President's Address.- Mr. Elmhirst in his presidential address said that today the world could offer to the farmer, with the help of science and machines, new material freedom of all kinds but not always that broader background and educational experience without which man's spiritual aspiration was not fixed and his creative imagination not released.

One of the great opportunities they had at this meeting "is the chance to study what is happening to rural development in India. For, in India, as in China, South-East Asia and the Middle East, it is the ancient rural community and not just a farm family which is the vital unit."

He added: "Cities confer great benefits but they also cut people off from nature and from daily acquaintance with natural beauty."

In rural areas, he said, something practical could be done immediately. Meanwhile, the research, survey and organisation that were needed, before any big sums of capital were invested could and must go on. That was why at this moment they should take a sympathetic look at the progress of India's second Five Year Plan for industrial development and at the more gradual progress in the development programme for her rural communities.

In the West they had still to put on a sensible basis this idea of mutual service between an urban centre and the farms or rural settlements which depended upon it and which it served. He said they had just begun this process.

In trying to work out the right balance between urban and rural development, Mr. Elmhirst asked social scientists to examine with care the problem of relating a nation's population to its land resources and land use in a world that, at the present rate, would double its total numbers of people by the end of this century.

(The Deccan Herald, 25 August 1958;
The Hindu, 25 August 1958).

25. Wage-Earners' Organisations.

India - September 1958.

Government Imposition of INTUC: Employer's Criticism:
INTUC President's reply to Charges.

Presiding over^a a symposium on "Prospects of Labour in Third Five Year Plan" at Bombay on 28 July 1958, Shri V.N. Chandavarkar, a leading employer and a former chairman of the Bombay Millowners' Association, said that labour troubles, experienced at present, were due to Government's efforts "to impose on workers, either directly or indirectly, a Government party-sponsored union - the Indian National Trade Union Congress - to control the trade union movement in the country".

"It is wrong for a party in power to sponsor a union and try to gain control over labour through this union. Such a method cannot help in the healthy development of the trade union movement" of the Shri Chandavarkar said.

Shri Chandavarkar said that the Government had been doing everything to strengthen the I.N.T.U.C. unions but despite all these efforts the influence of that organisation was "fast disappearing".

"The I.N.T.U.C. had little control over labour. Its leaders were relying too much on Government support for their control on labour and were always to be seen in Sachivalaya (Government Secretariat) seeking interviews with the Labour Minister", Shri Chandavarkar said.

The fading influence of the I.N.T.U.C., Shri Chandavarkar said, was shown in the recent strikes sponsored by leftist unions, he said, ^{which} were not directed so much against the Government and its labour policy as at "exposing" the I.N.T.U.C.'s control over labour.

Shri Chandavarkar said that in offering this criticism he did not mean that the Government should frame labour laws or intervene in labour disputes, which when necessary. Nor would he support employers using questionable methods to break strikes by labour.

Shri Chandavarkar said that he equally condemned employers who tried to sponsor trade unions or tried to control labour by giving funds to a political party for that specific purpose.

He said he had no objection if the funds were given to a political party whose policy they approved for general purpose.

"Sponsored unions, directly or indirectly, and controlled trade unions, ultimately harm not only the interests of labour and the employer but also of the country at large", Shri Chandavarkar said.

Any trade union controlled or financed by the employer did not work for more than two or three years. Adoption of such methods by the employers are highly immoral. It is equally wrong on the part of employers to break strikes by questionable methods.

The best way to settle disputes, Shri Chandavarkar said, was to settle them across the table. Both sides must try to learn to trust each other.

INTUC's President's reply.— Replying the charges made by Shri Chandavarkar, Shri G. Ramanujam, President, I.N.T.U.C., in press statement from Coimbatore on 4 August 1958, stated that Shri Chandavarkar not being very much in touch with the current developments and trends in the trade union movement accounts for his wrong understanding of the present position. "Be that as it may, one thing however is certain, that he does not like the INTUC and his dislike is quite understandable."

"INTUC has developed a scientific trade union technique and disputes are settled not on the basis of capacity to agitate but on the basis of facts and figures. This must have been irksome to certain employers and I take it Sir Chandavarkar has only voiced the feelings of such employers.

"As regards Sir Chandavarkar's reported allegation of Government support to INTUC, it only shows that he is yet another victim to the popular fallacy. It has been INTUC's complaint all along that Government is more receptive to non-INTUC unions who believe in agitational tactics and that INTUC is sometimes ignored because of its responsible and constitutional approach."

"As regards the relationship between the party in power and the INTUC, evidently Sir Chandavarkar does not know that there are many rival unions to the INTUC started by the party in power itself in several centres in the country. Surely Sir Chandavarkar cannot have it as a grievance if the Government supports labour generally. For, it will, in that event, be only 'a belated-act-of-atonement'. Government is bound to do it after having declared its goal as a socialist order of society.

"Sir Chandavarkar's reading into the causes of the recent token general strike in Bombay amazes me. The strike was intended by certain political parties to make capital out of the long-drawn struggle in the Premier Automobiles. INTUC was not representing the Premier Automobiles workers and it had nothing to do with it. Even according to the strikers, the strike had nothing to do with the INTUC and it passes my understanding Sir Chandavarkar trying to be more loyal than the king in his attempt to explain and defend that strike. Is this an indication of yet another united front in the offing? But the INTUC is strong enough to resist all that."

(The Hindustan Times, 30 July 1958;
 The Indian Worker (Published by the
 I.N.T.U.C.) Vol.6, No.44-45,
 15 August 1958, page 25)

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ICFTU Move to forge Unity between INTUC and H.M.S. fails.

According to a report in Hindustan Times, 19 September 1958, an I.C.F.T.U. move to get the Indian National Trade Union Congress and the Hind Mazdoor Sabha agree to a demarcation of their spheres of influence has fallen through.

The aim of the plan was to end the rivalry between the two organisations (both of whom believe in democratic trade unionism) so that they can present a united front against the communist-controlled All-India Trade Union Congress. The I.N.T.U.C. is run by pro-Congress elements, while the H.M.S. is supported by the Praja-Socialist Party and the Socialist Party.

The proposal for a demarcation of the spheres of influence emanated from Shri J.H. Oldenbroek, General Secretary of the International Confederation of Free Trade Unions (to which both the organisations are affiliated), after an on-the-spot study by him of the labour situation in India some months ago.

H.M.S. spokesmen are opposed to this demarcation. In their opinion the I.N.T.U.C. is closely aligned with the ruling party and is not in a position to take an independent line on matters affecting the working class.

I.N.T.U.C. sources repudiate this and say that theirs is an independent body and that the only link between it and the Congress is ideological. They are not in favour of a unity of convenience but want ideological unity. They do not like joint fronts, so popular with the communists.

The real reason which keeps these two organisations apart is political. The P.S.P. and the Socialist Party, which control the H.M.S., are not likely to align themselves with elements which owe loyalty to the Congress save in exceptional circumstances.

The executive board of the I.C.F.T.U. which discussed the problem at its last meeting, accordingly, felt that under the present conditions any effort to bring about an agreement between the two organisations would be inadvisable. Instead, it decided to "make efforts to minimise suspicions and frictions between the two through a representative in India".

The press report adds: "How far these efforts will succeed is problematic. What has been noticed is that in spite of previous agreements these two central trade union bodies have been drifting apart. Lately, the H.M.S. and the A.-I.T.U.C. have at times combined to launch joint strikes. The latest instance was the dock strike. In Kerala, however, the I.N.T.U.C., H.M.S. and United Trade Union Congress have combined as a protective measure against the A.-I.T.U.C. and the Communist Ministry."

"The Kerala experience has created a strong feeling among a section of trade unionists that to combat communist influence among the working class they would have to get closer to each other."

Unity Among Unions.- "This has brought to the fore the question of unity among trade unions cherishing democratic ideals. Shri N.M. Joshi and Shri Harihar Nath Shastri during their life-time had striven hard to bring the I.N.T.U.C. and the H.M.S. close to each other. An agreement called the "no mutual recrimination agreement" was evolved and the experiment of forming joint industrial federations was also tried. These efforts came to naught because of the sharp political cleavage between the Congress, the P.-S.P. and the Socialist Party to which the leaders of these trade union centres belonged."

(The Hindustan Times, 19 September 1958).

17

Labour Representation at I.L.O. Conferences:
Question in Parliament.

The rival claims of the Congress led Indian National Trade Union Congress, and the Communist-led All-India Trade Union Congress to represent the largest number of workers in the country figured during question time.

Replying to a number of questions by Communist members, the Deputy Minister of Labour, Shri Abid Ali, said that the Government followed the procedure laid down in the constitution of the International Labour Organisation for selecting workers' representatives to attend conferences of the ILO.

Under the ILO constitution, he said, the Government had to invite the central trade union organisations in the country to send an agreed list of workers' representatives. The Government's attempt to get an agreed list had failed during the last six years.

In view of the failure, he added, the Government had to invite the central trade union organisation which had the largest membership in the country to submit its list of workers' representatives. Since after verification it was found that the I.N.T.U.C. had the largest membership, its representatives were sent to the recent ILO conference held in Geneva.

Answering supplementaries, Shri Abid Ali said that the workers' representatives for the recent ILO conference were selected on the basis of the membership of the different central trade union organisations as on 31 March 1957. For the next ILO conference to be held in June 1959, he added, workers' representatives would be selected on the basis of the membership as on 31 March 1958.

He added that the Government had a machinery to check the figures of membership claimed by the different central trade union organisations.

Answering the a supplementary, the Deputy Labour Minister said that the membership of the A.I.T.U.C. in Kerala had gone up by 400 per cent.

(It is understood that according to unverified membership returns as on 31 March 1958, submitted to the Ministry of Labour and Employment, the A.I.T.U.C. has claimed a membership of over 1,450,000 as against 1,410,000 membership of the I.N.T.U.C., the present most representative central trade union organisation).

(The Statesman, 18 September 1958;
The Hindustan Times, 4 September 1958).

28. Employers' Organisations.

India - September 1958.

Communists' Attempt to control Steel Belt:
Shri Tata's Views on Jamshedpur Strike.

Shri J.R. D. Tata, Chairman, Tata Iron and Steel Company Limited, in the course of his address at the fifty-first annual general meeting of the Company on 18 September 1958, dwelt on the recent strike and violent incidents at Jamshedpur (vide Section 67, pp. 60-61 of the report of this Office for July 1958) and characterised them as "a determined and premeditated attempt by the Communist Party to acquire by force at Jamshedpur as part of a bigger plan to control the whole of the labour field in the Indian heavy industry". The essential fact about this strike was, he stated, that it was not a dispute between the Company and its employees.

(For details please see Section 67, pp. 60 & 2 of this Report).

65th Annual General Meeting of UPASI: President's Address.

The sixty-fifth annual general meeting of the United Planters' Association of South India (UPASI) was held at Coonoor on 25 August 1958, Shri Lal Bahadur Shastri, Union Minister for Commerce and Industry inaugurated the Conference.

Shri Lal Bahadur Shastri, in the course of his address, stated that the Government of India proposed to take up the work of propaganda and publicity for tea in foreign countries "in right earnest". Towards that end, a scheme was under preparation under which a nucleus organisation would be set up soon.

President's Address.- Shri C.L. Machia, said that in his addresses, stated that the most important contribution made by the plantation industry should be considered in terms of the foreign exchange which it helped to earn. The plantation industry accounted for approximately 28 per cent of the foreign exchange earned by the country. As a source of taxes the role of plantations was probably more prominent than of any other single agricultural crop in the country.

Among the contributions which the industry made towards the nation's economy, should be included the very substantial stimulus it provided for the manufacture and supply of a wide range of goods and services required for the maintenance of plantations and the production of crops. It was estimated that the entire plantation industry of India bought goods and services worth approximately 450 million rupees per annum, of which South India accounted for very nearly 170 million rupees. "We in the South directly employ very nearly 500,000 workers in the industry and pay out by way of wages, allowances, provident fund contributions and gratuity about 210 million rupees. This does not, of course, include the cost of welfare measures on plantations."

South Indian tea, Shri Machia added, created a new record in 1957 by the production of 145 million pounds with, on the whole, a commendable standard of quality within the limits set by geography and climate. The crop exceeded the previous record of 1955 by some 16 million pounds and the trend of the current crops foreshadowed that 1958 would exceed the total of 1957. South Indian tea crop had increased by nearly 67 per cent in the past decade and offered an unequivocal answer to the rather alarming prophecies of the Plantation Inquiry Commission.

An even more remarkable increase in production was achieved in the coffee industry during the 1957-58 season with a record crop of 43,000 tons harvested, showing a rise of nearly 190 per cent over the crop ten years ago. From the 1956-57 crop a record export of over 15,000 tons was made.

Rubber had effected a record in production, though not of the order of tea or coffee, 1957 was relatively a poor year as many tapping days were lost due to heavy rains. Nevertheless, it produced the highest crop since rubber ~~begin~~ began to be grown in India. Last year was indeed a remarkable one for South Indian plantation industry in that production expanded as never before in the history of the industry from practically the same acreage.

For a country which depended so heavily on agriculture and to which so large a proportion of its huge population was devoted, little or no effort appeared to have been made to study the basic features of the plantation industry. A 30 per cent extension in the area under coffee during the last ten years had resulted in an increase of crop of about 190 per cent. While, for a 3 per cent increase in area under tea, the rise in output had been well over 67 per cent in South India. Both the crops were in the forefront of agricultural progress in the country.

Decline in prices.- Shri Machia said that the world-wide decline in the level of tea and coffee prices must necessarily have an effect on the level of earnings of foreign exchange which the two industries contributed to the country's primary need. About 50 per cent of India's tea was considered "common tea" and they were unable to compete with cheaper teas produced by other countries particularly by East Africa. It might come as a shock to many to learn that East African export of tea at 51 million pounds last year was almost equal to exports from South India. If suitable measures were not taken to meet the situation, the common teas produced in India would be increasingly forced out of world market.

"What Indian tea requires in the world market is to be able to compete without being encumbered by an export duty. While it is recognised in principle that export duties are not revenue earners, there is a clash of interest in choosing between promoting an export trade and finding additional revenue to the Government," Shri Machia added.

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Labour problems.- Shri Machia stated that the industry has been subject in the last ten years to increasing burdens on labour account brought about by direct negotiations with the workers, political pressure, tripartite conferences, tribunal awards and legislation. Parallel with the mounting obligations laid on the industry by these changes, that were the inexorable pressure of fiscal burdens which have been increasing independently of any consideration of what the labour policies of the Government had done to plantation economy. There was evidently a lack of co-ordination between the departments or Ministries responsible for the different policies. Since the Government as much as the industry must base its policies by a correct assessment of facts, he suggested that it might be helpful to both the industry and the Government and not the least to labour, to undertake an integrated and comprehensive study of the effects of fiscal and labour policies on the viability of the plantation industry.

Land reforms.- Shri Machia said that the plantation industry was most seriously concerned at some of the proposals regarding Land Reforms and Tenancy rights contemplated by various States. Kerala and Mysore, in particular, had indicated the principles they would adopt in their land reform proposals. The Kerala Bill had already been published and there was an ostensible concession to plantations in Clause 62(2) of the Bill by providing exemption to plantation holdings from the limitation of ceilings proposed under Clause 62(1). While providing the exemption, the Bill qualified its meaning by defining "plantations" in such a way as to make it a prospective limitation on the industry. If the same notions that encouraged a proposal such as that were to have operated against the plantations, when the High Ranges were being developed nearly a 100 years ago, there would not have been an industry paying into that Government's coffers about 70 million rupees by way of a multitude of taxes, and ensuring to the workers engaged therein an income well above the level of that of the average agricultural family in the State. That was a retrograde step, conceived without understanding that plantations must be a progressive and dynamically expanding industry.

The Planning Commission's directive specifically excluded plantation crops such as tea, coffee and rubber but the Land Reforms Committee in Mysore had chosen to ignore the directive in respect of coffee which was the principal hill crop in the State.

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Output of Work.- Dealing with work output, the President said: "If the total wages and salaries paid out by this industry are not backed by an approximately equivalent amount of productive effort, sooner or later disaster must overtake the industry. In that unhappy event, not only the Management but also the staff and workers will suffer equally. The prosperity of the plantation industry depends upon an export market over which we can exercise very little control. The liability added to the cost of production by increased wages and amenities can only be borne by (1) increasing the efficiency of production and output per unit of area and (2) by obtaining a satisfactory price for our produce. On the first, we have been hoping rather in vain that workers would display an increased willingness to give a fair work output in return for what they receive. I am gravely concerned with the rising tendency reported from all districts of men workers shirking work and leaving the field by midday, and of increasing absenteeism. From this it is evident that the raising of wages and improvement of working conditions of labour need not necessarily contribute to their greater satisfaction or to a willingness to do a fair share of work. While we believe that improving the lot of workers is a responsibility which we should fulfil for its own sake, it would appear that a detailed appraisal is essential to assess the workers response to improved conditions of employment."

Discipline in plantations.- Dealing with the law and order situation in Kerala, he said that the outbreak of violence and unruly behaviour though not infrequent had subsided, but labour action at present followed a different line. "I have had the opportunity of recently visiting an important district and I am aware both from what I have heard during the tour and from the Members of our State Association in Kerala that the pressure on estate management is taking a different turn. There is a quiet but significant effort, sufficiently widespread to cause concern, tending to interference with and take over what are purely managerial functions. On the one hand there is a deliberate effort to weaken and undermine managements by demonstration, agitation and direct action and another by usurping some of the functions of management in the regulation and direction of labour. Another dangerous manifestation has been the increasing pressure applied on staff. In some cases it has resulted in violence but in most cases the pose of the threat has been enough to serve the purpose of demoralising the staff since police help is not available before violence is committed. Against the background of no protection from the police threat of violence is sufficient to serve the purpose."

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"It is possible for this industry to accept in good faith the Code of Discipline prescribed to-day. But it is a different thing to have to face the insidious influence of a judicious mixture of threat and propaganda applied steadily and continuously in order to undermine the morale of management. The Governments both in Kerala and in Delhi should consider the effect of this development on any industry particularly on one which is situated as the plantations are in areas remote from adequate or timely police protection. I am informed that police action following an incident is more frequent but there is still no effective protection against an outbreak of violence or of free, open and sustained incitement to violence."

Shri Machia also reported that six major industry-wide settlements had been reached on the basis of direct negotiations during the year.

(The Hindu, 26 August 1958).

CHAPTER 3. ECONOMIC QUESTIONS.

INDIA - SEPTEMBER 1958.

31. General Economic Situation.

Progress of Cotton Textile Industry in India and
Pakistan in 1956-1957: Annual Statement of
Millowners' Association, Bombay.

The following statement statistical information relating to the progress of the cotton textile industry in India and Pakistan is taken from the annual Statement issued by the Millowners' Association, Bombay.

Number of Mills.- The total number of cotton spinning and weaving mills in India on 31 August 1957 was 499 excluding 34 mills which had either just been registered or were in the course of erection. The number of mills in Pakistan was 91. The total number of mills in the island of Bombay and the Enlarged Bombay State was 212 of which 66 were in Bombay City and Island, 71 in Ahmedabad and 75 in the rest of the State. The number of mills in the rest of India was as follows:-

<u>Region.</u>	<u>Number of Mills.</u>
Rajasthan -----	11
Punjab -----	7
Delhi -----	7
Uttar Pradesh -----	29
Andhra Pradesh -----	15
Madhya Pradesh -----	20
Bihar -----	5
Orissa -----	2
West Bengal -----	40
Madras -----	118
Kerala -----	14
Mysore -----	18
Pondicherry -----	3
<u>Total</u>	<u>282</u>

Twenty mills remained idle during the year of which seven were in Bombay State excluding Bombay City and Island; five in Uttar Pradesh and one each in Bombay City and Island, Ahmedabad, Rajasthan, Punjab, Delhi, Andhra Pradesh, West Bengal and Mysore.

Number of Spindles and looms.- There were 12,906,622 spindles and 206,126 looms in India on 31 August 1957 as against 12,375,805 spindles and 206,580 looms on 31 August 1956. The figures for Pakistan were 1,821,448 spindles and 28,000 looms.

The number of spindles in the Island of Bombay and the Enlarged Bombay State increased from 6,609,302 in 1956 to 6,921,992, while the number of looms rose from 133,432 in 1956 to 139,335.

The number of spindles and looms in the different regions of India during 1957 and the number of operatives are shown in the table below:-

Place where situated.	Number of spindles installed.	Number of looms installed.	Average No. of workers employed daily all shifts.
Bombay City and Island-----	3,160,954	64,134	212,608
Ahmedabad -----	2,056,174	41,580	130,658
Rest of Bombay State-----	1,704,864	33,621	117,352
Rajasthan -----	162,692	3,412	11,794
Punjab -----	131,156	1,650	6,053
Delhi -----	176,032	3,942	14,355
Uttar Pradesh -----	830,212	13,998	52,933
Andhra Pradesh-----	164,116	1,669	10,652
Madhya Pradesh -----	507,900	12,447	47,405
Bihar -----	34,468	747	854
Orissa -----	53,848	864	4,317
West Bengal -----	580,468	10,862	46,115
Madras -----	2,647,782	8,481	101,159
Kerala -----	179,492	1,609	9,393
Mysore -----	437,998	4,955	27,063
Pondicherry -----	75,464	2,155	5,977

Cotton consumed.- The total consumption of raw cotton by the mills in India during 1957 was 18,219,600 cwts or 5,205,600 bales of 392 lbs as against 17,429,615 cwts or 4,979,890 bales of 392 lbs during 1956.

(Summarised from the Statement relating to the Progress of Cotton Textile Industry in India and Pakistan in 1956-1957, issued by the Millowners' Association, Bombay).

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33. Full Employment Policy.

India - September 1958.

Lay-Off of Workers: Tripartite Talks to be Convened:
Minister's Announcement in Parliament.

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A tripartite conference/which representatives of labour, industry and the State and Central Governments would participate would soon be convened to look into the question of lay-off of industrial workers as a result of shortage of steel and other raw materials available for the implementation of core projects of the second Plan, Shri Lal Bahadur Shastri, Minister for Commerce and Industry, announced in the Lok Sabha on 1 September 1958.

Shri Shastri made the announcement while explaining the Government's position vis-a-vis the lay-off of over 1,100 workers in Messrs Burn and Company, Calcutta - a matter which a member Shrimati Renu Chakravarty had sought to raise through an adjournment motion in the House. Shrimati Chakravarty had drawn attention in her motion to the consequent stoppage of steel fabrication for the Bhilai and Durgapur steel plants and the imminent closure facing the engineering industry in and around Calcutta.

Shri Shastri said that due to serious foreign exchange difficulties drastic reductions had had to be effected on imports, even of essential commodities, resulting in shortages. The position in regard to the supply of steel in the current year had been particularly acute. The total availability during the current year would be of the order of 2 million tons as against about 5 million tons during each of the preceding two years. Meanwhile, the demands of the engineering industry had been growing and even if supplies were maintained at last year's level, it would not have met all their demands. The problem of steel was one of distributing the available supply and all possible efforts were being made to make the most use of the available supply and towards this end a number of steps had already been taken.

Shri Shastri added: "Arrangements are being made, in collaboration with the Ministries of Steel, Labour and Railways, as well as the West Bengal Government, to convene a tripartite meeting of representatives of labour, industry and State and Central Governments to look into the question relating to lay-off labour and consider how best this problem can be tackled. Further, the Government also propose to constitute an inter-Ministerial committee at secretaries level to plan out a long-term programme for the replacing of such orders as are possible to fabricate within the country for the core projects of the Plan and also to plan supply of raw materials required for such orders."

Shri Shastri added: "It is expected this supply would lead to effective co-ordination so that difficulties as have arisen in the particular instance (Burn and Company) do not recur. I may add that the West Bengal Government had taken action in respect of Burn and Company and certain discussions with the representatives of workers have already taken place. The final outcome of these negotiations is awaited."

Shri Prabhat Kar: Will the Minister ask the West Bengal Government not to decide the cases of the 1,100 odd workers of Burn and Company until the tripartite conference has reached decisions?

Shri Shastri: The West Bengal Government is seized of the matter. But if the Hon'ble member so desires I shall have the particular point referred to the Labour Department of the West Bengal Government.

The Speaker said in view of the Minister's statement the adjournment motion was not necessary.

(The Hindustan Times, 2 September 1958).

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Survey of Urban Unemployment in the Punjab*
Study published.

A survey of unemployment was conducted by the Advisory Board of Economic Inquiry, Punjab, Ludhiana, in October-November 1955 with the object of assessing the economic condition in the urban areas with special reference to the unemployment situation in the State. The scope of this survey was limited only to Ludhiana and Rohtak towns, the former representing fairly the urban areas of the Central districts and the latter those of the South-eastern districts. The stratified random sampling design was adopted to select the house holds, the ultimate sampling units in the survey. The wards in these towns were kept as strata and from each strata the house holds were selected at random proportionate to the total house holds in each ward. In all 1,802 households were contacted in these towns and the required information was collected by investigators by personally interviewing the head or other responsible person of the family. The total population thus covered in the investigations forms 5.12 per cent of the population of these towns reported in the Census of 1951. A summary of the survey is given below.

Labour force, age and sex.- Persons in the labour force constitute only 26.94 per cent of the total population surveyed. The gainfully employed and unemployed among the labour force account for 25.61 per cent and 1.33 per cent respectively, of the total population. The ratio of the males to females in the labour force is 9.7:1, as against 0.7:1 among persons 'not in the labour force'. The total labour force consists of only 52.7 per cent of the working age population.

* Publication No. of the Board of Economic Enquiry Punjab (India): Survey of Unemployment in the Punjab - October-November 1955: Economic and Statistical Organisation Government, Punjab: Printed by the Controller of Printing and Stationery, Chandigarh, Punjab, 1958: Price Rs.3.20nP; pp. 106.

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The labour force has also been divided into earners and earning dependents. It has been found that females constitute only 1/10th of the total earning strength and even among them more than 50 per cent are earning dependents. As such they are not full earners. About one-half of the earners and dependents taken together are concentrated in the age-group of young persons (15 to 34 years), another 36.1 per cent belong to the category of middle-aged persons (35 to 54 years) and a further 12.5 per cent fall in the category of elderly persons (55 years and above). Their percentage is not incomparable in the children category. It seems that economic consideration have compelled some of the children to take up jobs in early age.

It has been seen that male earning dependents form only a small proportion of working males in all the age categories, while among females with the only exception of children group, working females are equally divided between earners and earning dependents.

General education of persons in the Labour Force.- It is found that of all earners and earning dependents, 36.7 per cent are illiterate, 21.7 per cent are primary passed, 15 per cent middle passed and 26.6 per cent are matriculates and above. All the literates put together constitute about 63 per cent of the total of earners and earning dependents. Among male earners and earning dependents, the educational standard seems to be rather high than among female earners and earning dependents. Illiterate and primary passed form about 56 per cent among males as against 82 per cent among females.

Professional experience or technical qualifications of persons in the labour force.- The bulk of the labour force (70.8 per cent) have got merely practical skill, about 1/4th of them have not got any practical skill at all and the remaining 4.2 per cent have got diplomas in technical lines after matriculation.

The female workers are almost equally divided into 'no technical skill' and 'merely technical skill' categories. On the other hand, nearly 3/4th of the male workers are in the remaining category of merely technical skill, 22.3 per cent have got no technical skill and 4.7 per cent have diplomas in technical lines after matriculation.

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Earning strength of the households.- The survey has revealed that more than $\frac{3}{5}$ ths of the households have one earner only and another $\frac{1}{4}$ th of them have 2 earners only. These two classes taken together account for slightly more than 85 per cent of the households. The 3 earner households account for another 9 per cent of the total. The households having more earning strength than this are only 67 out of 1,802 surveyed.

The bulk of the households (90.05 per cent) have got no earning dependents, to supplement the family income.

Among the remaining households, households with one earning dependent predominate. Only in a few Households there are more than one earning dependent.

Principal Household Enterprise.- The occupational pattern of households as revealed by the survey shows that about $\frac{3}{4}$ ths of the households have subordinate occupations as their principal pursuits. These households are further divided into (i) Sales and related; (ii) Technical; and (iii) Administrative and executive, Divisions of subordinate occupation, comprises 29.1, 36.6 and 6.2 per cent of the total households. The ministerial occupations such as typists, stenographers, cashiers, etc., further accounts for about 8 per cent of the households. Among the remaining 2.5 per cent of the households, the principal earner is engaged in a service occupation, that is, domestic, personnel and health service. ?

The striking feature revealed by the survey is that only 18 per cent of the households have superior pursuits as their principal occupation.

Industry and Employment.- Services, manufacturing and distributive services 'trade and commerce' are the three major occupation divisions providing employment to the labour force. These together accommodate as many as 80 per cent of the total, gainfully employed persons. Individually these industries account for 29.6, 28.1 and 22.3 percent respectively. The construction division provides employment to only 6.4 per cent of the total workers. Another 4.87 per cent are engaged in 'transport, storage and communications'. 'Agriculture, livestock, forestry, and fishing and hunting' are not so important industries for the urban population.

The proportion of employees (81.8 percent) is very high among the workers employed in services. The employers and employees form 15.04 per cent and 19.74 per cent of the workers employed in manufacturing.

Occupation and Employment.— The distribution of the labour force among occupational divisions shows that nearly 2/3rds of the gainfully employed persons are working in 'subordinate technical' (35.8 per cent) and 'Sales and Related' Occupations (30.11). The 'managerial, administrative and executive' occupation (non-technical) and 'professional, technical and related, (superior) occupation hold 7.4 per cent and 9.1 per cent respectively. The percentage of workers in other occupations varies between 2.53 for 'services' and 6.56 for 'subordinate administrative and executive' occupations.

Monthly Income.— The ratio of persons with an income of up to 100 rupees is about 73 percent. Persons earning more than 150 rupees are only about 4 per cent of the total gainfully employed persons. As such, a great disparity in the monthly income is revealed by this investigation.

Unemployment and Under-employment: Definition of unemployment.— The concept of un-employment adopted in this survey is the same as recommended by the I.L.O. A person was considered unemployed if (a) he was without a job for the whole period of one month, (b) was seeking a job and (c) was in a position to accept a job if he was offered one.

Extent of unemployment.— The unemployed persons seeking employment constitute 1.33 per cent of the total population surveyed, 4.95 per cent of the labour force and 2.6 per cent of the potential labour force (all persons in the working age, 16 to 60 years). The unemployed were distributed among 134 households out of 1,802 surveyed. Of these unemployed persons, 38 per cent were seeking employment for the first time.

The following table illustrates percentage distribution of unemployed persons by age and sex:—

Age-groups(Year).	Base: All persons.			Base: Persons in each Sex.			Base: Persons in Each Age-Group.			Total Persons.
	Males	Females	Total	Males	Females	Males	Females	Total		
1. 11-15 -----	1.95	..	1.95	2.24	..	100.00	..	100.00	3	
2. 16-20 -----	38.31	4.55	42.86	44.03	35.00	89.39	10.61	100.00	66	
3. 21-30 -----	31.82	6.49	38.31	36.57	50.00	83.05	16.95	100.00	59	
4. 31-40 -----	5.49	0.65	7.14	7.46	5.00	90.91	9.09	100.00	11	
5. 41-50 -----	5.19	0.65	5.84	5.97	5.00	88.89	11.11	100.00	9	
6. 51-60 -----	2.60	..	2.60	2.98	..	100.00	..	100.00	4	
7. 61-70 -----	0.65	0.65	1.30	0.75	5.00	50.00	50.00	100.00	2	
8. Total.	87.01	12.99	100.00	100.00	100.00	87.01	12.99	100.00	154	
Total Persons.	134	20	154	134	20	

Unemployment and educational qualifications.- It has been found that the impact of unemployment is proportionately greater on educated persons. The 'illiterate and primary' together form only 38 per cent, among the unemployed as against 59.41 percent among the gainfully employed persons. The 'matric and above', on the other hand, are only 25.26 percent among the unemployed. The distribution of the unemployed within each of the educational qualifications further indicates clearly that incidence of unemployment increases with the increase in the educational standard. For instance among the 'middle and matric' it is more than twice as much as among the illiterates and barely literates.

Unemployment and technical and professional qualifications.- The distribution of gainfully employed and unemployed among categories of the technical and professional qualifications deviates widely. Among the gainfully employed, 3/4ths of the persons have practical skill as against only 44.8 per cent among the unemployed. The incidence of unemployment is the highest (9.63 per cent) among the unskilled in the labour force. But the percentage of unemployed among the labour force in the category 'Diploma or degree in technical or professional lines; is also quite high (7.63). The incidence of unemployment is the lowest among the persons in the labour force in the class 'merely technical skill'. A further examination of the unemployed in respect of stage of employment revealed that the overwhelming concentration of the freshers was in the category 'no skill'.

Unemployment and Industry.- The incidence of unemployment is quite marked on workers engaged in two industries, namely, 'transport, storage and communication' and 'services'. In the first case nearly 12 per cent and in the latter about 7.5 per cent of the total workers are unemployed. The proportion of unemployed among workers occupied in manufacturing and 'electricity, gas, water and sanitary services', also quite high, being 4.5 per cent and 3.7 per cent respectively. In the remaining industries the problem of unemployment is not of so severe a nature except in the division, 'services not adequately described'.

Unemployment and occupations.- The incidence of unemployment is definitely higher in 'ministerial' and 'subordinate technical' occupations. The unemployed persons form about 15.61 and 6.65 per cent respectively, of the total labour force employed in those occupations. The unemployed are also somewhat more numerous in the 'professional, technical and related occupations (superior)'. In the remaining occupational divisions the impact of unemployment is correspondingly low. The main reason of proportionately large number of unemployed persons in 'sales and related' and 'professional, technical and related occupations' is due to the seasonal demand for workers in these industries. The greater proportion in the ministerial division may be due to the higher incidence of unemployment among educated persons.

Occupation preferred.- About 44 per cent of the unemployed persons have given preference for white-collar jobs such as executive, teaching, clerical, typist, etc. Among the rest the largest percentage is formed by persons seeking employment in hosiery and allied industries.

The ratio of unskilled manual labourers is also quite high, being 10 percent of the unemployed. Less than one-half of the unemployed persons are seeking technical and professional work. Among males 27.61 per cent have given preference for clerical and typist jobs, 12.69 per cent for hosiery and allied occupations and 11.94 per cent for unskilled manual labour. The remainder are widely distributed in other occupations. Among females, more than 50 per cent want to be teachers, 40 per cent prefer to work in hosiery and allied industries and the rest (19 per cent) have given other services as their preferred occupations.

Among freshers an overwhelming concentration (about 80 per cent) is found in white-collar occupations. On the other hand, among non-freshers a larger percentage is formed of persons seeking technical and professional work. It may be due to the comparatively high educational standard of the freshers.

Income expectation of the unemployed persons.- It is noted that merely 30 per cent of the unemployed will be content with an income up to 50 rupees per month. An income up to 100 rupees will meet the expectation of as many as 90.8 per cent of the unemployed. A further 3 per cent expect an income between 101 rupees and 150 rupees. Nearly 1.4 per cent are after jobs with an income of more than 200 rupees. Comparing the income expectation of the unemployed with that of the actual income of the gainfully employed, it is seen that about 91 per cent among the unemployed are satisfied with incomes up to 100 rupees as against about 73 per cent earning actually up to this level among the gainfully employed.

Under-employment.- More than 85 per cent of the gainfully employed persons were almost fully employed in various degrees. The demand for their work being seasonal, they are mostly without work in the slack period, in which they may however get casual employment. The persons who remained employed for a period varying between 3 to 6 months make up about 4.42 per cent of the gainfully employed. Next to this, the highest percentage in this respect falls in the category of employment for 8 to 9 months. The rest are almost equally divided in the remaining classes of intensity of employment.

The break-up of employment particulars for earners and earning dependents further reveals that under-employment is on the whole more acute among earning dependents than among earners. The fully employed persons in the category of earning dependents account for only 72 per cent as against 87 per cent among the earners. It has also been found that the situation in regard to the intensity of employment is worse for persons occupied in the subordinate technical occupations. This class is formed by persons mainly engaged in hosiery and allied industries. The fully employed in this class are about 75 per cent as compared to the corresponding proportion ranging between 82.6 per cent in the 'managerial, administrative and executive' to 98.3 per cent in the subordinate, 'administrative and executive' occupations.

The intensity of employment based on one-month data is the lowest in the subordinate technical occupation. Next to this, the intensity is lowest in the managerial, administrative and executive, occupations. It may be stated that the problem of under-employment is more acute for workers engaged in the two occupational divisions, 'managerial administrative, executive' and the 'subordinate technical'.

Under-employment, Occupation Divisions and Monthly Income.- The study has revealed a great disparity in the average monthly income of a gainfully employed persons in different occupations. It varies from 485 rupees in the 'managerial, administrative and executive (non-technical)' division to as low as 51 rupees in the 'subordinate, technical occupation' division. Generally speaking, the average Monthly Income decreases with the decrease in intensity of employment within each occupational division and there are a considerable number of persons whose earning are not enough to support themselves and their families.

Temporary employed persons.- One hundred and ninetyone persons forming 6.14 per cent of the labour force in the course of the investigation reported to be employed on purely temporary basis. These persons were likely to be rendered unemployed at any time and they were seeking some securer jobs. Their educational standard is particularly low as compared to that of unemployed persons. It does not even compare well with that of the gainfully employed. These temporarily employed persons are more widely distributed among the different age categories than gainfully employed persons. They are most found in subordinate technical occupations, but their number is considerable in the 'sales and related occupations' also.

Summing up it may be stated that 4.95 per cent of persons in the labour force remained unemployed for the whole month under reference and the percentage of these unemployed persons further increases to 5.99 if the employment particulars for the last three days are taken into account. As regards under-employment, about 15 percent of the gainfully employed persons remained under-employed in various degrees during the year.



34. Economic Planning, Control and Development.

India - September 1958.

Developments in India's Economy: Reserve Bank's Report
for 1957-1958.

The Reserve Bank of India's annual report on the working and accounts of the bank for the year ended 30 June 1958, submitted to the Government of India, reviews, inter alia, economic developments in the country during the period.

General.- The economic situation in India during the year under review was characterised, on the one hand, by an accentuation of the serious stresses in the economy which have been in evidence since the launching of the Second Plan and, on the other, by signs of a slackening of economic activity in certain sectors. Prices which took a welcome downturn early in the year (from August) once again moved up, particularly in respect of foodgrains, as a result mainly of a reduction in output. Likewise, the drain on foreign exchange reserves, which had eased in the second and third quarters, again worsened from April, partly owing to the fall in export earnings. At the same time, the rate of growth of industrial production registered a decline. There was also an accumulation of stocks in some industries and the stock and capital markets were, on the whole, weak. In the monetary sphere there was a distinct slackening in the growth of money supply, with a sharp increase in time deposits and a marked slowing down of expansion of bank credit. The acute monetary stringency characteristic of the year 1956-57 gave place to pronounced easy conditions practically throughout the year under review.

In the context of the above economic trends, the keynote of credit policy was vigilance in operation directed to maintaining the general restraint which was dictated by the basic inflationary trend of the economy and, simultaneously, selective encouragement to sectors where development was constricted by lack of credit. Selective credit controls were continually employed to help in eliminating the speculative bulge in foodgrain prices but were sought to be worked in a manner so as not to hinder genuine credit requirements and expansion of branch banking.

Trends in Production.- Agricultural production in 1956-57 recorded an increase of six per cent over the preceding year and the production of foodgrains almost touched the peak level of 68.7 million tons of 1953-54. According to the provisional estimates, agricultural production in 1957-58 shows a decline in cereals and jute, the output of rice being placed at 24.8 million tons which is lower by 3.5 million tons than in 1956-57.

After a phase of sustained expansion for some years, industrial production was characterised by a slowing down in the rate of increase. Thus, the general index of industrial production (base: 1951 = 100) advanced only by 3.5 per cent to 137.2 during 1957 as compared to over 8 per cent in each of the previous two years. The unadjusted average of the index for January-April 1958 at 141.7 was, in fact, 0.5 per cent lower than the average for the corresponding period of 1957. The recent fall in the rate of growth of industrial output is largely accounted for by the decline in production of the textile group which has a weightage of the 48 out of 100 in the index. Some of the major industries like cement and coal have, however, recorded substantial increases in output. The cotton textile industry has been passing through a somewhat difficult phase, with fall in offtake, domestic as well as foreign, and accumulation of stocks. Relief has been given to this industry, mainly through progressive reduction of excise duties, the latest reduction occurring in July 1958. The slowing down of industrial production during the year under review may be largely ascribed to two reasons: the fact that spare capacity having been largely utilised, there is less of it now available for use, and smaller additions to plant and machinery and shortages of raw materials and components on account of import cuts. Industrial disputes and absenteeism do not appear to have been a perceptible factor in this process.

National Income.- The rising trend of national income witnessed since 1949-50 was maintained in 1956-57, the latest year for which preliminary estimates are available. At constant (1948-49) prices, the national income for 1956-57 is placed at 110,100 million rupees as compared to the revised estimates of 104,800 million rupees for 1955-56; a rise of 5.1 per cent as compared to 1.9 percent in 1955-56. At current prices, the rise is of the order of 14.2 percent. As regards 1957-58, it would appear that the rise in national income, if any, is likely to be very small, in view of the estimated decline in agricultural output and the slowing of the rate of expansion of industrial output.

Rising Prices.- In contrast to the rising trend of prices throughout the preceding year which caused some concern, ~~in~~ the year under review witnessed three phases, namely, a rise in prices till August 1957, a continuous fall till February 1958 and a rise again thereafter. The general index of wholesale prices (base: 1952-53 = 100), which had reached 113.1 in early August 1957, declined to 104.1 in early February 1958; it has since been rising, the index at the end of the year being 113.5 representing a rise of 2.3 per cent over the year. The average index for 1957-58 was higher than the average index for 1956-57 by 1.2 per cent. The declining trend in prices during August-February 1958 was largely due to the higher output of foodgrains in 1956-57 as well as the corrective measures taken by Government such as food imports, conferment on State Governments of powers to requisition stocks at average prices and restrictions on movement of grains, besides the credit restriction measures of the Reserve Bank. The recent price rise is largely accounted for by the rise in food articles and to a lesser extent in industrial raw materials. Manufactures have hardly recorded any perceptible net change.

The movements of the All-India working class consumer price index number during the year were within rather narrow limits. The index (base: 1949 = 100) for May 1958, the latest month for which data are available, was 112 as compared to 110 for May 1957. The annual average (11 months) for 1957-58 was 3.7 per cent higher than that for 1956-57. Nevertheless wage claims appear to have been on the increase and there have been symptoms of industrial unrest.

Monetary Situation.- The diminished tempo of economic activity during the year reflected itself also in the sphere of money and credit. The expansion in money supply with the public was considerably smaller than in the previous year, being 340 million rupees or 1.5 per cent as compared to 1,550 million rupees or 7.1 per cent in 1956-57. This sharp decline in the rate of increase of money-supply occurred despite the fact that the main expansionist factor, namely, budgetary deficit was significantly larger than in 1956-57. The effect of this was substantially offset by the contraction of bank credit in 1957-58, as against its considerable expansion in 1956-57 and by the remarkable rise in time deposits of banks. As in the previous years, the balance of payments deficit continued to be the main contractionist factor. The seasonal variations in money supply were also smaller than last year. During the 1957 slack season (May-October) the contraction was of the order of 830 million rupees as compared to 1,050 million rupees in the 1956 slack season; likewise, the expansion in the recent busy season (November 1957 to April 1958) was smaller at 1,680 million rupees as compared to 2,390 million rupees in the 1956-57 busy season.

The banking situation during the year under review was characterised by a marked easing of the strain to which the banking system was subjected in preceding years. There was a substantial increase in the deposit liabilities of scheduled banks, which rose by as much as 2,410 million rupees during the Bank's accounting year between the end of June 1957 and end of June 1958, and an overwhelmingly large part of the increase being accounted for, as mentioned above, by time deposits. The striking growth of time deposits reflects, in part, the accrual of rupee balances of the U.S. Government with banks arising from the payments for imports of foodgrains under P.L. 480. There has also been to some extent a shift to funds from demand deposits as a result of higher rates of interest. The rise in aggregate deposits itself is primarily to be explained in terms of the considerably larger degree of deficit-financing during the year. As against this expansion of deposits, there was a decline of 160 million rupees in scheduled bank credit in contrast to the expansion of 1,610 million rupees and 1,470 million rupees respectively in the Bank's accounting years 1956-57 and 1955-56. The trends in deposits and credit extension are reflected in the advances-deposits ratio which fell from 72.71 per cent at the end of June 1957 to 59.98 per cent at the end of June 1958. The decline in bank credit is due to the combined effect of import cuts, the slower rate of rise in industrial production, the price decline over the major part of the year and the measures of credit restraint adopted by the Reserve Bank.

The easing of strain in the banking system enabled banks to have a higher level of investment in Government securities and to liquidate borrowing from the Reserve Bank. The gilt-edged portfolio of scheduled banks rose by 1,540 million rupees as against a liquidation of 150 million rupees of securities in 1956-57. Scheduled bank borrowings from the Reserve Bank fell by 470 million rupees to 150 million rupees in contrast to a rise of 90 million rupees in the preceding year. Cash reserves also rose by 160 million rupees, though the cash ratio declined slightly from 9.7 per cent to 9.2 per cent.

Government Finances.- The outstanding feature of budgets in recent years had been the rising tempo of outlay under the Plan, which is placed at 8,610 million rupees in 1957-58 (revised) as compared to the actual outlay of 6,350 million rupees in 1956-57. The whole of the estimated increase in outlay was reflected in an increase in the combined budgetary deficit of the Centre and the States, from about 2,500 million rupees in 1956-57 to about 5,000 million rupees. Increased tax receipts were offset by a fall in loan receipts. For 1958-59, Plan outlay is placed at 9,600 million rupees, while the budgetary deficit is placed at a greatly reduced figure of 2,200 million rupees, because of anticipations of improvement in loan receipts including small savings, as well as in foreign aid. Recent reappraisal of the Plan indicates a scaling down of the target of expenditure from 48,000 million rupees to 45,000 million rupees and possibly further, owing to the inadequacy of resources. The reappraisal is in keeping with the flexible character of the Plan.

The collection of small savings during the year under review was below expectations, net receipts being 690 million rupees (provisional) as compared to the budget estimate of 800 million rupees for the year and actual receipts of 620 million rupees for 1956-57. Since the beginning of the year 1958, there has been a marked improvement and it is not unlikely that the target of 1,000 million rupees set out for the year 1958-59 will be attained. A new small savings medium, namely, the Cumulative Time Deposits, is being offered shortly. These, together with the raising of the interest rates on various items of small savings in June 1957, should help to mobilize progressively larger sums.

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Capital Markets.- The capital market was generally sluggish in the first half of the year mainly owing to the impact of such factors as the taxation measures contained in the 1957-58 budget, import cuts, likelihood of a reduction in the Plan outlay and some elements of slackness in the economy. In the second half, however, the tone recorded a distinct improvement. The behaviour of the capital market in recent months is suggestive of a generally optimistic turn in assessment of economic outlook on the part of the investing public. This is borne out by the trend and turnover in the stock exchanges as well as the quantum of new capital issues. The Reserve Bank's index of variable dividend securities (base: 1949-50 = 100), which had declined from 103.8 at the end of June 1957 to 95.4 early in January 1958, moved up to 100.9 by the end of June. Thus, there was a net decline of about 5 per cent as compared to a net fall of about 17 per cent in 1956-57. The recent recovery has been assisted by the protectionist impact of some of the import restrictions and by certain other measures taken by Government including discontinuance of the scheme of compulsory deposit of company reserves, reduction in the excise duty on cloth and tea and also in the export cess on tea as well as certain concessions in regard to development rebate, and export promotion proposals. The generally optimistic reports of the outlook for foreign aid also appear to have buoyed up the market. The volume of new capital issues during the year appears to have been smaller than in 1956-57. Total sanctions (excluding bonus and miscellaneous issues and those of Government companies) under the Capital Issues Control were 570 million rupees (July 1957-March 1958) as against 690 million rupees during the corresponding period of last year.

Balance of Payments.- The Report for the preceding year had referred to the high and continuing deficit in the balance of payments as the most conspicuous feature of the economy for that year; the position remained substantially the same during the year 1957-58 as a whole. The fall in the foreign assets of the Reserve Bank amounted to 2,420 million rupees as compared to 2,300 million rupees in 1956-57; the foreign exchange reserves including gold stood at 3,720 million rupees at the end of June 1958. The rate of loss of foreign assets recorded a decline in the second and third quarters, from an average weekly rate of 79.3 million rupees in July-September 1957, to 45.6 million rupees (October-December) and, 20.1 million rupees (January-March 1958); in the April-June 1958 quarter, the rate rose to 40.7 million rupees. If the extraordinary receipt of 220 million rupees under the U.K. Pension's Annuity Scheme in the first week of April 1958 is excluded, the weekly rate of loss works out as high as 58 million rupees. Though this is lower than the rate of loss of reserves during the corresponding period of 1957, it has to be considered against the greatly depleted level of reserves.

During the period July 1957 to March 1958, there was a current account deficit of 3,010 million rupees which was an increase of 410 million rupees compared to the corresponding period of the previous year. Regionwise, the deficit was spread, though somewhat unevenly, over all the principal areas. The larger deficit during the period under review was due partly to lower receipts from exports and invisibles and partly to the higher level of investment in the public sector. While total imports at 8,520 million rupees were maintained more or less around the preceding year's level, there was a change in the relative shares of the public and private sectors; the former increased by 1,150 million rupees, while the latter, owing to the various measures of control and restriction adopted during the course of the year, recorded a more or less equal decline. Most items of private imports recorded a decline with the exception of machinery. There has also been a worsening in respect of export earnings which during the nine months fell by 280 million rupees (or 6 per cent) to 4,550 million rupees. This deterioration in exports may be ascribed partly to the effects of the recession in the U.S.A. The major fall in exports was, however, under tea which was probably the result of excess stocks built up in the U.K. after the Suez episode and the high cost of carrying inventory on account of the rise in interest rates.

Monetary and Credit Policy.- There was little change during the year so far as the broad emphasis of the above policy was concerned. There was, however, continuous adaptation to the changing economic context, principally reflected in a shift of open market operations from net purchases to net sales of securities to the market. From the foregoing review of the Indian economy, it is obvious that the continuance of general restraint is called for, especially having regard to the resumption of the unfavourable trends of commodity prices and turn in balance of payments. Yet it should be emphasised that India's monetary policy is not in general very restrictive. The selective credit controls have been mostly operative in the field of advances against food-grains, the prices of which occupy a strategic place in the economy. The operation of these controls has been flexible enough not to hinder genuine requirements of marketing of crops, industrial requirements and branch expansion. Nor have interest rates risen to disincentive levels as in many other countries. In this matter the needs of development have continued to temper the policy of restraint.

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The character of slackness in the economy has been such that there was not much that monetary policy, which, as already mentioned, has been by no means severe, could mitigate. Such action as was called for appeared to lie on the fiscal front and, in fact, in recent months reliefs have been provided in the form of reduction or removal of excise and export duties. The resources of the banking system were so comfortable during the year that the banks were not under pressure to obtain Reserve Bank credit, which, in fact, was repaid substantially. However, consistently with the maintenance of general restraint in credit policy, liberal extension of credit facilities to particular sectors which have been relatively hard hit by recession, e.g., the textile industry, has been encouraged by the Bank and some banks have reduced their usual margins in many cases for lending to this industry.

To restrain a possible rise in foodgrain prices in the face of apprehensions regarding lower output in 1957-58, the Bank continued the control on advances against foodgrains during the busy season on a slightly different basis. A directive was issued on 11 December 1957 in terms of which the banks were asked to adhere to a minimum margin of 40 per cent as before and to restrict sanction of fresh limits to individual parties to, or not to raise existing limits beyond, 50,000 rupees against paddy, rice, or wheat (excluding those to roller flour mills) and other foodgrains and pulses. Further, banks were directed to maintain in each month commencing from January 1958 an average aggregate level of credit against paddy and rice at 75 per cent and against wheat and ~~rice~~ other foodgrains at 80 per cent of the average of advances for the corresponding months in 1955, 1956 and 1957.

The Prospects.— Altogether, the economic situation in the country presents many complex features. Private investment and industrial production appear to have touched a plateau after the sustained and substantial increases recorded in the preceding few years; agricultural production, too, has shown a drop in the last year. Withal, the monetary situation has turned from extreme stringency to unusual ease. Prices and costs continue to move upwards and profit margins have begun to decline in some sectors, thus accounting for the comparative stagnation in investment and production. The balance of payment remains in heavy deficit. Behind these apparently contradictory developments lies the impressive advance of Plan expenditures in the public sector with the attendant buildup of productive capacity and broadening of the substructure of development, which should in turn make possible a fresh increase in private investment and industrial activity. For the present, however, while the meagre foreign exchange reserves are being conserved for completion of the core projects of the Plan, austerity including some restraint of growth of consumer goods industries is inevitable. During the difficult phase that the development of the economy is entering, however, the claims of further expansion or investment in new directions have to be carefully balanced with those of the maintenance of current economic activity.

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Recent developments pose the central issue of resources for planned economic development. While the immediate stepping up of the rate of foreign assistance is imperative for preventing a serious set-back in the progress of the Second Five-Year Plan and a substantial degree of such assistance would appear necessary for some years for further development plans, the problem of resources must be considered in its fundamental aspect of increasing the rate of savings in the community to match the higher rate of investment. ~~Even such~~ The rate of domestic savings has failed to show a perceptible increase and the great challenge in the near future is to increase decisively the elasticity of domestic resources. The recent improved performance of small savings and Government borrowing indicates a possible direction of increasing the savings effort with the requisite improvement in organisation and administrative machinery.

A satisfactory rate of increase in food production is a basic requirement of economic development. It is true that food production has continued to rise, though fitfully, over the last six or seven years. However, supplies of foodgrains, reinforced as they have been by imports, with a considerable share of foreign aid supplies, have proved insufficient to meet the growing demand consequent upon the increase of population and a wider diffusion of purchasing power associated with the large increase in development expenditure under the Five Year Plans. If production could be raised adequately to enable the country to dispense with imports of food, a material alleviation of the long-term foreign exchange problem could be hoped for. The maximisation of agricultural production, particularly foodgrains, through intensive application of resources, and high priority to development of agriculture in the organisational and administrative effort of the States, obviously sets the direction of planned development in the States for a long period to come.

During the a phase when the balance of payments situation will remain a source of grave concern the tenor of monetary and credit policy would have to be absorption of the available liquid assets for urgent financing of the Plan projects and maintenance of stringent control on expansion of credit facilities in general. In the context of Indian conditions, under planned expansion, what is called for in the field of credit policy is selective expansion in spheres where development is held up for inadequacy of credit.

The institutional facilities for provision of credit are being extended, the latest development in this field being the establishment of the Refinance Corporation. The Reserve Bank's credit to the cooperative sector has also been rising significantly. The resources of the Financial Corporations are being augmented, both through Government's assistance and access to the market. In general, however, restraint in credit expansion is dictated by the necessity to maintain a downward pressure on the cost-price structure in view of the imperative need to step up exports. With relaxation of credit restraint in many foreign countries, external demand for our goods may be stimulated, and the general tone of restraint in credit policy must be maintained if this process is to run its beneficial course.

(The Report of the Reserve Bank of India for 1956-57, was reviewed in Section 54, pp. 11-19 of the report of this Office for September 1957).

(Reserve Bank of India, Bulletin,
Vol. XII, No. 8, August 1958,
pp. 903-916).

Development Council set up for Scheduled Industries engaged in Manufacture or Production of Alcohol and Other Products of Fermentation Industries.

In exercise of the powers conferred under the Industries (Development and Regulation) Act, 1951, the Central Government has established a Development Council for the scheduled industries engaged in the ~~manufacture~~ manufacture or production of alcohol and other products of fermentation industries. The Council consists of persons representing the owners of undertakings in the said scheduled industries, persons having special knowledge of matters relating to the industries, persons representing employees and consumers of goods manufactured or produced by the said scheduled industries.

The following functions have been assigned to the said council:-

- (i) recommending targets for production, co-ordinating production programmes and reviewing progress from time to time;
- (ii) suggesting norms of efficiency with a view to eliminating waste, obtaining maximum production, improving quality and reducing costs;
- (iii) recommending measures for securing the fuller utilisation of the installed capacity and for improving the working of the industry, particularly of the less efficient units;
- (iv) promoting arrangements for better marketing and helping in the devising of a system of distribution and sale of the produce of the said scheduled industries which would be satisfactory to the consumer;
- (v) promoting standardization of products;
- (vi) promoting or undertaking the collection and formulation of statistics;
- (vii) promoting the adoption of measures for increasing the productivity of labour, including measures for securing safer and better working conditions and the provision and improvement of amenities and incentives for workers.

(The Gazette of India, Part II, Sec. 3, Sub-Section ii, 20 September 1958, pp. 1754-1755).

48. Handicrafts.

India - September 1958.

Panel constituted for Development of Leather and Leather Goods Industries.

The Government of India by a Resolution dated 15 September 1958 has constituted a Panel consisting of 20 members with a view to drawing up the programme for the development of leather and leather goods industries. The functions of the Panel are:-

- (i) to assess the present production of various types of leathers and leather goods in the country in relation to the current as well as the future domestic demands;
- (ii) to study the requirements of the different raw materials, chemicals, machinery etc., and to make recommendations with regard to (a) the utilisation of indigenously available materials to the maximum extent possible; (b) steps to be taken to increase their indigenous availability;

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- (iii) to examine the methods adopted by the manufacturers for the manufacture of leather and leather goods and also to recommend (a) the new lines of development and the steps to be taken to ensure the continued growth and development of this industry in the different sectors;
 - (iv) to assess the extent to which the existing capacity in respect of leather and leather goods is being utilised and to make recommendations with regard to the improvement in the quality of the goods manufactured and also with regard to the fuller utilisation of the existing capacity with a view to meeting domestic demand and making an increasingly significant contribution to the country's exports;
 - (v) in the event of surplus capacity being available to recommend the steps that should be taken for its maximum utilisation for the development of exports.

(The Gazette of India, Part I,
Section 1, 20 September 1958,
page 260).

U.S. Aid to India for Anti-Malaria Programme.

According to an agreement signed in New Delhi on 29 August 1958, between the Government of India and the U.S. Technical Cooperation Mission, a sum of 21 million rupees (\$ 4,400,000) has been made available to India for the malaria eradication programme. The money will be used for the purchase of approximately 7,100 long tons of DDT to help meet the requirements of the 1959 spraying seasons.

Since the beginning of the Indo-U.S. programme in 1952, the U.S. Government has granted about \$ 44.1 million for the control and eradication programmes.

(The Statesman, 30 August 1958).

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35. Productivity.

India - September 1958.

Incentive Schemes to be introduced in Railway Workshops.

Incentive schemes to raise productivity are to be introduced in most of the Indian railway Workshops by the end of the second Plan period, and for this purpose production control organisations are being set up on the various railways. In the Railway Board's office in New Delhi too, a production directorate is being set up to direct and co-ordinate the higher productivity drive.

This was disclosed at the conference of Railway General Managers with the Railway Board, which concluded its two-day session in New Delhi on 19 August 1958.

The conference was told about the rising trend in workshop output generally during 1957-58. Measures to step up productivity were discussed and the suggestions made included multiple shift working and better organisation for timely procurement of raw materials.

(The Hindustan Times, 29 August 1958)

Productivity Team to Study Trends in the U.K. and
U.S.A.

An eight-man productivity team, the first to be sponsored by the National Productivity Council, left New Delhi on 19 September 1958, on a six-week study tour of factories in West Germany, the United Kingdom and the United States of America.

The members of the team will study the productivity techniques and processes adopted in these countries. In particular, they will study scientific management, human relations, methods analysis, wage and bonus incentives, plant layout and maintenance, materials handling and product design.

Seven more teams are proposed to be sent later to West European countries and America.

(The Statesman, 20 September 1958).

36. Wages.

India - September 1958.

Bonus for TISCO Workers for 1958.

The authorities of the Tata Iron and Steel Company announced at Jamshedpur on 18 August 1958, that they had agreed to pay 10,815,000 rupees as profit-sharing bonus to their employees this year, which is 140,000 rupees higher than the sum paid last year.

For the past several years the profit-sharing bonus has been determined by a formula agreed to between the management and Tata Workers' Union. That agreement expired last year. "Had that agreement been in force, the bonus payable this year would have been only 8,300,000 rupees", the management stated.

Last year, each employee received 2.68 months' basic wages as the year's profit-sharing bonus. It is expected that the disbursement this year will be approximately at the same level.

(The Times of India (Mafussil Edition),
20 August 1958)

Steering Group on Wages: Study of Replacement Costs in Industries to be undertaken.

Four industries - sugar, jute, cement and heavy chemicals specially fertilizers - have been selected by the Steering Group on Wages for conducting a study of replacement costs at its meeting held at New Delhi on 19 September 1958, under the Chairmanship of Shri Gulzarilal Nanda, Union Minister for Labour and Employment.

The study is to be entrusted to the National Council of Applied Economic Research. The object is to formulate a uniform and acceptable method of calculating replacement and modernisation needs of industry to help remove an important source of friction in industrial relations.

As regards the wage map of India, the Steering Group agreed that to begin with wage maps for selected industrial centres should be drawn up. It was pointed out that these experimental wage maps would help to show the difficulties in the way of collecting necessary data and limitations of the information available.

The Steering Group also approved the Labour Ministry's proposal to carry out a statistical survey of the pattern of absenteeism among colliery workers. The purpose of the survey is to find out whether payment of attendance bonus to workers every week or month instead of every quarter, as at present, would be better from the point of view of encouraging better attendance and better performance on the part of workers.

The Steering Group also considered the question of wage costs and appointed a sub-committee to examine the matter thoroughly.

(Press Note dated 19 September 1958,
issued by the Government of India).

37. Salaries.

India - September 1958.

Punjab: Revised Pay Scale for Government Employees.

According to a decision taken by the Punjab Government on 2 September 1958, there will be a rise in the salaries of 51 categories of Government employees. The decision was taken on the unanimous recommendations of the Pay Revision Board appointed by the State Government a year ago.

The revised pay-scales estimated to involve an additional annual expenditure of 1.3 million rupees, will come into force, with effect from 1 October 1958.

The Cabinet also decided to extend full pension benefits to the displaced Government servants from Sind and N.W.F.P. at present serving the State Government.

(The Statesman, 3 September 1958).

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38. Housing.

India - September 1958.

Slum Clearance: Government's broad Acceptance of Principles Announced.

Shri Jawaharlal Nehru, Prime Minister, stated at the Lok Sabha on 15 September 1958, that broadly speaking, the recommendations made by the Advisory Committee on Slum Clearance were acceptable to the Government. The Planning Commission, he added, was now examining the detailed recommendations of the committee. After this examination, the report would formally come up before the Cabinet for consideration (vide Section 38, page 52 of the report of this Office for May 1958).

The creation of a new Union Ministry for Urban Community Development is understood to be one of the main recommendations of the Advisory Committee on Slum Clearance, headed by the Law Minister, Shri Asoke Sen. The functions of the proposed Ministry would be to co-ordinate the activities of other Ministries in the field of town planning, slum clearance, housing, health, education and setting up industries to provide alternative employment for slum-dwellers.

Instead of frittering away resources, the Committee is understood to have recommended that, to begin with, attention be focused on clearing slums in the six cities of Calcutta, Delhi, Bombay, Madras, Kanpur and Ahmedabad.

To raise the necessary resources, the Committee recommends the levy of a terminal tax on passengers and goods carried by rail.

It suggests that the Centre provide an increased subsidy to the State for slum clearance in the six selected cities. An outlay of 20 million rupees on each city is recommended in the second Plan period.

The Committee lays particular emphasis on the fact that mere demolition of insanitary buildings and their replacement by new structures does not solve the slum clearance problem. Equally important is the provision of alternative employment, education, medical attention and other basic services.

Accordingly, it suggests that the most effective way of dealing with the problem is to set up Urban Community Development Centres and Extension Blocks for slum areas. This would ensure that all aspects of the problem are tackled simultaneously.

With the setting up of such urban centres, it would be possible for State Governments to suggest composite schemes to the Centre and for the proposed Ministry of Urban Community Development to sanction them after consulting the other Ministries concerned.

At the State level, the Committee recommends that an organisation headed by an Administrator be set up for each of the six cities selected for concentrated slum clearance. It would be his responsibility to draw up a composite scheme in consultation with the Ministry of Urban Development and other State and local bodies concerned and to implement it after it is approved.

(The Statesman, 9 and 16 September, 1958).

Agriculture
42. Co-operations

India - September 1958.

Bombay Tenancy and Agricultural Lands (Vidarbha Region and Kutch Area) Bill, 1958.

The Government of Bombay published on 28 August 1958 a Bill to amend the law relating to tenancies of agricultural lands and sites used for allied pursuits in the Vidarbha region and the Kutch area of the State of Bombay and to make certain other provisions in regard to those lands.

According to the Statement of Objects and Reasons of the Bill, the relations between tenants of agricultural lands and their landlords in the Vidarbha Region are governed by the provisions of the Madhya Pradesh Land Revenue Code, 1954 (II of 1955) and the Berar Regulation of Agricultural Leases Act, 1951 (XXIV of 1951). Under Chapter XIV of the Madhya Pradesh Land Revenue Code, 1954 occupancy tenants in the four districts of Nagpur, Wardha, Chanda and Bhandara are given special protection and rights including fixity of tenure and right to purchase the land. In the case of the four districts of Akola, Amravati, Yeotmal and Buldana under the Berar Regulation of Agricultural Leases Act, 1951 habitual sub-letting of agricultural land and rack-renting has been prohibited and a certain measure of protection to the protected lessees has been given. The ordinary tenants have, however, no fixity of tenure or protection against rack-renting nor do they or the protected lessees have any right of purchase.

In the Kutch area the Bombay Tenancy and Agricultural Lands Act, 1948 as enacted in 1948 was extended by the Government of India on 10 May 1950 with a few modifications. However, the subsequent Amendment Acts including the Bombay Tenancy and Agricultural Lands (Amendment) Act, 1955 which were enacted in the pre-Reorganisation State of Bombay for giving more rights to the tenants were not extended to the Kutch area.

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In substance therefore the tenancy position in the Vidarbha Region and the Kutch area presents a diversity which requires to be remedied and is otherwise in a state which requires to be improved in order to bring it as far as possible in line with that obtaining in certain other parts of the State.

The present Bill is directed towards the achievement of this objective. It is proposed in this Bill to repeal Chapter XIV of the Madhya Pradesh Land Revenue Code, 1954, the Berar Regulation of Agricultural Leases Act, 1951, the Bombay Vidarbha Region Agricultural Tenants (Protection from Eviction and Amendment of Tenancy Laws) Act, 1957 and the Bombay Tenancy and Agricultural Lands Act, 1948 as extended to the Kutch area of the State of Bombay. The Bill also abolishes the distinction between occupancy and ordinary tenants and protected lessees in the Vidarbha Region and between protected tenants and ordinary tenants in the Kutch area and as far as possible achieves uniformity in the treatment of these tenants. It defines tenancy, prescribes its duration, maximum rent and commutation of cropshare rent into cash, prohibits rent in terms of service or labour, abolishes cesses, huks, etc., safeguards special rights and privileges of tenants and gives right of purchase to tenants. It also lays down the procedure for taking under management certain lands in excess of a ceiling limit for fulfilling certain defined public purposes, and paying suitable compensation, etc. It regulates the surrender and termination of tenancies and transfers of agricultural lands. It also makes provision for regulation of rights of tenants, agricultural labourers, persons carrying on allied pursuits and artisans in regard to sites of dwelling houses.

The maximum rent has been statutorily fixed in the Bill at 3 times the land revenue in the case of land in respect of which the settlement has been announced within thirty years ~~immediately~~ immediately preceding the commencement of this Act or made at any time thereafter and at 4 times the land revenue on land in any other case. It has also been provided that the rent payable by a tenant for any year shall not exceed 1/6th of the value of the produce for that year. In case of dispute the Tahsildar is given power to determine the reasonable rent.

Under the clauses 39 to 42 of the Bill a tenant, other than an occupancy tenant, is given a right to purchase land up to the prescribed limit subject to the payment of reasonable price up to twelve times the rent plus the depreciated value of structures, wells, etc., constructed and trees planted by the landlord.

(Bombay Government Gazette,
Part V, 28 August 1958,
pp. 635-699).

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44. Merchant Marine and Fisheries.

India - September 1958.

Committee set up for Classification and Categorisation of Posts in Major Ports.

The Government of India by a Resolution dated 23 August 1958 has set up a Committee of seven persons with Shri F. Jeejeebhoy as Chairman to undertake the work of classification and categorisation of Class III and Class IV posts in the major ports of Bombay, Calcutta, Madras, Cochin, Kandla and Visakhapatnam.

The Committee will examine the duties and responsibilities of the various posts and fit them into one or other of the scales of pay given in the attached Schedule, in the light of the scales of pay of posts with comparable duties and responsibilities in other departments of Government.

The Committee is not precluded from recommending scales going beyond the indicated maximum if on a comparison of the duties and responsibilities of the categories of the posts in the Ports with the duties and responsibilities of similar categories in other establishments, the weight of evidence is in favour of such recommendation, provided that the scale recommended does not go beyond the scale adopted in the Government Departments for comparable categories. The Committee will also recommend changes, where necessary, in the designation of posts so that standardised nomenclature may be evolved. The Committee will consult the Port authorities and representatives of Labour Unions in the Ports. The Committee will also be free to co-opt at each Port experts or such others as they may consider necessary for facilitating its task. The recommendations of the Committee shall be final and binding on the Port Authorities as well as the Labour. The Committee has been asked to complete its work and to submit its report within six months.

(The Gazette of India, Extraordinary,
Part I, Section 1, 25 August 1958,
pp. 790A-790C).

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - SEPTEMBER 1958.

50. General.

Labour Conditions in Public Motor Transport in India.

In November 1956, the Labour Bureau, Ministry of Labour and Employment conducted an enquiry based on the questionnaire method as well as personal visits into labour conditions in public motor transport. The results of the study are reviewed below. Questionnaires were sent to all the States except certain unimportant areas. The information received from some States are incomplete in respect of some divisions.

Employment.- The expanding nature of the industry has rendered it difficult to give a reliable estimate of employment at any particular period of time. However, figures of employment in respect of the units covered by this enquiry are shown in the table below as on 1 October 1956:-

State	Employment			Total
	Permanent	Temporary	Casual	
Andhra Pradesh -----		2,768	-	2,768
Assam -----	443 (47.9)	402 (43.4)	80 (8.7)	925
Bihar -----	-	1,746 (97.5)	44 (2.5)	1,790
Bombay -----	5,643 (39.6)	8,553 (60.0)	57 (0.4)	14,253
Delhi -----	486 (23.0)	1,334 (63.1)	293 (13.9)	2,113
Himachal Pradesh-----	185 (24.0)	455 (59.1)	130 (16.9)	770
Jammu and Kashmir-----	-	978 (100.0)	-	978
Kerala -----	3,673 (70.0)	1,054 (20.1)	517 (9.9)	5,244
Madhya Bharat -----	1,084 (98.4)	8 (0.8)	52 (2.8)	1,124
Madhya Pradesh-----	451 (80.2)	111 (19.8)	-	562
Madras -----	-	1,641 (80.1)	408 (19.9)	2,049
Manipur -----	60 (50.4)	49 (41.2)	10 (8.4)	119
Mysore -----	1,503 (73.7)	527 (25.9)	8 (0.4)	2,038
Orissa -----	-	345 (87.3)	50 (12.7)	395
PEPSU -----	1 (0.6)	193 (99.4)	-	194
Punjab -----	851 (72.3)	326 (27.7)	-	1,177
Rajasthan -----	28 (96.6)	1 (3.4)	-	29
Saurashtra -----	405 (100.0)	-	-	405
Uttar Pradesh-----	928 (18.5)	3,904 (78.0)	176 (3.5)	5,008
West Bengal -----	-	2,611 (76.0)	823 (24.0)	3,434
Total.	15,741 (34.7)	24,238 (53.4)	2,628 (5.8)	45,375*

Figures in brackets indicate percentages to total employment.

* Break-up of 2,768 workers into permanent, temporary and casual not available.

Recruitment.- The system of recruitment varied from State to State. Majority of the States, e.g., Assam, Bihar, Bombay, Kerala, Madhya Bharat, Madhya Pradesh, Madras, Manipur, Mysore, Orissa, PEPSU, Rajasthan, Saurashtra and West Bengal recruited their workers directly. In one unit in Bombay, only bus conductors and drivers were directly recruited. In Assam, Bihar, Orissa and West Bengal posts were advertised in the local newspapers and selection made on the recommendations of the Selection Boards constituted for this purpose. In Kerala and Mysore recruitment was done through the Public Service Commission. In Mysore (Bangalore Division), however, selection for posts carrying a salary up to 60 rupees per month was made by the General Manager, subject to the Rules of Recruitment, after advertising the posts in the newspapers. In other divisions it was made by the Divisional Selection Committees. In Saurashtra, recruitment was done according to the Saurashtra Civil Service Classification and Recruitment Rules. Recruitment was done through Employment Exchanges in the States of Andhra Pradesh, Bombay (one unit), Himachal Pradesh and Uttar Pradesh. In the Punjab, it was done partly through the Services Selection Board and partly through Employment Exchanges. In Delhi, recruitment was made both through the Employment Exchanges and by advertisement in newspapers. In Jammu and Kashmir State, recruitment was done through the Workshops.

Apprenticeship.- The system of apprenticeship was not in vogue in the States of Bihar, Bombay (two units), Himachal Pradesh, Kerala, Madhya Pradesh, Orissa, PEPSU, Punjab (one unit), Rajasthan and Saurashtra. In other States and units some schemes of apprenticeship had been introduced for certain categories of workers. In many States monthly stipend were given to apprentices. The most elaborate scheme was in vogue in one of the units in Bombay, where four types of apprenticeship courses existed. The first was School Apprenticeship Scheme in which 8 apprentices - 4 in electrical engineering and 4 in automobile engineering were admitted every year. In the electrical engineering course, training was imparted in mechanical workshop and in electrical departments; in the automobile engineering course, training was imparted in motor vehicles, mechanical workshops, etc., in addition to 8 weeks' training in electrical wiring work. The period of training was three years without any allowance. The second type was the College Apprenticeship Scheme under which training was imparted in electrical, mechanical and automobile engineering either for 12 or for 26 weeks without any allowance. Under third type, viz., the Students Engineering Scheme, advance training was imparted in electrical and mechanical engineering for a period of one year. The apprentices were paid a stipend of 75 rupees per month each by the undertaking. Apart from it, the State-nominees were also getting a similar stipend from the Union Government. The period of training for Stipendiary Apprentices was one year and they were paid 60 rupees per month plus dearness allowance on the basis of the Bombay Millowners' Scale. The Apprentices were trained in a particular department for a period of one year and on completion of the training were absorbed if found suitable and if any vacancy existed.

Labour turnover.- According to information for the year ended 30 September 1956, labour turnover was not high on an all-India basis being only 4.4 per cent. It was the highest in Bihar (11.7 per cent). Next in descending order were Himachal Pradesh (9.1 per cent), PEPSU (8.8 per cent), Mysore (8.4 per cent) and Manipur (7.3 per cent). The labour turnover was lowest in the Punjab (0.3 per cent). About 60 per cent of labour turnover was caused by discharge of workers.

Length of Service.- Complete data in respect of length of service were available in respect of 16 States only and these show that there was a fair degree of stability of employment in the industry as a whole. Persons having service below 1 year formed only 13.2 per cent of the total labour force. Those having service of one to five years, more than five years but not more than 10 years and above 10 years formed 34.9, 33.6 and 18.3 per cent respectively of the total labour force. Workers having service of a year or more but not more than 5 years predominated in the States of Bihar (70.8 per cent), Orissa (63.8 per cent), West Bengal (56.9 per cent) and Madhya Bharat (53.9 per cent). Workers having service of more than 5 years but not more than 10 years accounted for 65.4 and 52.5 per cent in the Punjab and Assam respectively.

Absenteeism.- Data received on absenteeism reveals that the rate of absenteeism was more or less constant for all the months of the year in all the States except Assam and Himachal Pradesh. It fluctuated between 13.44 per cent in June to 35.58 per cent in October in the former and between 6.76 per cent in November to 24.70 per cent in April in the latter. The annual absenteeism rate was the highest in Madras being 24.60 per cent and the lowest followed by West Bengal (20.87 per cent) and Assam (20.38 per cent) and the lowest in Mysore being 1.06 per cent.

Wages and Earnings.- The total emoluments (i.e., basic wages, dearness allowance, other cash payments and money value of concessions in kind) of the lowest paid worker are given in the following table:-

State	Basic Wage	Total
	Rs. nP.	Rs. nP.
Andhra Pradesh -----	55.00	124.81 *
Assam -----	28.00	50.00
Bihar -----	22.50	48.00
Bombay -		
First Unit -----	39.25	111.25
Second Unit -----	35.00	76.00
Third Unit -----	40.00	84.37
Delhi -----	49.00	118.58 **
Himachal Pradesh -----	30.00	69.57
Jammu and Kashmir -----	20.00	23.00 (apprentice)
Kerala -----	25.00	57.00
Madhya Bharat -----	25.00	46.00
Madhya Pradesh -----	25.00	53.33
Madras -----	20.00	42.67
Manipur -----	22.00	N.A.
Mysore-		
Bangalore Division*** --	25.00	99.67
Hubli Division -----	30.00	110.50
Belgaum Division -----	40.00	114.00
Raichur Division -----	40.00	94.50
Orissa -----	20.00	61.75
P.E.P.S.U. -----	50.00	80.00
Punjab *		
Amritsar Region -----	27.00	58.00
Ambala and Jullunder Regions.	50.00	80.00
Rajasthan -----	25.00	40.00
Saurashtra -----	22.00	57.00
Uttar Pradesh -----	27.00	47.00 ****
West Bengal -----	21.00	86.00

* Those appointed prior to 15 October 1950 get Rs.135.25 nP.

** Those appointed prior to September 1952 get Rs.153.58 nP.

*** Outside Bangalore dearness allowance is Rs.23.00 nP for this category of workers.

**** Only at district headquarters; at other places workers get Rs.42.00 only. Since August 1957 Rs.5.00 have been given as additional dearness allowance.

N.A. - Not Available.

The wages and earnings of important occupations are classified below.

Drivers.- The monthly basic wages ranged between 35-50 rupees in Assam to 85-130 rupees in Andhra Pradesh. The monthly earnings of workers were the lowest in Madhya Pradesh (54.60 rupees) and highest in Bombay (one unit) (240.30 rupees). In the States of Bihar, Kerala, Madhya Bharat, Madhya Pradesh, Orissa, Rajasthan and Uttar Pradesh monthly earnings of drivers were less than 100 rupees. In Andhra Pradesh, Bombay (one unit) and the Punjab the monthly earnings were above 150 rupees. In the rest of the States, these ranged between 100 rupees and 150 rupees.

Conductors.- The basic wages of conductors varied considerably between States and a minimum of 25 rupees per month was paid in Mysore (Bangalore Division) and a maximum of 55 rupees per month in Andhra Pradesh. The monthly earnings of conductors varied from 39.60 rupees in Madhya Pradesh to 157.50 rupees in Bombay. These were more than 100 rupees in the States of Andhra Pradesh, Assam, Bombay, Delhi, Madras and Punjab and less than 100 rupees elsewhere.

Cleaners.- The data regarding basic wage rate of cleaners was received from 13 States only. The basic monthly wage rate ranged between 15-33 rupees in Madhya Pradesh and 35-40 rupees in Bombay (one unit). The monthly earnings of cleaners varied from 42.90 rupees in Orissa to 92.70 rupees in Assam. Another State where earnings of a cleaner were less than 50 rupees per month was Bihar where it stood at 47.70 rupees.

Traffic Controllers.- The data regarding basic wage rates and total earnings of this category of workers were available in respect of 8 States only. The monthly earnings of traffic controllers varied from 80.10 rupees in Orissa to 376.80 rupees in Bombay. In the States of Orissa and Mysore (Hubli Division) the monthly earnings of traffic controllers were less than 100 rupees, while in Uttar Pradesh these stood at 257.70 rupees.

Inspectors.- The monthly total earnings varied from 68.40 rupees in Mysore to 253.50 rupees in Andhra Pradesh. The only States in which the monthly total earnings of Inspectors were less than 100 rupees per month were Kerala, Madhya Pradesh and Mysore. In all other States except Andhra Pradesh and Bombay Traffic Inspectors' total earnings were between 100 rupees and 200 rupees per month.

Bonus.- Generally four types of bonuses, besides annual profit bonus, were prevalent, viz., good attendance bonus, good conduct bonus, good driving bonus and incentive bonus. The States of Bombay, Jammu and Kashmir, Kerala and Madhya Bharat, Madhya Pradesh, Madras, Mysore, Uttar Pradesh and West Bengal awarded bonus of one type or more.

Working Conditions.- The Motor Vehicles Act, 1939, is applicable to motor transport and regulates the hours of work of drivers. It has been laid down in the Act that no employee who is employed for the purpose of driving a transport vehicle shall be allowed to work for more than five hours before he gets a rest interval of at least half an hour. Daily and weekly hours have been prescribed as nine and fifty-four respectively.

The hours of work in 15 States, viz., Andhra Pradesh (district service only), Assam, Bombay (two units), Delhi, Himachal Pradesh, Jammu and Kashmir, Kerala, Madhya Bharat, Orissa, PEPSU (workshop staff only), Punjab, Rajasthan, Saurashtra, Uttar Pradesh and West Bengal were 8 per day and 48 per week. In the States of Bihar, Bombay (one unit), Madras, Madhya Pradesh, Manipur, Mysore and PEPSU (running staff only) daily and weekly hours of work were 9 and 54 respectively. In the Bombay unit, daily working hours in practice were 8-1/2 as a result of an agreement. For city and suburban services in Andhra Pradesh daily hours of work were 7-1/2 only.

In twelve States, viz., Andhra Pradesh, Bihar, Bombay (two units), Delhi, Jammu and Kashmir, Kerala, Mysore, Orissa, PEPSU, Punjab, Saurashtra and Uttar Pradesh, half an hour's rest interval was allowed in between the duty hours. In Bombay (one unit) and Madhya Bharat, the duration of rest interval was one hour. In the States of Madras and West Bengal there was no fixed interval. In the former, the driver of a vehicle was considered to be enjoying a period of rest during the time when the vehicle was at rest and he was at liberty to go for rest and refreshment although he was required to remain within sight of the vehicle. In the latter, drivers and conductors were allowed 5-10 minutes' rest at terminal points of the routes on completion of every half trip of duty. No rest interval, as such, was allowed in Manipur but workers were required to work in two shifts of about four hours each.

Daily spreadover varied from State to State. It was eight hours in Kerala and West Bengal; eleven in Mysore (Bangalore division) and Bombay (one unit-by virtue of an agreement); less than twelve in Himachal Pradesh and Bombay (one unit); fourteen in Orissa; sixteen in one of the units in Punjab; and twelve hours in all the remaining States and units. Weekly off was allowed in all the States.

System of change-over of shifts did not exist in the States of Assam, Bombay (two units), Himachal Pradesh, Madhya Pradesh, Manipur, Orissa and Rajasthan. In other States, the change-over of shifts took place either daily, e.g., in Jammu and Kashmir (night shift only), Madhya Bharat, Mysore (Bangalore division) (spare staff only), PEPSU and Punjab (one unit) or weekly, e.g., in Andhra Pradesh (city service only), Bihar, Delhi, Jammu and Kashmir (day shift only), Madras, Saurashtra and West Bengal or fortnightly, e.g., in Bihar (running staff only) and Punjab (one unit), or monthly, e.g., in Kerala, Mysore (Belgaum division) and Punjab (one unit).

Leave and Holidays with pay.- The casual leave allowed differed from State to State. In Madras, no casual leave was allowed while in Mysore (Bangalore division), no distinction was made between casual and sick leave. In most of the States, viz., Andhra Pradesh (depot staff), Assam, Bombay (one unit), Himachal Pradesh, Jammu and Kashmir, Madhya Bharat, Madhya Pradesh, Manipur, Mysore (supervisory staff employed in Hubli, Belgaum, and Bijapur divisions), Orissa, PEPSU, Rajasthan and Saurashtra, 15 days' casual leave was allowed. In Madhya Bharat however, this leave was allowed to accumulate up to 45 days for labour only. Casual leave was allowed for 10 days in Bombay (one unit), Delhi and West Bengal; for 14 days in Uttar Pradesh; 16 days in Bihar; and 20 days in Punjab and Kerala. No uniformity was observed in different States in case of sick leave also. No sick leave was allowed in the States of Bihar, Bombay (one unit), Madhya Pradesh and Rajasthan.

In some of the States, e.g., Andhra Pradesh (selected categories only), Himachal Pradesh, PEPSU, Punjab and Rajasthan (for classes other than Class IV) earned leave was given at the rate of 1/22nd for the period spent on duty during the first year and 1/11th thereafter.

The number of holidays with pay differed from State to State. No information is available for Andhra Pradesh and PEPSU. In Rajasthan, no such holidays were allowed. In Bombay (one unit) and Orissa two holidays were given. In other States the number of holidays allowed was, Himachal Pradesh (3), Bihar (4), Bombay (one unit) and Mysore (6), Madhya Bharat and Madras (7), Jammu and Kashmir (12), Kerala (19-1/2), Madhya Pradesh (20), Assam (22), Uttar Pradesh (23 for workshop employees and 27 for others), Delhi (23) and Manipur (29). In West Bengal, no holidays were allowed but 12 compensatory holidays in a year in lieu of 12 festival holidays were allowed.

Welfare.— Housing accommodation was provided in the States of Andhra Pradesh, Assam, Bombay, Delhi, Kerala, Madhya Bharat, Madhya Pradesh and Mysore (Belgaum division). The percentage of workers housed varied from 3 to 55.

Medical facilities to workers were provided in all the States except Madhya Pradesh, Manipur and Saurashtra. Well equipped dispensaries with one or more qualified medical attendants were being maintained in the States of Bombay, Delhi, Jammu and Kashmir, Madras and Mysore. In Madras, an ex-gratia allowance of 25 rupees per month was paid to a worker suffering from tuberculosis and under treatment, if he was on leave without pay.

Rest shelters were provided in all the States except Manipur, PEPSU, and West Bengal.

Canteen facilities were provided in all the States except Andhra Pradesh, Madhya Pradesh Bharat, Manipur, Orissa, PEPSU and Rajasthan. Food, tea, etc., was being sold to workers at concessional rates in the canteens provided by the States of Assam, Bombay, Delhi, Uttar Pradesh and West Bengal only. In Delhi, canteens were run by contractors and Registered Cooperative Societies. In Madras, a canteen on cooperative lines was functioning and government had given free building, lighting and water facilities in addition to grants from time to time towards purchase of utensils, furniture, etc. The services of a senior Cooperative Societies official had also been lent to manage the canteen.

Educational facilities were provided in the States of Andhra Pradesh, Bombay, Kerala, Madras and Rajasthan. In Andhra Pradesh, employees getting not more than 100 rupees per month were reimbursed with the amount of school fees paid by their children at the rate of one child per employee, in the headquarters area of Hyderabad and Secunderabad. Employees away from the headquarters and appointed prior to November 1951 were reimbursed with a certain percentage of the amount of boarding, lodging and school fees paid by their wards, varying with their pay provided such educational facilities were not available at the place of their work. In one unit in Bombay, scholarships were granted to employees' children from the unit's Welfare Fund. There were 100 scholarships each of the value of 10 rupees per month for secondary education and 40 scholarships each valued at 25 rupees per month for higher studies. Employees who undertook approved courses of study were refunded tuition fees up to a maximum of 150 rupees. Literacy classes were also conducted for the benefit of illiterate staff. A library of engineering books was provided for the use of interested employees. In Kerala and Madras, educational concessions were allowed to non-gazetted staff only. In Rajasthan, primary education was free for children of all employees who drew less than 250 rupees per month as basic pay.

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Recreational facilities were provided in the States of Andhra Pradesh, Bihar, Bombay, Delhi, Jammu and Kashmir, Kerala, Madhya Bharat, Madhya Pradesh, Madras, Mysore, Uttar Pradesh and West Bengal.

Transport facilities were available in the States of Andhra Pradesh, Assam, Bihar, Bombay, Delhi, Himachal Pradesh, Kerala, Madhya Bharat, Madras, Mysore, Orissa, Punjab and West Bengal. But the extent of their availability differed from State to State.

Cooperative societies existed in the States of Andhra Pradesh, Bombay, Delhi, Punjab, Mysore and West Bengal.

Grainshop facilities were available in one of the units in Bombay where three permanent and one temporary grainshops had been provided. In these shops, grains were sold to employees on credit to the extent of 50 per cent of their total earnings and also on cash payment.

Social security.- Provident fund facilities existed in all the States except Himachal Pradesh, Madras, Manipur, Rajasthan and Saurashtra. Conditions of eligibility for membership differed from State to State. It was completion of one year's service in the States of Assam, Bihar, Bombay, Delhi, Kerala and Orissa and two years in West Bengal. Permanency was the criterion in Madhya Bharat, Madhya Pradesh, and Uttar Pradesh. In majority of the States, viz., Andhra Pradesh, Bombay (two units), Delhi, Jammu and Kashmir, Madhya Bharat, Madhya Pradesh, Mysore, Orissa, PEPSU, Punjab and Uttar Pradesh and West Bengal, contributory Provident Fund Scheme was in existence. The rates of contribution varied from State to State. It was 6-1/4 per cent of the basic pay in Jammu and Kashmir, Kerala, Madhya Bharat, Madhya Pradesh, PEPSU, Punjab (two units) and West Bengal and an equal amount was contributed by the employers; it was 8-1/3 per cent in Andhra Pradesh, Bombay (one unit) and Mysore. In Orissa and Uttar Pradesh, workers' contributions varied from 6-1/4 per cent to 15.6 per cent of the basic pay while employers' contributions were limited to 6-1/4 per cent. In Delhi, workers contribution could go up to 12-1/2 per cent of his salary but the employers' contribution was limited to 6-1/4 per cent. This rate has subsequently been raised to 8-1/5 per cent.

Pension and/or gratuity was paid in the States of Andhra Pradesh, Assam, Bombay (one unit), Delhi, Kerala, Madhya Pradesh, Madras, Manipur, Punjab, Rajasthan, Saurashtra and Uttar Pradesh.

Industrial Relations.- Standing orders for regulating the conditions of work had been framed in all the States except Andhra Pradesh, Himachal Pradesh, Rajasthan and Uttar Pradesh. These had been certified in the States of Bihar, Bombay (two units), Madhya Bharat, Madhya Pradesh and Mysore. Undertakings in Delhi and West Bengal had been exempted from the provisions of the Industrial Employment (Standing Orders) Act, 1946. However, service regulations had been framed by the undertaking in Delhi. In the States of Jammu and Kashmir, Kerala, Punjab, Rajasthan and Saurashtra these were governed by Service Rules framed by the respective Governments.

Works Committees had been formed in the States of Bihar, Bombay (one unit), Delhi, Himachal Pradesh, Kerala, Madras, Mysore, Orissa and Punjab. Workers were represented on these Committees and they had been given 50 per cent representation. In PEPSU, a Works Committee was under formation. Its formation in Madhya Bharat was under consideration. In West Bengal, there was no Works Committee but workers had free access to superior officers in case of need or any grievance.

Labour/Personnel/Welfare Officers had been appointed in the States of Andhra Pradesh, Bihar, Bombay, Delhi, Kerala, Madhya Bharat, Madhya Pradesh, Madras, Mysore, Saurashtra and West Bengal for looking into the needs and grievances of the workers. These Officers also dealt with the requirement of workers, their welfare, personnel management and conciliation aspects.

Trade unions existed in all the States except PEPSU and Rajasthan. In West Bengal, there were trade unions but these were not recognised by the Government as under Government orders workers were allowed to form only associations and not unions. The number of trade unions varied from one to fifteen in a unit. In some of the States, viz., Bombay (one unit), Delhi, Jammu and Kashmir, Madras, Orissa, and Punjab all the unions were registered and recognised by the management. In the States of Bihar, Bombay (one unit), Himachal Pradesh, Kerala, Madhya Bharat, Madhya Pradesh, Mysore and Uttar Pradesh, the unions were registered but not recognised. In Assam, there was one union but it was neither registered nor recognised. In Andhra Pradesh, the recognition of registered unions was under consideration.

(Indian Labour Gazette, Vol. XVI, No. 2,
August 1958, pp. 122-149).

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

India - September 1958.

Statutory Welfare Fund for Manganese Mine Workers:
Government Promises Early Action.

On 5 September 1958, the Rajya Sabha debated on a resolution moved by a private member, Shri R.K. Malaviya (Congress) urging the Government to take early steps to create a statutory Labour Welfare Fund for the workers in the manganese industry on the lines of the Coal Mines Labour Welfare Fund.

Shri Malaviya said that he was to some extent connected with the manganese industry in Madhya Pradesh and Orissa, the main manganese producing States, and his own view was that the housing condition of the workers was "disgraceful". The workers' position could be improved only by the creation of a statutory Labour Welfare Fund for this industry. A levy sufficient to collect 5 million rupees annually should be imposed on the manganese industry, Shri Malaviya said.

Dr. R.B. Gour (Communist-Andhra) gave whole-hearted support to the resolution. The conditions of the workers in this industry, he said were horrible.

Dr. Sita Parmanand (Congress-Madhya Pradesh) said that medical facilities should be provided for workers. She suggested that the administrative agency for the new fund should be amalgamated with the Coal Mines Welfare Fund so that the operating costs would not be a stumbling block.

Shri W.S. Barlingay (Congress - Madhya Pradesh) said the creation of a Labour Welfare Fund for manganese workers was urgent as about 50 per cent of the workers were women. All the provisions of industrial labour legislation were violated by the manganese mineowners.

Shri S.B. Yajee (Congress) and Shri K.L. Narasimhan (Communist) also supported the resolution. Shri Narasimhan wanted the appointment of a Tripartite Committee to go into the question of closure of manganese mines in some parts of the country.

Shri Abid Ali, intervening in the debate, said that he had to confess that conditions of workers, their emoluments, housing and welfare in manganese mines were "far from satisfactory". Government was aware of closures, but as manganese ore was an export commodity, subject to world price fluctuations, it was not possible to keep all the mines working if the commodity could not be exported.

Shri Abid Ali assured the House that Government was trying to introduce a Bill in the current session of Parliament providing for the levy of a cess on manganese ore. If it was not possible to introduce the Bill this session, it would be introduced early next session. The intention was to fix 6 rupees per ton as the levy, but it would be 2 rupees per ton on export to begin with.

The Deputy Minister, said that the proposed fund would be similar to the Coal Mines Welfare Fund.

Shri Malaviya, replying to the debate, said that nationalisation of mines was the only remedy if decent conditions of living had to be assured to the workers. He welcomed the Deputy Minister's assurance and withdrew the resolution.

(The Statesman, 6 September 1958).

55. Protection of Minors.

India - September 1958.

Andhra Pradesh Employment of Children Rules, 1958.

The Government of Andhra Pradesh published on 21 August 1958 the Andhra Pradesh Employment of Children Rules, 1958, made in exercise of the powers conferred under the Employment of Children Act, 1938. The rules prescribed inter alia the ~~power~~ form of certificate of age and the duties of inspectors.

(G.O.Ms.No.1936 Home(Labour V), dated 12 August 1958; Rules Supplement to Part I of the Andhra Pradesh Gazette, 21 August 1958, pp. 423-424).

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

India - September 1958.

Working of the Payment of Wages Act, 1936, in Mines
during the Year 1956.

All the provisions of the Payment of Wages Act, 1936, except sub-section (4) of Section 8 which relates to the amount of fine that could be imposed on any employed person, were extended to coal mines from 15 January 1948, and to other mines from 15 June 1951. All persons employed in mines as defined under the Mines Act, 1952, and drawing less than rupees two hundred per month (the wage limit has since been raised to 400 rupees per month) are covered by the Payment of Wages Act, 1936. The Payment of Wages (Mines) Rules, 1949 were applicable to all mines except the manganese mines till 5 December 1956. These rules have now been replaced by the Payment of Wages (Mines) Rules 1956 which are applicable to all mines including the manganese mines (covered under the Mines Act, 1952) with effect from 8 December 1956.

During the year under review, 2,873 mines employing 568,254 workers were covered by the Act. The mines in the regions of Calcutta, Madras, Jabalpur, Dhanbad, Bombay and Kanpur were 249, 359, 754, 1,413, 69 and ~~respe~~ 29 respectively.

Inspection Machinery.- The responsibility for administration of the Act is with the Industrial Relations Machinery. The Chief Labour Commissioner (Central), his Welfare Adviser, Regional Labour Commissioners, Conciliation Officers, Labour Inspectors, Junior Labour Inspectors and the Provident Fund Inspectors working under the Coal Mines Provident Fund Commissioner have been notified as 'Inspectors' under the Act. The inspection work is mainly done by the Labour Inspectors, Junior Labour Inspectors and Provident Fund Inspectors within their respective jurisdictions. The Conciliation Officers and the Regional Labour Commissioners have also done certain amount of inspection work during the course of their tours.

Inspections and Irregularities.- During the year under review, 4,781 inspections were made as against 4,000 in the previous year. The total number of irregularities detected was 18,023 as against 19,782, during the preceding year. The largest number of irregularities detected were in the Dhanbad region, being 15,400 i.e. more than 85 per cent of the total. A total of 16,762 irregularities were rectified during 1956 as against 16,014 in 1955. It will be seen that there was an increase of about 20 per cent in the number of inspections and decrease of about 9 per cent in the number of irregularities detected, as compared with the previous year. The percentage of irregularities rectified with to total detected increased from 81 per cent in 1955 to 93 per cent during the year under review. The largest number of irregularities related to the delayed payment of wages (73 per cent) followed by non-display of notices etc. (10.8 per cent) and non-maintenance of registers (4.8 per cent).

Rectification of Irregularities.- The irregularities detected were duly brought to the notice of mine owners and efforts were made to ensure that they were rectified as quickly as possible. Ninetythree per cent of the irregularities detected were rectified during the year as against 67 per cent in the last year. The number of irregularities contested was 14 as against 26 in the previous year. Madras, Dhanbad and Nagpur have shown improvement in the rectification of irregularities. As regards the time taken for rectification, 65 per cent of the irregularities were rectified within 3 months, 19 per cent within 3 to 6 months, 6 per cent within 6 to 9 months, and 4 per cent between 9 to 12 months.

Claims.- Under Section 15 of the Act, 52 applications were filed during the year under review for non-payment or delayed payment of wages and 2 applications for illegal deductions from wages. Out of these 54 applications, 14 cases were decided in favour of the employees, 1 against them, 3 cases were withdrawn and the rest were pending at the end of the year. The total amount awarded to the employees in respect of claims was 2,166 rupees.

Annual Returns.- Under the provisions of Rules 18 of the Payment of Wages (Mines) Rules, 1949, every employer was required to submit an annual return giving details of the number of persons employed, total wages paid, total amount deducted on account of fines etc. In all, only 689 mines submitted the returns showing a slight improvement over the last year's figures (587). The number of workers employed in mines submitting returns was 328,634, of which 273,836 were men and 54,798 women.

The total wages paid during the year to all workers were 227,524,314 rupees. Deductions on account of fines amounting to 900 rupees were made in 1,847 cases. Deductions for damages amounted to 5,483 rupees in 3,268 cases.

Prosecutions.- During the year 1956, 8 prosecutions were launched for violations of the Payment of Wages Act and rules framed thereunder. Implementation of the provisions of the law by the employers has been achieved more effectively by persuasion by the officers of the Industrial Relations machinery.

General.- It has been reported by the Chief Labour Commissioner that the working of the Act in big mines is generally satisfactory. Difficulties in enforcing the Act and Rules continue to exist in respect of small mines which are situated in far flung areas. On the whole, the working of the Act during the year under review was fairly satisfactory.

(For a review of the Working of the Payment of Wages Act, 1936, in Mines during 1955, please see Section 64, pp. 71-74 of the report of this Office for March 1957).

(Indian Labour Gazette, Vol. XVI, No. 2, August 1958, pp. 149-151).

Uttar Pradesh: U.P. Payment of Wages (Procedure) Rules,
1958.

The Government of Uttar Pradesh published on 30 August 1958 the U.P. Payment of Wages (Procedure) Rules, 1958, made in exercise of the powers conferred under the Payment of Wages Act, 1936. The rules prescribe the procedure for applications under section 15(2) of the Act and the procedure for appeals. (Section 15 of the Act deals with claims out of deductions from wages or delay in payment of wages and penalty for malicious or vexatious claims).

(Notification No. 3440(SM)/XXXVI-A-1121(SM)-57,
dated 20 August 1958, Uttar Pradesh Gazette,
Part IA, 30 August 1958, pp.1495-1499).

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67. Conciliation and Arbitration.

India - September 1958.

Communists' Attempt to Control Steel Belt:
Shri Tata's views on Jamshedpur Strike.

Shri J.R.D. Tata, Chairman, Tata Iron and Steel Company Limited, in the course of his address at the fifty-first annual general meeting of the Company on 18 September 1958, dwelt on the recent strike and violent incidents at Jamshedpur (vide Section 67, pp. 60-61 of the report of this Office for July 1958) and characterised them as "a determined and premeditated attempt by the Communist Party to acquire by force at Jamshedpur as part of a bigger plan to control the whole of the labour field in the Indian heavy industry". The essential fact about this strike was, he stated, that it was not a dispute between the Company and its employees.

Shri Tata recalled his warning in this regard at the last annual general meeting (vide Section 28, pp.4-7 of the report of this Office for September 1957) and added that Jamshedpur, with its great complex of engineering industries grouped around India's biggest steel plant, was a bastion which must be conquered at all cost for, without it, control over other industries in that part of the country would be precarious. As a first step, the existing recognised INTUC Union had to be ousted. "The Communist leadership probably thought that the preliminary process of agitation and localised action which they had carried on at Jamshedpur during the previous year had so softened the opposition that one hard push would be sufficient to topple the whole edifice of relationship between the Company and its employees and their Union, founded on years of goodwill, negotiation and successive agreements.

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"If this well-prepared plot failed utterly, it is because the Company stood firm and the Government of Bihar which, from the start, had a clear understanding of the issues at stake, dealt with lawlessness, coercion and violence with a strong hand. An important contributory cause was the good sense of the men themselves who wasted no time in rejecting the Communist leadership as soon as they realised its true significance.

"A notable feature of the strike, which need surprise only those who refuse to recognise the consistent nature and pattern of Communist action in democratic countries, was the cold-blooded resort to violence and mob action. If it had not been for the firm stand taken by the Government of Bihar many more lives would have been lost in the wave of terror and crime unleashed on Jamshedpur to break down all opposition.

"Another notable feature of the Jamshedpur struggle needs to be stressed. When events began to go against them at Jamshedpur, the strikers did not hesitate to interfere with certain operational measures - the lack of which would have caused such serious damage to the coke ovens and blast furnaces as to have required up to a year to repair. This was nothing less than sabotage which was countered only in the nick of time and which, if successful, would have resulted in prolonged unemployment for thousands of workers and in the loss of hundreds of thousands of tons of steel to the country, apart from immense financial loss to the Company. I may say that, since the strike, a number of individual cases of attempted sabotage of the new plant have been discovered. The high ~~skill~~ degree of technical knowledge and skill displayed and a certain similarity of pattern make it clear that these were not isolated acts of disgruntled individuals but part of a well-conceived and executed plan."

Weak trade unionism.- Continuing Shri Tata said: "Thirty years of labour peace at Jamshedpur had perhaps dimmed to some extent the realisation that sound labour relations and enduring co-operation need unremitting vigilance and effort, particularly on the shop floor, as well as the maintenance and constant use of good channels of communication between management, supervisory staff and labour. The recent event, tragic as they were, will have served a useful purpose if they have helped to clear away the weeds of habit and complacency and exposed some of the underlying deficiencies ~~away~~ the previously concealed.

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"The task of establishing and maintaining good industrial relations is particularly difficult in India, in comparison with highly industrialised countries where the workers are well-educated and disciplined and where unions are strong and responsible. With fifty years of industrialisation behind us, however, I feel it is time for the trade union movement in India to mature and organise itself on the lines followed with such success ~~elsewhere~~ elsewhere. By and large, Indian trade unionism is still weak in organisation and finance and retains a primarily agitational character. Instead of concentrating on constructive work within the union membership and at the conference table, union activity in India still takes mainly the form of provocative speeches at mass meetings. The movement has been further weakened, and in fact almost destroyed, by the endless struggle for power between three politically affiliated groups.

"A heavy responsibility devolves on Indian trade union leaders who, helped by the striking change in the attitude of management to labour problems throughout Indian industry in recent years, and by the consistently pro-labour attitude of the Central and State Governments, have a great opportunity of constructive service to the growing mass of India's industrial workers. There is, unfortunately, no sign as yet of an improvement in the situation and we may rely upon the militant AITUC group to keep the cauldron boiling for, as we have seen at Jamshedpur and elsewhere, labour unrest and disruption of industrial production are essential weapons in the armoury of the party to which the AITUC is affiliated and from which it derives its financial resources."

(The Statesman, 20 September 1958).

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Bombay: Industrial Disputes during 1957.

During the year 1957 there were 306 disputes in the State involving 192,283 workers on the maximum with a time loss of 857,311 man-days. The corresponding figures for 1956 were 294 disputes involving 245,140 workers on the maximum with a time loss of 705,881 man-days. Thus compared to the position in 1956 the industrial disputes whether considered by the number of disputes or man-days lost were on the increase during the year 1957. The number of disputes increased only by 4 per cent but the loss in man-days, was higher by nearly 23 per cent. The average man-days per dispute increased from 2,401 to 2,834 in 1957 while the average duration of disputes rose from 2.88 in 1956 to 4.51 in 1957.

There was no industry-wide work-stoppage during the year under review. However, there were, 16 lockouts involving 23,119 workers which alone accounted for nearly 356,000 man-days or 41.05 per cent of the total time-loss resulting from all the disputes.

Over 48 per cent of the total time-loss recorded during the year was suffered by the Textile Industry, which accounted for nearly 40 per cent of the total number of disputes. The total time loss suffered by this industry was, however, more by 47.64 per cent as compared to the previous year. The Engineering Industry showed appreciable decline in time loss as compared to the previous year while the Miscellaneous Industries with the highest number of disputes recorded a sharp rise of more than 126 per cent in the time loss during the year. This rise in time loss in the Textile Industry was mainly due to five disputes in (1) the Pulgaon Cotton Mills Ltd, Pulgaon (Wardha District) - 2 disputes; (2) the Swadeshi Mills Co. Ltd., Kurla, Bombay - 2 disputes and (3) the Osmanshahi Mills, Nanded which together involved nearly 10 per cent of the total workers and accounted for more than 27 per cent of the total time loss resulting from all the disputes.

Disputes occurred at 60 centres as against 52 in 1956. Greater Bombay, the most important industrial centre in the State, recorded as usual, the highest number viz., 178 as against 202 during 1956, while Ahmedabad recorded 24 disputes. Disputes in Greater Bombay alone affected about 58 per cent of the total workers involved during the year and accounted for nearly 46 per cent of the total time-loss.

Causes of disputes.- A variety of reasons occasioned strikes and lockouts and in several instances many issues were involved in each case. However, for the purpose of statistics such cases have been classified according to what appeared to be the principal issue in the dispute.

Nearly 36.27 per cent of the total disputes involving more than 35 per cent of the total workers affected related to "Pay and allowances and bonus", 92 or 30.07 per cent of the total disputes affecting more than 33.57 per cent of the total workers involved were due to "Grievances about personnel". Twenty-three disputes occurred on account of "Leave and Hours of work" while 80 or 26.14 per cent of the total disputes affecting nearly 23 per cent of the total workers involved were due to "Other Causes". The highest time-loss i.e. 39.37 per cent of the total time-loss was on account of the disputes relating to "Other Causes", while "Pay, allowances and Bonus" formed the next important issue in more than 36 per cent of the total disputes as will be seen from the table below which shows the distribution of disputes according to the main causes:-

Causes	No. of disputes.	No. of workers involved.	No. of man-days lost.
Pay and Allowances.....	90	45,912	200,710
Bonus	21	21,505	84,610
Leave and hours of work..	23	16,506	15,716
Personnel.....	92	64,550	224,880
Others	80	43,810	341,395
Total.	306	192,283	867,311

Although "pay, allowances and bonus" formed the main cause, the percentage to total recorded a fall from 41.50 in 1956 to 36.27 per cent during 1957. The percentage to total number of disputes due to grievances about "Personnel" also recorded a slight fall of 0.88 per cent. The "Leave and hours of work" and "Other causes", however, recorded a rise of 0.38 per cent and 5.73 per cent respectively.

Results of Disputes.- In 62 or nearly 21.02 per cent of the 295 disputes, which terminated during the year under review representing nearly 20 per cent of the total workers involved the workers were either partially or entirely successful while in 165 or nearly 56 per cent of the disputes affecting more than 52 per cent of the total workers involved, the workers were entirely unsuccessful. In 60 or more than 20 percent of the disputes the result was indefinite i.e. work was resumed pending final settlement of the dispute.

Compared to the previous year, the percentage of disputes which were either successful or partially successful, declined by about 5.90 per cent. The proportion of unsuccessful disputes, however, recorded a rise of 10.47 per cent while "Indefinite" disputes declined from 27.27 in 1956 to 20.34 in 1957. The following tables classify the disputes according to results:-

Result.	No. of disputes.	No. of workers involved.
Entirely favourable to the workers....	37	17,195
Partially favourable to the workers...	25	21,131
Entirely unfavourable to the workers..	165	100,172
Inconclusive --.....	8	1,623
Indefinite	60	47,938
Inprogress.....	11	4,194
Total.	306	192,283

The workers were reported to be completely successful in 22 disputes in which "Pay and Allowances" was the principal issue and in 9 disputes which related to "Grievances about Personnel".

The Workers involved.- The number of workers involved recorded for the year was lower by 21.5 per cent than the 1956 figure. Nearly 56.64 per cent of the workers involved in all the disputes during the year under review were from the Textile Industry while Miscellaneous Industries accounted for 27.72 per cent.

Analysing the disputes according to the number of workers involved, the 10-100 groups accounted for 49.67 percent of the total disputes but the time-loss caused by these disputes was only 5.75 per cent. As against this 7 disputes involving over 4,000 workers accounted for nearly 17 per cent while the group 2,001 to 3,000 was responsible for the highest time-loss i.e. nearly 22 per cent of the total time-loss.

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Working days lost.- The year under review recorded more than 867,300 man-days lost as against about 705,800 during the previous year. The 1 to 100 slab of time-loss recorded 107 disputes involving 3.81 per cent of the total workers while 35 disputes with a loss of more than 5,000 man-days, involved 48.55 per cent of the total workers and accounted for about 82 per cent of the total time-loss.

Duration of Disputes.- The number of industrial disputes classified by duration shows that nearly 72 per cent of the disputes did not last for more than 5 days. Even among these, there was a heavy concentration in the class lasting for "a day or less". A little less than half of the total disputes involving 36.03 per cent of the total workers, lasted for a period of a day or less. The time-loss in these disputes was, however, only about 6 per cent while 85 or nearly 28 per cent of the total disputes which lasted for more than 5 days accounted for more than 73 per cent of the total time-loss. The average dispute duration of the disputes (obtained by dividing the total number of man-days lost by the total number of workers involved) however, advanced from 2.88 in 1956 to 4.51 during 1957.

(For a review for the year 1956, please see Section 67, pp. 110-112 of the report of this Office for October-November, 1957).

(Labour Gazette, Vol. XXXVII, No.12,
August 1958, pp. 1521-1536).

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Rajya Sabha debates Industrial Unrest in the Country.

The Rajya Sabha debated on 22 August and 5 September 1958 a resolution moved by a member, Shri Lalji Pendse (Communist) seeking the appointment of an all-party parliamentary committee to examine the causes of the present industrial unrest and the attitude of the employers and the Government, and to recommend measures to improve industrial relations.

Moving the resolution, Shri Lalji Pendse said that industrial unrest was growing from year to year. Closure of many textile and jute mills had added to the seriousness of the problem. Employers had rejected or flouted the decisions taken at the tripartite labour conferences and Government was "peacefully watching the malady". Shri Pendse urged that for the success of the Plan, it was essential to end the present state of affairs and establish industrial relations on the basis of the declared objectives of the second Plan.

Shri H.P. Saxena (Congress - Uttar Pradesh), opposing the resolution, said that the mover was taking a partisan view in blaming employers and the Government alone as being responsible for the unrest.

Dr. R.B. Gour (Communist - Andhra) said that in the iron and steel industry more than 11,000 workers had been laid off in West Bengal. Employers as a class were violating the codes and ignoring the decisions adopted by the Indian labour conference. Referring to the recent strike at Jamshedpur, Dr. Gour charged that the Bihar Government had "totally ignored its responsibility and duties towards labour".

Shri Rohit Dave (PSP-Bombay) supporting the resolution, said that, besides wages there were factors of industrial relations which had to be investigated and the Government's policy clearly formulated. A committee such as the one suggested in the resolution could help to lay down the norms which should govern industrial relations so that there was rule of law in industry.
(Ind.-Kerala)

Dr. P.J. Thomas/~~said that~~ deprecated frequent strikes on "piffling" grounds, such as less sugar in the tea served to workers or transfer of some workers from one section to another. Dr. Thomas said that organised labour was in a better condition than workers in small-scale industries. In the present circumstances, it would be "immoral and unjustified" for workers getting on an average about 5 rupees a day to demand more. There must be a wage freeze for some time because wages could be revised only if there was higher productivity, he added.

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Shri S.D. Patil (Congress - Bombay) said that taking an overall view of the economic conditions, industrial labour was having "too much of relief", compared to other sections of the working people.

Prof. A.R. Wadia (Nominated) said on the face of it the resolution did not seem to contain anything objectionable. But the fact that it came from Communists made one suspicious about its objectives.

As for the good of workers, he pointed out that conditions of workers were much better in the U.S.A., Australia and West Germany than in the Communist countries.

Shri J.V.K. Vallabh Rao (Communist-Andhra) said reports were appearing everyday in newspapers about the closure of industrial units. The proposed committee could go to the root of this matter.

Shri R.K. Malaviya (Congress - Madhya Pradesh) wondered how the appointment of a committee could help a proper investigation of the whole problem of industrial unrest. The task was too big for a committee of 15 members of Parliament to tackle.

Shri P.N. Rajbhoj (Congress-Bombay) deprecated attempts to create industrial unrest. He did not think there was any need for the resolution as Government, in his view, was doing enough for the welfare of workers.

Shri Deekinandan Narayan (Congress - Bombay) opposing the resolution, said that the Communist Party was responsible for the industrial unrest. He would like to know whether labour-management relations had improved even in one industry where the Communist led the workers' unions.

Shri Bhupesh Gupta (Communist-West Bengal) said the capitalist class was only interested in exploiting workers and denying them common amenities of life. The employers adopted such attitudes when disputes were referred to tribunals as embittered relations between employers and workers. The decisions of tribunals and courts were often not carried out by the employers.

The Government's attitude also was relevant in this connexion. In its own sector the Government's behaviour as employers was sometimes unconscionable. Even during disputes between workers and private employers, the Government's role was not helpful.

Dr. Sita Parmanand (Congress-Madhya Pradesh) thought that the appointment of a committee, as urged in the resolution, would not serve a useful purpose. On the contrary, it might lead to industrial unrest. She favoured the settlement of disputes through arbitration. She also drew attention to the difficulties of workers in coal mines and said that labour welfare officers were used by their employers to kill trade union activity.

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Dr. P.V.Kane (Nominated) said the resolution spoke of examination of the attitudes of only employers and the Government. But what about the attitude of employees? Without mention of this, the resolution indicated there was nothing wrong with the employees. His experience was that strikers prevented people affected by the strike from helping themselves. What right had the employees to do this? The proposed committee should also examine "the impact of frequent strikes on society and production".

Congress

Shri Sheelbhadra Yajee (~~Communist~~-Bihar) opposed the resolution. He expressed the view that unless strikes were banned as in Russia, China and other socialist countries, India could not succeed with her Five Year Plans. Communists, he said, had only lip sympathy for the Plan.

Shri K.L. Narsimham (Communist-Andhra) referred to closures and retrenchments in the mining industry, particularly in manganese, iron ore and mica mines and said that in spite of representations, the State and Central Governments were indifferent. Accidents were on the increase because mine-owners were not observing the regulations.

The Deputy Minister for Labour, Shri Abid Ali, intervening in the debate, explained why the resolution was not acceptable to the Government. There was already an informal Consultative Committee, consisting of 60 members of Parliament, which could discuss problems relating to industrial relations.

Lay-off and retrenchment compensation had been statutorily provided for, codes of conduct and discipline adopted and "effective action" was being taken for the implementation of awards and settlements both at the Centre and in the States.

The Government did not remain silent when cases of non-implementation of awards and settlements were reported to the, he added.

Shri Abid Ali referred to a number of strikes which, in his view, were not justified. Regarding the Jamshedpur strike, the Deputy Minister said that it was "complete falsehood" to suggest that the Bihar Government was in the pay of Tatas.

There were frequent interruptions and protests from Communist benches when Shri Abid Ali charged the Communists with planning "sabotage" and proceeded to give details of the losses resulting from the Jamshedpur strike and the damage caused in the disturbances there. He said that the production loss was 45,000 tons of the value of 27 million rupees, which the workers lost 2.425 million rupees in wages; 355,000 man-days were lost and property worth 1.115 million rupees was damaged. Shri Abid Ali said that if the Communists were really anxious that the Plan should be implemented, he did not know why they should create strikes leading to loss of more man-days.

After Shri Pendas's reply to the debate the resolution was ~~passed~~ to a vote and rejected by 30 votes to 13.

(The Statesman, 23 August and 6 September 1958).

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First Meeting of Tripartite Central Implementation and Evaluation Committee: Cases of Breaches of Code of Discipline to be Investigated.

The Tripartite Central Implementation and Evaluation Committee, which held its first meeting in New Delhi on 20 September 1958, discussed the Calcutta tram workers' strike and the general strike in Bombay on 25 July 1958, in the context of the Code of Discipline in Industry.

The Union Labour Minister, Shri Gulzarilal Nanda, who presided, told the Committee that the Ministry had already decided to investigate the causes of the Bombay strike with special reference to infringements, if any, of the Code. The parties concerned had been asked to furnish information which they might have regarding the strike. Shri R.L. Mehta, Joint Secretary, who is in charge of the Evaluation and Implementation Division of the Ministry, would be shortly visiting Bombay to conduct the investigation.

As regards the Calcutta tram workers' strike, Shri Nanda said that an on the spot study by a tripartite body comprising nominees of members of the Central Implementation and Evaluation Committee might be helpful. The suggestion was accepted by both the employers' and the workers' representatives. It was agreed that the West Bengal Government should be consulted regarding this matter immediately.

Reference was also made to the Jamshedpur strike. Shri Nanda pointed out that since the Code of Discipline was formally ratified only at the Naini Tal conference last May, it would not be practicable to take up cases which had occurred prior to the conference. He said that the Code should be deemed to have come into effect from 1 June 1958.

Speaking about non-implementation of awards and agreements, Shri Nanda referred in particular to the tendency of some parties to go to courts with a view to evading or postponing obligations arising out of an award or agreement. He, however, added that there might be genuine cases where there was justification in going to the courts, particularly where it was felt that the rights of a party were being threatened or where a legal point was involved, and the courts might clarify things. But, he said, most of the cases which were taken to the courts were not the correct ones.

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Shri Nanda, therefore, suggested that the workers' and the employers' organisations themselves should set up machinery, say, a screening committee to decide which of the cases should be taken to the courts.

Regarding the work of the Implementation and the Evaluation machinery which has been set up, Shri Nanda said that their experience so far had not been discouraging. On the other hand, they were hopeful, in the sense that there had been free and full cooperation with the machinery from all sides.

Finally, Shri Nanda said that it was only when there was mutual regard for obligations that new traditions in the matter of industrial relations could develop and grow. He said: "It should not be considered that because one party on some occasion failed to carry out its obligations, then the doors become open for the other party to ~~the~~ have its own way in complete disregard of its obligations and standards of conduct that have been laid down in the Code of Discipline. This is very important, otherwise the reactions start."

Among those present were the Union Deputy Minister for Labour, Shri Abid Ali, the employers' representatives, Shri Naval H. Tata, Shri G.D. Saxani, Shri H.P. Merchant and Shri P. Chentsal Rao, and the workers' representatives, Shri Kanti Mehta, Shri B.D. Joshi, Shri Bagaram Tulpule and Shri Gur Bachan Singh.

(Press Note dated 20 September 1958,
issued by the Government of India).

Industrial Disputes (Amendment) Bill, 1958: Non-Official
Bill introduced in Parliament.

Shri Aurobindo Ghosal (Forward Bloc-West Bengal) introduced in the Lok Sabha on 22 August 1958, a Bill to amend the Industrial Disputes Act, 1947. According to the Statement of Objects and Reasons of the Bill, various industrial tribunals following the decision of the Supreme Court in the case of Lakshmi Devi Sugar Mills versus Ram Sarup and others, reported in the A.I.R. 1957, February, page 82, have held that suspension without pay during the pendency of any proceeding before an industrial tribunal is not a substantive punishment and as such it does not attract section 33 of the Industrial Disputes Act, 1947. Taking advantage of this legal lacuna the employers are keeping employes under suspension without pay, if they desire, for months together till the proceedings before the National Tribunal are over in order to avoid the obligation of taking permission from the tribunal.

Secondly, the tribunals following the decision of the Supreme Court in the case referred to above have expressed their helplessness in many awards regarding dispute over recognition of any Union, though of representative character, in the absence of any provision empowering them to deal with this dispute.

The Bill seek to make necessary amendments to section 33 and the second schedule to the Act.

(The Gazette of India, Extraordinary,
Part II, Section 2, 22 August 1958,
pp. 788-799).

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Bombay: Industrial Disputes (Bombay Provision for
Uniformity) Bill, 1958.

The Government of Bombay published on 28 August 1958 a Bill to provide for uniformity in the application of the Industrial Disputes Act, 1947, in the State of Bombay. According to the Statement of Objects and Reasons of the Bill, at present the Industrial Disputes Act, 1947 (XIV of 1947), is uniformly applicable in the old Bombay State area, Marathwada, Vidarbha and Kutch areas of the State of Bombay. The former Government of Saurashtra had, however, amended the Industrial Disputes Act in its application to the Saurashtra area by the Industrial Disputes (Saurashtra Amendment) Act, 1953, and the Industrial Disputes and the Industrial Disputes (Appellate Tribunal) (Saurashtra Amendment) Act, 1955. With a view to achieving uniformity in the application of the Industrial Disputes Act throughout the State of Bombay, it is proposed to repeal the amendments made by the former Government of Saurashtra.

(The Bombay Government Gazette, Part V,
28 August 1958, pp. 623-625).

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES
OF WORKERS.

INDIA - SEPTEMBER 1958.

71. Employees and Salaried Intellectual Workers.

Working Journalists (Fixation of Rates of Wages) Act,
1958 (No. 29 of 1958).

The Working Journalists (Fixation of Rates of Wages) Bill (vide page 61 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 gazetted as Act No.29 of 1958. The Act provides for the fixation of rates of wages of working journalists and for matters connected therewith.

(The Gazette of India, Extraordinary,
Part II, Section 1, 16 September, 1958,
pp. 183-189).

73. Officials and Public Employees of National, Regional
and Local Administrations, of Nationalised Undertakings
Or Undertakings Managed with the Participation of the
Public Authorities.

India - September 1958.

Punjab: 12-Point Code of Conduct for Government Employees.

A 12-Point code of conduct has been enjoined upon the Government employees, both at the district and the Secretariat level, according to a circular issued by Government. The code, among other things, refers to "immoderate indulgence in alcoholic drinks, which directly affect both physical and mental processes of human system and ultimately produce deleterious effect on despatch and efficiency of officials". It lays down that completely eschewing the use of liquors in areas of prohibition should be the basic policy and followed strictly.

Another evil, according to the code, is "the playing of cards at high stakes which generally depletes the financial assets of the officials and officers, who are then compelled to have recourse to corrupt means to make good losses."

Special emphasis has been laid on the maintenance of official secrets.

Another point stressed is that in case of nomination to or removal of members from local bodies etc., impartiality, fair play and general integrity should be the watchword. Under no circumstances should Government servants be deflected from deciding cases on merit. Any signs whether visible or hidden, or nepotism, communalism, regionalism and favouritism should be nipped in the bud.

The circular adds that no consideration - personal, party, political or communal should have any play whatsoever in administrative fields, like appointments, promotions, postings, course of justice, investigation of crime and issue of permits, quotas and licences.

The circular calls upon the district officers to report to Government all important incidents immediately. It says that Government sometimes comes to know of such incidents through the medium of daily press. This reflects a great discredit on district officers.

Other points highlighted by the circular relate to punctuality in court and office attendance, zeal for service, perfect discipline in personal conduct and in the conduct of Government affairs, eradication of corruption, economy in expenditure and cordial relations between various officers of the district.

The circular also mentions that the Government is determined to take strict measures against any officer who is found guilty of any of the above-mentioned offences.

(For details, see Report of the District Officer, District of ...)

(The Tribune, 24 August 1958).

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CHAPTER 8. MANPOWER PROBLEMS.

INDIA - SEPTEMBER 1958.

81. Employment Situation.

Lay-Off of Workers: Tripartite Talks to be Convened:
Minister's Announcement in Parliament.

A tripartite conference in which representatives of labour, industry and the State and Central Governments would participate would soon be convened to look into the question of lay-off of industrial workers as a result of shortage of steel and other raw materials available for the implementation of core projects of the second Plan, Shri Lal Bahadur Shastri, Minister for Commerce and Industry, announced in the Lok Sabha on 1 September 1958.

(For details, see Section 33, pp.27-28 of this Report).

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Retrenched Workers of River Valley Projects:
Arrangements for Reemployment.

About 5,000 workers of Damodar Valley Corporation and about 1,500 at Hirakud are likely to be rendered surplus in the near future. Till the end of June 1958, 3,373 workcharged staff out of 3,641 retrenched by the D.V.C. had secured alternative employment. Out of 1,156 workers retrenched at Hirakud, 164 were awaiting employment. This information was given by the Union Deputy Minister for Labour, Shri Abid Ali, in a written reply to a question by Sarvashri Tangamani, Vajpayee, U.L. Patil and N.R. Munisami in Lok Sabha on 19 August 1958.

Shri Abid Ali also gave details of arrangements made by Government to re-deploy workers rendered surplus on completion of river valley and other large construction projects. He said an Officer on Special Duty had been appointed in the Directorate-General of Resettlement and Employment for this purpose. Several employment exchanges had also been set up at some project sites. The Officer on Special Duty co-ordinated the work of the State Directorates and Employment exchanges concerned, contacted the Central Ministries and other employing agencies, collected information regarding vacancies and arranged the visits of selection teams to the project sites for selection of retrenched personnel. This work was reviewed from time to time both at the Central and State levels by co-ordinating committees composed of representatives of principal employing departments.

(Press Note dated 19 August 1958,
issued by the Government of India).

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Employment Bureau at Delhi University:
Proposal under Consideration.

A draft scheme for setting up an Employment Bureau at the Delhi University has been sent to the Delhi Administration and their proposals are awaited.

This was stated by the Union Deputy Minister for Labour, Shri Abid Ali, in a written reply to a question by Shri Ram Krishan, Shri D.C. Sharma and Shri Tangamani in the Lok Sabha on 4 September 1958.

(Press Note dated 4 September 1958,
issued by the Government of India).

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CHAPTER 9. SOCIAL SECURITY.

INDIA - SEPTEMBER 1958.

92. Legislation.

Workmen's Compensation (Amendment) Bill: Non-Official
Bill introduced in Parliament to provide for Increase
in Rates of Compensation.

Shri Aurobindo Ghosal (West Bengal-Forward Bloc) introduced in the Lok Sabha on 22 August 1958, a Bill to amend the Workmen's Compensation Act, 1923. According to the Statement of Objects and Reasons of the Bill, the rate of compensation as given in the Schedule I of the Workmen's Compensation Act, 1923, computed in 1923 was based on the then financial circumstances of the country. About 35 years have passed since then and the financial circumstances including cost of living index have changed, but this chart has not been revised. Moreover some items of compensation also require deletion. There is no justification in the retention of the differences in the rates of compensation for the loss of hand just above the elbow and for the loss of a hand just below the elbow.

The Bill seeks to substitute the following for the existing schedule I :

"SCHEDULE I

(See Sections 2(1) and 4)

List of injuries deemed to result in permanent/partial
disablement:

Injury	Percentage of loss of earning capacity.
Loss of right arm above or below the elbow.....	90
Loss of left arm above or below the elbow.....	80
Loss of leg above or below the knee.....	80
Permanent total loss of hearing	70
Loss of one eye	50
Loss of finger thumb or any phalanx of thumb....	45
Loss of all toes of one foot	40
Loss of index finger -----	30
Loss of great toe	30
Loss of any finger or any phalanx of any finger other than index finger.....	25 "

(The Gazette of India, Extraordinary,
Part II, Section 2, 22 August 1958,
pp. 800-802).

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93. Application.

India - September 1958.

Punjab: Review of the Annual Report on the Working of
the Workmen's Compensation Act, 1923, in the State during
1955.

According to the review by the Government of Punjab of the annual report on the working of the Workmen's Compensation Act, 1923, in the State for the year 1955, there were 71 cases pending from the last year and 149 fresh cases were received during this year, making a total of 220 cases as noted below:-

(i) Fatal -----	109
(ii) Permanent disablement -----	66
(iii) Temporary disablement-----	45
Total.	<u>220</u>

Two cases relating to fatal accidents were received for disposal from other Commissioners, thus bringing the total number of cases for disposal to 222 in all. Of these 164 cases were disposed of leaving a balance of 58 cases as pending at the close of the year.

There were 14 cases, including one case from the last year, which related to proceedings other than award of compensation and deposits. These cases included five cases relating to disablement of women, etc., under legal disability. Of these ten were disposed of as disbursed to the dependents or workmen; and four as refunded to employers.

Agreements.-

There were 158 cases of agreement including 81 pending from the preceding year. Of these 122 cases were disposed of leaving 56 (13 relating to payment of compensation for permanent disablement, eight to temporary disablement and 15 to commutation of half monthly payments) as pending at the close of the year.

The number of workmen to whom compensation was awarded during the year was 95, as against 81 during the preceding year. These are split up as under:-

(1) Fatal -----	51
(2) Permanent disablement -----	30
(3) Temporary disablement -----	14
Total.	<u>95</u>

No prosecution was launched by the Commissioners for Workmen's Compensation during the year under report.

Amount of compensation.- The consolidated statement submitted by various factories coming under the purview of the Act, reveals that there were 1,904 accidents during the year of which 127 were fatal, 147 related to permanent disablement and 1,630 to temporary disablement. The total amount of compensation paid in respect of these accidents amounted to 425,173 rupees 12 Annas as against 408,197 rupees 12 annas and 8 pies during the preceding year.

The amount of compensation paid for different categories of ~~accident~~ accidents, was as under:-

	Rs.	As.	P.
(1) Fatal -----	203,467	5	0
(2) Permanent disablement -----	170,007	6	0
(3) Temporary disablement -----	51,699	1	0
Total.	<u>425,173</u>	<u>12</u>	<u>0</u>

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

(Punjab Government Gazette, Supplement II, 19 September 1958, pp. 127-128)

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Report on the Working of the Employees' Provident Scheme
for the Year 1956-1957*.

Scope and coverage.- According to the report of the Central Board of Trustees of the Employees' Provident Funds Scheme, the total number of establishments brought under the Act by 31 December 1957 was about 6,272 having about 2.367 million subscribers. The total number of employees (including those who are not members of the Fund) in the covered establishments of about 6,272 is estimated at 2.895 millions. Thus it is estimated that 82 per cent employees in the covered establishments are receiving the benefit of provident fund. Including 0.48 millions subscribers in the estates in Assam and 0.38 millions under the Coal Mines Provident Funds Act the total number of beneficiaries under Government sponsored Schemes of compulsory Contributory Provident Fund comes to about 3.23 millions.

The table below shows the comparative position since 1955:

Year	Factories/ Establishments.	Members.	Total contributions in Million of rupees including past accumulations.
31-3-1955	1,354	453,896	149.8
31-3-1956	1,667	556,922	219.2
31-3-1957	3,936	842,300	307.6
31-12-1957.....	5,526	1,336,475	431.7

Region wise analysis shows that the Bombay region had the maximum number of factories/establishments, i.e., 1,235 with 335,729 members. Next in order of strength came West Bengal and Madras regions with 898 and 323 factories/establishments respectively.

* Report on the Working of the Employees' Provident Funds Scheme 1956-1957: Government of India: Ministry of Labour: Issued by the Central Board of Trustees, Employees' Provident Funds Scheme: pp. 28.

Contribution.- Contributions are paid at the rate of 6-1/4 per cent of the total of basic wages, dearness allowance and cash value of food concession. An equal amount is paid by the employer. The total employers' and employees' contributions collected from employers during the year 1956-57 amounted to 79.5 million rupees including the past accumulations received in cash. The total amount of provident fund contributions collected upto the end of December 1957 was about 1,019 million rupees inclusive of refunds. (588 million rupees in exempted and 431 million rupees in non-exempted factories).

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The proposal to increase the rate of contribution from 6-1/4 per cent to 8-1/3 per cent was under consideration.

Past accumulations.- With the extension of the Employees' Provident Funds Act to additional industries during the period under review the provident fund accumulations to the extent of 9.121 million rupees were transferred to the statutory Fund in the form of securities by the newly covered establishments in these industries.

Income and expenditure.- Expenses of the Employees' Provident Fund Organisation are met from levies of administrative and inspection charges from the employers of non-exempted and exempted factories at the rate of 3 per cent and 3/4 per cent respectively on the total amount of provident fund contributions collected in each month and not from the amount of provident fund nor from public revenues. A sum of 2.311 million rupees was received on account of administrative charges from un-exempted establishments and a sum of 1.044 million rupees as inspection charged from exempted establishments.

The income and expenditure for the year 1956-57 is shown below:-

INCOME		EXPENDITURE	
3.449 million rupees.		2.044 million rupees.	
INCOME			
Administrative and Inspection charges 3.355 million rupees.		Damages 0.003 million rupees.	
	Interest on Investments 0.091 million rupees.		

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Surplus amounts in administration accounts are regularly invested and the interest is credited to that account. The total of administrative and inspection charges collected upto the end of December 1957, inclusive of interest, is about 15.9 million rupees out of which a sum of 9.670 million rupees has been spent.

The table below gives statistical details about the working of the Scheme:-

*1. Total number of active subscribers on 31 December 1957.	2.367 millions nearly in 6,272 establishments.
2. Total number of members on 31 March 1955.	0.453 millions.
3. Total number of members who joined the Fund from 1 April 1955 to 31 December 1957.	0.885 millions.
4. Total refunds to members of Fund by 31 December 1957.	127,959 claims - 27.2 Million rupees (Average 213 rupees per claim).
5. Total refunds upto 31 December 1957 including those to exempted establishments, but NOT INCLUDING refunds made in exempted factories to individual employees.	55.7 million rupees.
6. Total amount refunded to members of the Fund (1 April 1957 to 31 December 1957).	32,144 cases - 10 Million rupees. (Average 314 rupees per claim).
*7. Amount of provident fund contribution by December 1957, in all covered establishments non-exempted and exempted.	1,019 1,019 Million rupees.
8. Amount of provident fund from 1 April 1957 to 31 December 1957.	124 million rupees (non-exempted establishments. Includes past accumulations).
9. Expenditure on administration upto 31 December 1957. (Progressive).	91 million rupees (exempted establishments).
9. Expenditure on administration upto 31 December 1957. (Progressive).	9.657 million rupees.
10. Expenditure on administration during 1955-57 (2 years).	3.954 million rupees.
11. Balance in Administration Account as on 31 December 1957 including interest earned.	6.22 million rupees.

* The figures relate to both exempted and non-exempted establishments. Other figures relate to non-exempted establishments, except where otherwise stated.

Extension of coverage.- During the year under review the Act was extended to the following factory industries: Edible Oils and fats. Sugar. Rubber and rubber products. Electricity including generation, transmission and distribution thereof. Tea except in the State of Assam where the Government of Assam have instituted a separate Provident Fund Scheme for the Industry including plantations. Printing, including the process of composing types for printing, printing by letter press, lithography, photogravure or other similar process or book-binding, but excluding printing presses, covered under "newspaper establishments" to which the Employees' Provident Funds Act has already been extended under Section 15 of the Working Journalists (Conditions of Service and Miscellaneous Provisions Act, 1955. Stone-ware pipes. Sanitary wares. Electrical Porcelain Insulators of high and low tension. Refractories. Tiles. Match factories having a production of over 500,000 gross boxes of matches a year. Sheet glass factories, glass shell factories; and other glass factories having an installed capacity of over 600 tons per month. Heavy and fine chemicals. Indigo. Lac including shellac. Non-edible vegetable and animal oils and fats. Mineral oil refining industry. Industrial and Power Alcohol. Asbestos Cement Sheets.

Section 15 of the Working Journalists (Conditions of Service) and Miscellaneous Provisions Act, 1955 provides that the Employees' Provident Funds Act, 1952 will apply to every newspaper establishment in which twenty or more persons are employed on any day, as if such newspaper establishment were a factory to which the aforesaid Act has been applied by a notification of the Central Government under Sub-Section (3) of Section 1 thereof and as if a newspaper employee were an employee within the meaning of that Act. The Employees' Provident Funds Scheme, 1952 was extended with suitable modifications to newspaper establishments with effect from the 31 December 1956.

In December 1956 the Employees' Provident Funds Act, 1952 which applied only to factory industries was amended by Parliament to empower Government to extend it to non-factory establishments. In exercise of the now powers the benefit of compulsory contributory provident fund under the Employees' Provident Funds Act, 1952 has also been extended with effect from 30 April 1957 to workers in plantations of tea (except in Assam where a similar Act of the State Government is already in operation), coffee, rubber, cardamom and pepper employing 50 or more workers.

The provision of the Act was further extended to employees of the oxygen, acetylene and carbon-dioxide gases industry, to four classes of mines, viz., manganese, gold, iron-ore and limestone, and to coffee curing establishments.

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Advances, forfeiture and regunds.- According to the existing provisions of the Employees' Provident Funds Scheme, members can get loan from the Fund for financing life insurance policies only. The proposal to grant loans to members in cases of serious illness is under Government's consideration. The Government decided that pending amendment to the Scheme, loans should be granted to the members of the Fund in cases of serious illness, but each case should be referred to them. The number of such cases and the amounts involved are given below:-

	Loans for serious illness.	Withdrawals for financing life insurance policies.	Total.
No. of applications received during the year.	79	13,785	13,864
No. of cases where amount was sanctioned.	8	11,873	11,881
No. of cases in which withdrawals were not utilised.	..	695	695
	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
Amount paid during the year xxxxx in rupees.	1,445	900,626	902,071

A sum of 105.8 million rupees was forfeited during the year under report. Rules for refund have since been amended and it has now been decided that the amount forfeited should be utilised for payment of money order commission and for financial assistance in emergent cases under certain conditions. During the the year a sum of 80,124 rupees was spent on money order commission and 119 rupees in affording financial assistance.

During the year 1956-57, 33,660 claims were received in the regional offices and 32,861 (including 705 outstanding claims of the previous year) were settled for about 7.653 million rupees.

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Inspection.- During the year under report, 723 and 3,221 inspections were made in exempted and unexempted establishments respectively. The number of inspections was not satisfactory due mainly to shortage of Inspectors. The part-time Regional Commissioners were generally keeping one Inspector desk-tied to deal with the day to day work. The extension of the Act to additional industries and consequential increase in the volume of work made the inadequacy of Inspector-strength more pronounced.

In addition to this, the Provident Fund Inspectors inspected several infant establishments to verify whether they would come under the Act. They had also to visit frequently establishments newly covered to educate the managements newly in the various provisions of the Act and Scheme and their statutory obligations in addition to making surprise visits to defaulting factories with a view to pull them up and persuade them to pay up all arrears and render the requisite statements. Frequent visits to courts of magistrates and the Certificate Officers in connection with legal action against defaulters also accounted for much of their time.

Prosecutions and recovery proceedings.- One hundred and seventy-four fresh prosecutions were sanctioned during the year out of which 158 were actually utilised. One hundred and seventeen factories/establishments were involved in these prosecutions. One hundred and two cases (including pending cases of the previous years) were decided. Of these, 87 resulted in conviction and 15 in acquittal. A sum of 17,063 rupees was awarded as fine in the cases resulting in conviction.

One hundred and fiftysix cases of certificate proceedings were initiated during the year to recover as arrears of land revenue 5,647,515 rupees as provident fund contributions and 137,024 rupees as administrative charges respectively due from the defaulting factories/establishments. A total of 1,711,006 rupees and 39,834 rupees were recovered as provident fund contributions and administrative charges respectively during the year.

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

INDIA - SEPTEMBER 1958.

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES
OF WORKERS.

Working Journalists (Fixation of Rates of Wages) Act,
Act, 1958 (No. 29 of 1958). (The Gazette of India,
Extraordinary, Part II, Section 1, 16 September 1958,
pp. 183-189).

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- * "Annual Report for the Year 1957-1958" of the Employees' State Insurance Corporation, New Delhi. pp. 169.

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* Publications received in this Office.