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N.B. Industrial and Labour Developments in
March-April 1968

en:

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

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CHAPTER I. INTERNATIONAL LABOUR ORGANISATION

12. Activities of External Services

India - March-April 1968.

Meetings.-

During the period under review the Director attended the following meetings:

- a. On 7 March 1968 the Director attended a meeting called by the U.N. Resident Representative to meet the Executive Director of U.N.I.D.O.
- b. On 11 March 1968 the Director attended, by special invitation, the 8th Session of the Committee on conventions held under the Chairmanship of the Labour Secretary.
- c. On 24 March 1968 the Director on special invitation presided over a seminar on Industrial Peace through Balanced Wage Structure organised by Indian Engineering Association (Northern Region) at Faridabad.
- d. On 20th and 21st April, the Director attended, by special invitation, the 25th Session of the Indian Labour Conference, held at New Delhi under the chairmanship of the Union Minister of Labour and Employment.
- e. On 21st April, the Director attended the first meeting of the National Committee for celebration of the Fiftieth Anniversary of the ILO held under the Chairmanship of the Labour Minister.
- f. On 25 April the Director addressed an Asian Trade Union seminar organised by the A.I.T.U.C. The subject of his talk was about the ILO, what it stands for, how it is constituted and how it functions and what it does. At the end of his address there was a discussion and questions were asked and answered.

CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANIZATION

India - March-April 1968

21. United Nations and Specialised Agencies

Seminar on International Commercial Arbitration Held at New Delhi, 18 March 1968: World Court for Commercial Arbitration Suggested

A two-day seminar on international commercial arbitration under the auspices of the Indian Council of Arbitration was held at New Delhi on 18 March 1968. The seminar was inaugurated by Chief Justice Mr. M. Hidayatullah. Among others, the seminar was addressed by Mr. L.N. Birla, President of the Indian Chambers of Commerce and Industry and Mr. Hironori Tabimoto of Japan Shipping Exchange. In his inaugural address the Chief Justice of India suggested that a permanent court of commercial arbitration be set up at the international level to tackle problems arising in international commercial arbitration.

He, however, did not favour the suggestion that the International Court of Justice should hear private parties. Nor did he think that its statute should be amended to enlarge its jurisdiction. These he said, would "ruin a court which has not covered itself with glory after the South-west Africa crisis."

(The HINDUSTAN TIMES, 19 March 1968)

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

India - March-April 1968.

The Asian Trade Union Seminar organised by the AITUC was held at New Delhi from 16-30 April 1968. The Seminar was attended by participants from Japan, the Philippines, New Zealand, Malaysia, Ceylon, Australia, Nepal and India. Among others, the Seminar was attended by Mr. P.M. Menon, Director of the Branch Office, New Delhi, on behalf of the I.L.O. Justice P.B. Gajendra

Justice P.B. Gajendragadkar who also addressed the Seminar said that the flourishing of trade unionism was a healthy sign of democracy. The progress of Industrial jurisprudence was satisfactory in the country. He said that in a socialist society every worker must get a living wage. Referring to the judiciary's role in the development of industrial jurisprudence, Mr. Gajendragadkar said that the judiciary had always tried to harmonize the conflicting claims of Employers and Employees. He did not like the attitude of employers who complained against the wage structure fixed by the Government. The judiciary had the power to impose a wage structure. He concluded by saying that employers and employees should learn the basic concepts of socio-economic justice.

(Documents of the Seminar were forwarded to Geneva/Bangkok vide this office minute F.6/3373/68 dated 30 April 1968.)

(The HINDUSTAN TIMES 19 April 1968)

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25. Wage Earners' Organisations

India - March-April 1968

Thirteenth Annual Conference of the Indian National Mine Workers Federation held at Dhanbad 17 April 68.

The 13th annual Conference of Indian National Mine Workers Federation was held at Dhanbad on 17th April 1968. Mr. Michael John presided over the Conference. The Conference was inaugurated by Mr. Chenna Reddy, Union Minister for Steel, Mines and Metals.

Delivering the presidential address Mr. Michael John said that with the background of rising prices it was not surprising that even those workers in coal, iron-ore, lime stone and dolomite mines who got the full benefit of the accepted recommendations of their respective wage Boards did not feel the impact of increased wages.

Mr. Michael John said that although the value of mineral production had gone up from Rs. 710 million in 1951 to 2470 million in 1966 and the productivity of the mine workers were being in sub-human conditions while plans and programmes of industrial production were carried out with vigour and enthusiasm there was corresponding apathy and indifference to the problem of providing primary necessities of life to the workers. The degree of social security that the workers in the mining industry deserve had not been achieved yet. He said the bipartite agreement regarding the abolition of contract system in the coal industry still remained unimplemented and it was unfortunate that the employers were delaying its proper interpretation and implementation. He hoped that the Government would refer this long-standing dispute without any further delay to the Court of Enquiry as was decided at the last meeting of the Central Implementation and Evaluation Committee on coal mining. The President stressed the necessity of raising the present low rate of compensation to a level which would act as a deterrent to neglect of safety provisions. He therefore suggested modifications in the Workmen's Compensation Act so as to provide for injury leave up to at least six months with full pay in addition to free hospitalization. He appealed to the employers to adopt a more

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enlightened policy and urged upon Government to see that its conciliation machinery was made more effective so that the drift to chaos and anarchy was arrested. Concluding his speech the President appealed to the Workers to develop their own strength and solidarity and not rely upon any other agency for the redress of their grievances and furtherance of their interests.

General Secretary's Report.- The Secretary presented his report to the Conference which reviews the activities and progress of the Indian National Mines Workers' Federation during the year 1967-68. The report, among other matters has dealt with rise in prices, wage boards, Industrial Relations, situation in the Coal Mining Industry; non-payment or delayed payment of profit-sharing bonus, abolition of contract and C.R.O. systems, situation in mines other than coal, safety, social security and welfare measures.

Resolutions.- Adopting a resolution on Coal Wage Boards the Federation protested against the delay by Government in accepting in full the recommendations of Wage Board and demanded that the Employers in the Coal Mining Industry to implement the accepted recommendations in full. By another resolution the conference urged the Government to set up wage Boards for Mica, fireclay chinaclay and other mines.

(Documents of the Conference received in this Office.)

28. Employers' Organisations

India - March-April 1968

41st Annual Session of the Federation of Indian Chambers of Commerce and Industry held at New Delhi, 30 March 1968.

The 41st annual session of the Federation of Indian Chambers of Commerce and Industry was held at New Delhi on 30 March 1968. Mrs. Indira Gandhi, the Prime Minister of India inaugurated the session. The session was presided over by Mr. L.N. Birla.

Presidential address:- Addressing the session Shri L.N. Birla, President of the F.I.C.C.I. said that the country was faced with the great challenge of relieving the distress of the teeming unemployed millions. He suggested that more public spending on roads, power, hospitals, drainage, housing and the like would be conducive to growth as well as employment. Between the objective of economic development and the creation of many new jobs a workable relationship had to be established. Employment must be made free and productive in the sense that there was the fullest possible opportunity for every citizen to qualify and to take up a job for which he was suited in any part of the country. Also, education and training facilities should be provided on an adequate scale. Jobs, however, could be created only when the economy becomes dynamic and moves in response to an expanding demand for goods and services in general. Speaking about the public sector enterprises, Mr. Birla said that as taxpayers and citizens, businessmen were anxious to see that the public sector enterprises run well, earn well and bring revenue to the government. A lot of money had been spent on these projects, most of which were not giving a good return. There was general agreement that their management required to be more efficient. An immediate problem for the public and private sectors alike was the utilisation of idle capacity. This meant that the industrial units must be enabled to activate idle capacity and find a market for what was produced. If existing industry could

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become viable, it was futile to expect that industrial expansion through new units would take place. Management must become more cost and quality conscious and also strive for economic operation, amalgamation, diversification, expansion, or, where necessary, decentralisation and dispersal.

Shri Birla severely criticised the taxation policy of the Government which was uneconomical for the Government, unwanted by the economy and unhelpful to the people. Some of the budget proposals for 1968-69 were no doubt intended to stimulate activity in selective areas but unless the reliefs tended to become broad-based, the much needed overall stability and a sustained spurt in activity would not spring forth. Mr. Birla, however welcomed the monetary strategy and steps taken by the Reserve Bank of India to liberalise bank credit for industry and commerce. Mr. Birla felt that the liberalisation of the structure of food controls was essential if farmers were to take advantage of increased production to improve their earnings. For rural savings to improve it was not enough if rural production or even rural incomes went up. If the farmer's propensity to consume was helped and encouraged his disposition to produce more and earn more would be stimulated and this would increase his capacity to save.

Resolutions.- Among the more important resolutions which were adopted by the session related to export promotion - Policy and Programmes, cotton textile industry, economic situation and the role and Problems of Trade in a changing economy.

Adopting the resolution on Export Promotion Policy and Programmes, the F.I.C.C.I. session referred to the fact that the devaluation of the rupee had not produced the expected results and recommended various steps to stimulate exports - such as (i) creation of a suitable export climate; (ii) diversification of export and placing greater emphasis on exporting finished and semi-finished goods in preference to raw materials; (iii) adoption of latest technological developments for the development of products for export; (iv) linkage of exports and imports to create additional incentives for exports; (v) establishment of an appropriate machinery within the Government to take quick decisions on all matters affecting export efforts, etc.

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The resolution on cotton Textile Industry regretted the continued apathy of Government to the travails of cotton textile industry and the attempts in some quarters to belittle the gravity of the situation by putting the whole blame on the so-called mismanagement of mills. The Federation considered that the recent Cotton Textile Companies (Management of Undertakings and Liquidation or Reconstruction Act) authorising Government to take over and run or sell in auction cotton textile units was a remedy worse than the disease. The Federation considered that removal of the malaise prevailing in the textile industry was of crucial importance in fighting recession in the economy and called upon Government speedily to apply remedial measures, viz., abolition of the control on cloth prices, reduction of sales tax on cotton, augmenting resources of the self-financing scheme of the industry for promotion of exports, speedy arrangements for making finance available to the industry on easy terms for rehabilitation and modernisation. On the resolution of economic situation the Federation was of the view that a bolder approach was required to create an environment for economic growth which was necessary to provide large employment opportunities and improve the standard of living of the masses of the people. Among others measures the Federation suggested the activation of the capital market which had been depressed, lowering of the lending rates by commercial banks and financial institutions, improvement in the running of Government enterprises, and the development of small enterprises.

Shri Gujarmal Modi was elected the President of the F.I.C.C.I. for the year 1968-69.

(Documents received in this Office)

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Chapter 3. Economic Questions.

32. Public Finance and Fiscal Policy

India - March-April 1968

Bank rate Reduced from 6 to 5 per cent. to Promote Economic Recovery

The Reserve Bank of India announced on 2 March 1968 an immediate reduction in the bank rate from 6 per cent. to 5 per cent. in keeping with the overall policy to promote economic recovery in the context of the increase in agricultural production. Simultaneously the Reserve Bank also announced reduction in the lending and deposit rates of banks and a further lowering of the concessional rates for export finance. The Reserve Bank also announced continuance of its concessional lending to co-operative banks. This would enable co-operative banks also to make a proper reduction in the rates charged by them on their advances.

(The Statesman, 3 March 1968)

Boothalingam's Report on Rationalisation
and Simplification of Taxes placed before
Parliament on 5 March 1968.

Mr. S. Boothalingam, former Finance Secretary to the Government of India, has suggested the introduction of a general excise duty of 10 per cent. on all production. In his final report on rationalisation and simplification of taxes, presented to Parliament by Deputy Prime Minister Morarji Desai on 5 May 1968. Mr. Boothalingam has suggested drastic and far-reaching changes in the structure of direct and indirect taxes as well as in their collection procedures. The raising of the exemption limit for income-tax from the present level of Rs.4,000 to Rs.7,500 for individuals and fixing the limit at Rs.10,000 or Rs.11,000 for Hindu undivided families is the most important suggestion made in regard to personal taxation.

Other recommendations include the adoption of a uniform rate for all domestic companies, and amortisation of capital expenditure.

(The HINDUSTAN TIMES, 16 April 1968).

35. Productivity

India - March-April 1968.

Problems of Productivity Measurement*

Higher productivity is undoubtedly a major source of increment in income which is often a basis of serious bargaining and sometimes of disputes. It can, therefore, be readily understood that measurement of productivity could be seriously affected to suit the rival claims at the bargaining table, i.e., that of labour and management. This raises a serious question about the meaning and measurement of productivity. An article on the Problems of Productivity Measurement which has appeared in April 1968 issue of the Indian Labour Journal describes the concept and definition of productivity and deals with the various problems involved in the measurement of productivity. According to this article, the productivity index in cases of Jute, Sugar, Paper, Matches and Cement industries has generally remained at about the same or below base year levels while that for Cotton Textiles after reaching a peak by 1955 has registered a continuous decline to revert to base year level by 1963. On the other hand, the total productivity in Glass, Ceramics and Hydrogenated Oil industries has registered almost phenomenal increase. In all the 8 industries, i.e., except Jute Textiles, real wages have all the time been going up while those in Jute Textile industry also, they are substantially higher than the base year although after reaching a peak level by 1955, there has been some marginal decline. Real wages in these selected industries have borne little relationship with productivity trends. Increase in real wages in Jute, Sugar, Paper, Matches and Cement (where productivity has not made material headway) has been substantially higher while they have not kept pace with the increase in productivity in Glass, Ceramic and Hydrogenated oil industries, where productivity increase has been phenomenal.

Comparing the trends in Labour Productivity alone with real wages, both the characteristics have been generally moving upwards. While increase in labour productivity and real wages has been more or less equal in Jute, Cotton, Textile, Matches and Cement, the increase in labour productivity has been substantially higher than real wages in Paper, Glass, Ceramics and Hydrogenated oil industries and in Sugar industry increase in

Labour productivity has generally lagged behind that of real wages.

(Indian Labour Journal, Vol. IX, No.4, April 1968 pp. 401-419).

36. Wages

India - March-April 1968.

Report on the Working of the Fair Wage Clause and Central Public Works Department Contractors' Labour Regulations for the year ending 31 December 1966.*

A summary of the report issued by the Chief Labour Commissioner (Central) on the working of the Fair Wage Clause and Central Public Works Department Contractors' Labour Regulations for the year ending 31 December 1966 has appeared in March 1968 issue of the Indian Labour Journal. During the year under review the clause and the Regulations covered about 3,880 contractors' establishments employing 27,987 workers on an average. The corresponding figures for the previous year, 1965 were 6,575 and 36,105 respectively. The Labour Officers of the Central Industrial Relations Machinery inspected 1,666 and 536 establishments respectively during the year, 1966 as compared to 2441 and 647 establishments inspected by these authorities during the previous year. Thus, by the end of 1966 the Labour Officers of the C.P.W.D. and the Officers of the CIRM together had completed inspection of about 57 per cent. of the total establishments as against 59 per cent. of these establishments inspected during last year.

As a result of these inspections 6,954 irregularities of various types were detected during the year under review as against 10,022 during the previous year. Out of the 6,954 irregularities detected during 1966 the largest number of irregularities i.e. 1,583 or about 23 per cent. related to non-maintenance of wages registers.

The report also describes deductions made from contractors' bills for payment of wages in cases of non-payment and short-payment, appeals and welfare facilities.

(Indian Labour Journal, Vol.IX, No.3, March 1968, pp. 299-302.)

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MADRAS: Revised Minimum Wages Fixed for
Employment in match and fireworks manufactory

In exercise of the powers conferred under the Minimum Wages Act, 1948, and in supersession of the Government notification dated 25 October 1960, the Government of Madras has fixed the following minimum rates of wages for employment in the match and fireworks manufactory. The minimum rates of wages will come into force on 1 August 1968.

Employment in match and fireworks manufactory.

Match Manufactory

Class of Employees	All inclusive minimum daily rates of wages
(1)	(2)
Class I	Rs.2.90
Class II	Rs.2.50
Class III	Rs.2.10
Class IV	Rs.1.75

MATCH MANUFACTORY

Class I-

Dipping master/Chemical dipping
Wax dipping/parafining.
Fitters
Foremen
Sawmen
Shopping drivers
Peeling drivers

Class II

Side painters
Dozen Gross packing
Band Rolling checkers
Box filling checkers
Paper Cutters.

Class III

Chemical grinders
Frame and box levelling
Cart drivers
Wood cutters
Chemical levellers
Rack arranger
Bundle packing

Class IV

- Cleaners
- Watchmen
- Peons or office boys
- Frame carriers
- Frame takers, frame givers and other unskilled mazdoors
- Bhodomini dipping.

<u>Class of work</u> (1)	<u>Minimum rate of wages</u> (2)
Box fillings 10s (colour matches)	10 paise per gross
Box filling 50s (safety matches)	13½ " " "
Band rolling and labelling	5½ " " "
Outer box making	5 " " "
Inner box making	8 " " "
Frame filling upto 17" or 43.18 cm	5 " " "
Frame filling 21" or 53.34 cm.	6 " " "

FIRE WORK MANUFACTORY

<u>Class of Employees.</u> (1)	<u>All inclusive minimum daily rates of wages</u> (2)
Class I	Rs.2.90
Class II	Rs.2.30
Class III	Rs.1.75

Classification Employees

Class I

- Chemical mixing
- Chemical dipping
- Chemical filing
- Paper caps dipping

Class II

- Paper caps dozen and gross packing case packing
- Loading and unloading.

Class III

- Paper caps pasting to pressing general (any other categories of workmen who were not dealt with above).

<u>Class of Work</u>	<u>Minimum rate of wages</u>
(1)	(2)
Fuse dipping for 500 fuses of 4½ feet or 1.37 metre in length	43 paise
Fuse warpping per gross	10½ paise
Fuse fixing - per ring of 700 shells	15 paise
Labelling - 1000 labels	13 paise
Plaiting - For 100 sarams of 32 units	42 paise
Plaiting - For 100 Sarams of 40 units each	45 paise
Packing - Per case of 320 packets	Rs.2.75
<u>Chorsas (Medium and Big)-</u>	
Fuse dipping for 500 fuses of 4½ feet or 1.37 cm. in length	43 paise
Fuse wrapping - Per gross	10 paise
Fuse fixing - per ring of 500 shells	14 paise
Labelling - 1000 lables	13 paise
Plaiting - 100 sarams of 56 units each	80 paise
Packeting - Per case of 1000 packets	Rs.2.75
<u>One Sound Crackets-</u>	
Fuse dipping (for 500 fuses of 4½ feet or 1.37 cm) in length	43 paise
Fuse wrapping - Per gross	10 paise
Fuse tying - per gross	9 paise
Paper rolling - per gross	17 paise
Packeting - Per 1000 packets of 5 each	Rs.2.75
<u>Atom Bomb</u>	
Jute winding - Per 100 shells	35 paise
Fuse fixing - 100 shells	10 paise

Wire chackers (stripped)-

	<u>Tirapping</u>	<u>Winding</u>
5½" or 13.97 cm.	4 paise	7 paise
7½" or 19.05 cm.	4 paise	8 paise
10½" or 26.67 cm.	4½ paise	9 paise
21" or 53.34 cm.	7½ paise	17 paise
31" or 78.74 cm.	9 paise	21 paise

Zamine chockers (stripped)-

5½" or 13.97 cm.	3 paise	6 paise
7½" or 19.05 cm.	3 paise	8 paise
10½" or 26.67 cm.	3 paise	9 paise
21" or 52.34 cm.	4½ paise	17 paise
31" or 78.74 cm.	6 paise	21 paise

Class or work
(1)

Minimum rates of wages
(2)

Pasting label, kuppi and board (for chackers)-

5½" or 13.97 cm.	6 paise
7½" or 19.05 cm.	7 paise
10½" or 26.67 cm.	7½ paise
21" or 53.34 cm.	9 paise
31" or 78.74 cm.	10 paise

Packing (Wire and zamine chackers)-

5½" or 13.97 cm.	3 paise per gross (four boxes).
7½" or 19.05 cm.	do
10½" or 26.67 cm.	do
21" or 53.34 cm.	do
31" or 78.74 cm.	do

Sparkers-

Frame filling - Per 100 frames	Rs.1.30
Box filling - per gross boxes or per bundle	10 paise
Dozen and bundle pack - for one gross boxes or one bundle	5 paise

Silver twinkling 2 feet or 60.96 cm-

Flower pots Wrapping and folding per gross 15 paise

Foil pasting Per tray (medium 12 paise containing 1½ gross and small 2 gross)

Bottom cover pasting	Per gross	5 paise
Fuse fixing	Per gross	6 paise

<u>Papercaps</u> pasting per gross	5 paise
Perforating (dots punching) per 1000 sheets (20x15 dots).	Rs.1.30
Box making per 100 gross sets (inner and outer).	Rs.1.30
<u>Caps filling-</u>	
Dot caps - Per gross boxes (30s)	5 paise
Roll caps - Per gross boxes (30s)	6 paise
Roll caps cutting - 100 sheets	15 paise
Tray arranging in splints and veneers factory	15 paise per 100 gross
Veneers Building	50 paise for 100 gross
Clerks and Supervisors	Rs.75 per mensem

Classification of employees into Grades I and II is based on physical capacity, skill, efficiency and out-turn or work.

(1) Children wherever employed shall be paid half the rates fixed above.

(2) Wherever wage periods fixed vary, the wage shall be calculated for the wage period so fixed and paid, that is where the wage period is fixed as a week, fortnight, or month, the daily rates fixed above shall be multiplied by seven, fifteen or the number of days in the month respectively.

(3) Wherever the wages are to be fixed by the day in respect of categories for which monthly rates have been fixed, the minimum rates of wages per day shall be calculated by dividing the monthly rates by the number of days in the month.

(4) Where any category of workers are actually in receipt of higher rates of wages than the statutory minimum rates of wages fixed, they shall continue to get the benefit of the higher rates of wages.

(G.O. Ms No.725, Industries, Labour and Housing
(Labour), 22nd February 1968, Fort St. George
Gazette, Part II Sec. I, 13 March 1968, pp.
434-435).

Madras: Minimum Wages Act, 1948, extended to
Employment in boat working in minor ports

In exercise of powers conferred under the Minimum Wages Act, 1948, the Government of Madras has added to Part I of the schedule of the said Act "employment in boat working in minor ports".

(GO Ms 2786 Industries, Labour and Housing (Labour) dated 1 September 1967 St. George Gazette, Part II Sec. I 17 January 1968, p.89).

Implementation of Journalists Wage
Board Recommendations Assured by
Union Labour Minister

The Union Minister for Labour and Employment Mr. Jaisukhlal Hathi made it clear in the Rajya Sabha on 22 March 1968 that the Government would ensure the implementation of the journalists' wage board recommendations wherever the newspaper establishments had not done so and the employees had filed applications for recovery of wages. Mr. Hathi said he had requested the State Governments and also written personal letters to Labour Ministers to take "immediate action for recovery of wages" in case of non-implementation under the land revenue code.

In regard to non-journalists' wage board Mr. Hathi said it was not a statutory body the dispute would have to be settled by negotiations taking the wage board recommendations as the basis for talks. He understood that at the moment some negotiations were going on between the parties concerned both in Calcutta and Delhi.

(The STATESMAN, 23 March 1968)

39. International Economic Relations

India - March-April 1968

Trade Agreement Signed between India and the
Philippines

The first trade agreement between India and the Philippines was signed in New Delhi on 26 March 1968.

The agreement among other things provides for mutual exchange of goods, expansion of bilateral trade and lists broadly the commodities available for export from each country.

(The Statesman, 27 March 1968)

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Chapter 5: Working Conditions and Living Standards.

51. Hours of Work

India - March-April 1968

Annual Report on the Working of the Hours of Employment Regulations on Railways for the Year 1966-67*.

A review of the annual report on the working of the Hours of Employment Regulation on Railways for the year 1966-67 has appeared in April 1968 issue of the Indian Labour Journal. The article after describing the scope and application of the Regulations, classifies railway servants under one or the other of the four categories viz. (i) Intensive, (ii) Continuous, (iii) Essentially Intermittant and (iv) excluded with the statutory hours of duty and periodic rest for these categories.

Inspections and Irregularities.- During the year under review 8,982 establishments were inspected by the field officers as against 8,537 establishments inspected during the previous year. The number of irregularities detected was 79,301 as against 71,929 during the previous year.

Rectification of Irregularities.- All the 79,301 irregularities detected during the year were reported to the Railway Administration during the year and in addition 28,108 irregularities were pending rectification at the close of the previous year. This out of the total of 1,07,409 irregularities, the Railway Administration rectified 57,952 (53.95 per cent.) irregularities during the year under report leaving a balance of 49,457 (46.05 per cent) irregularities at the close of the year.

The Officers of the Central Industrial Relations Machinery were vigilant and took necessary action to ensure that the railway employees enjoyed the benefits conferred upon them by the Regulations.

(Indian Labour Journal, Vol.IX, No.4. April 1968, pp.451-455.)

CHAPTER 5. WORKING CONDITIONS AND LIVING
STANDARDS

INDIA - MARCH-APRIL 1968

52. Workers' Welfare, Recreation and
Workers Education

Conditions of Employment of Handicraft Workers*

In view of the important role which the handicrafts play in both the national economy and foreign trade of India, the All-India Handicrafts Board undertook in 1965 a field study into the working conditions and employment of handicrafts workers. The results of the study have been published in this article which appeared in March 1968 issue of the Indian Labour Journal. The following is a brief summary of the study.

Handicrafts workers are predominated by adult males accounting for 93.3 per cent. of the total. Female and child labour account for 6.1 per cent. and 0.6 per cent. respectively. No doubt, there may be a considerable improvement in the proportion of the latter two groups in the family labour, yet, the dominance of male labour remains a fact. This being the overall position, in leather, toys making, embroidery and papier mache crafts, women workers account for a little over one-fourth of the total employment. Thus, employment of paid females is conditioned by suitability of work and location of units. While percentage of literacy seems to be impressive at two-thirds of the total, level of education is low. 94.0 per cent. of the literate workers have not studied beyond the 8th standard.

The overall average daily wage rate in the handicraft centres surveyed works out to Rs.3.44 for males, Rs.2.39 for females and Re.0.80 for children. There are variations in the average wage rates from craft at different places of concentration. In fact, there does not appear to be any standardisation of wages in the handicrafts sector. The influence of tradition and social customs seems to exert influence on fixation of wages. For fixation of minimum wages in various locations in the sector, regional considerations, skill of artisans, economic status of craft, place of work etc. may have to be kept in view.

While there is admittedly room for increasing his income by improving skill and use of improved tools and small machines, continuous flow of new entrants into the sector to the desired extent and continuation of present labour force in future will to a large extent depend on provision of protective and welfare measures such as minimum wages, bonus, gratuity, permanency of employment, provident fund and medical aid and adequate facilities for training. Only then the handicraft sector will be in a position to step up production, enhance supplies to markets and earn more foreign exchange. Extension of markets is now fundamentally a problem of increased production of standard goods which in itself is dependent, almost wholly, on flow of new entrants into the sector, establishment of organised manufacturing units and broadening the capital base of the existing units.

(The Indian Labour Journal, Vol. IX, No.3,
March 1968 pp.284-298.)

56. Labour Administration

India - March-April 1968.

Annual Report 1967-68 of the Ministry of Labour
and Employment Published - Labour Problems
Reviewed

The report on the activities of the Department of Labour and Employment, Ministry of Labour, Employment and Rehabilitation during the year 1967-68, which has been recently published by the Government is in two volumes. Volume I covers the activities of the Department in the fields of industrial relations, Wages, Social Security, Working Conditions and allied matters. The activities in the field of Employment and Training are reviewed in Volume II. The following are some of the salient features of the Report:

General Labour Situation.- Reviewing certain significant features of the economy during the year 1967-68 such as set back in agricultural production, slackness in Industrial growth and the rise in wholesale prices and the working class consumer price Index, the report points out that these development had their impact on industrial relations situation during the year. The country lost 9.92 million (provisional) man-days in 1967 on account of strikes and lockouts as compared to 13.85 million man-days lost in 1966.

In the Central sphere, the situation was relatively peaceful in Railways, Defence establishments, and Insurance companies. But the atmosphere was disturbed in mines, ports and docks and in the air transport industry. The banking industry maintained an atmosphere of stable industrial relations. The industrial Committee on Banking Industry recently constituted by Government to discuss problems peculiar to the banking industry may help in improving employer-employee relations.

In the coal mines there were 257 strikes and 5 lockouts during April to December 1967 resulting in a loss of 9.28 lakh man-days as against 110 strikes, 5 lockouts and 1.79 lakh mandays lost in 1966. In mines, other than coal and

in oil fields there were 91 strikes in 1967 accounting for 11.22 lakh man-days lost as against 0.82 lakh man-days lost in 1966. During January-February 1968, there were 12 more strikes resulting in a loss of 1.64 lakh man days.

Workers had to undergo hardship owing to lay-off and retrenchment particularly in the engineering and cotton textile industries. As against 29 units which remained closed at the beginning of 1967, 32 units were not working at the end of the year. The number of workers affected also increased from 39,400 to 42,900. One of the remedial measures contemplated by the Government is to take over the sick units and keep them running. Necessary legislation has been enacted for the purpose.

Prevention and Settlement of Industrial Disputes.- On the legislative side, the Industrial Disputes Act 1947 continued to govern industrial relations in the country. On the voluntary side, the code of Discipline in Industry and Industrial Truce Resolution continued to be the main instruments for the prevention and settlement of industrial disputes. The Working of the voluntary machinery can be judged from the data given below:

	<u>Code of Discipline and Industrial Truce Resolution</u>		
	1965	1966	1967
No. of complaints received	1,399	864	442
No. of complaints not requiring any action.	233	154	100
No. of complaints requiring action	1,166	710	342
Of those requiring action, percentage of complaints:			
(a) Not substantiated on enquiry	7	13	12
(b) Where the breaches were set right or settled otherwise	44	62	59
(c) Under investigation	49	25	29

The Ministry of Defence have agreed in principle to apply the Code to their public sector undertakings worked as companies. During the year 1967, 11 cases of alleged violation of the Code of Conduct were received. Of these 3 did not require any action. Five were forwarded to respective State governments and one was not substantiated on enquiry. In two cases, the breaches were brought to the notice of erring parties.

The Conciliation machinery set up under the Industrial Disputes Act 1947 continued to play its role in bringing the parties together and exploring ways of amicable settlement. The following table shows the functioning of the Central Industrial Relations Machinery:

	1965	1966	1967
No. of disputes referred to industrial Relations Machinery	5,705	5,695	5,813
No. of failure reports received	625	737	750
(i) Of (2) above, No of disputes referred to adjudication	291 (47%)	255 (35%)	230 (31%)
(ii) Of (2) above, No. of disputes referred to arbitration	169 (27%)	108 (15%)	108 (14%)

It will be seen that there was a slight decrease in the percentage of cases referred to arbitration and adjudication in 1967 as compared to 1966. In order to promote greater recourse to voluntary arbitration for resolving disputes, a tripartite National Arbitration Promotion Board had been set up.

Joint Consultation.- Joint Management Councils were set up in 46 establishments in the public sector and 85 establishments in the private sector. More or less similar arrangements were made in the State Bank of India.

Wage Boards.- During this year the Wage Boards for working journalists, non-journalists employees of Newspapers and the second Wage Board for Cement submitted their final reports. The recommendations of the first two were generally accepted by the Government; those of the third were also accepted with certain modifications. Government also accepted the main recommendations of the Coal Wage Board. The interim recommendations made by the second Wage Board for the Sugar Industry and the Wage Board for Road Transport Industry have been accepted by Government. The following table indicates the position in regard to the Wage Boards set up since 1957:

Wage Boards which have given recommendations and which have been implemented

Cotton Textiles, Cement, Sugar (1st Wage Board), Jute, Iron and Steel and Coffee Plantations.

Wage Boards which have given final recommendations and which are now being implemented.

Tea and Rubber Plantations, Non-Journalists Employees of Newspapers. Working Journalists, Iron Ore Mining, Lime Stone and Dolomite Mining, Coal Mining and Second Wage Board for Cement Industry.

Wage Boards which have given interim recommendations and which have been more or less implemented.

Port and Dock Workers' Wage Board (D.A. and 1st Interim increase).

Wage Boards which have given interim recommendations and which are being implemented

Wage Boards for Port and Dock Workers (2nd interim increase), Engineering Industries, Leather Goods Industries, Heavy Chemicals and Fertilizers, Road Transport and Electricity Undertakings and Second Sugar Wage Board.

Wage Boards which have not yet made any recommendations.

Second Wage Board for Cotton Textiles.

The Minimum wages Act 1948 continued to provide wage protection to persons employed in unorganized industries. The question of minimum wages for agricultural labour was discussed at a seminar in 1965. A committee set up by this Seminar considered the question of Fixation and revision of minimum wages for agricultural labour ~~was~~ and made certain recommendations which have been brought to the notice of the State Governments.

Social Security.- In the field of Social Security, the coverage of the employees State Insurance and Employees Provident Fund Schemes has been enlarged. During the current year the ESI scheme was extended to an additional 16,100 employees bringing the total number of workers covered to over 3.23 million in 285 Centres. In 274 centres medical benefits were extended to the families of insured persons bringing the total number of beneficiaries to about 13.44 million.

Steps were also taken to improve the quality of the services rendered by the Corporation.

The Employees Provident Funds Act was extended to six new industries in the current year bringing a total of 112 industries and classes of establishments under the purview of the Act. The membership of the Fund increased from 4.90 million at the end of 1966-67 to 5.1 million at the end of November 1967. The rate of contribution under the E.P.F. Act was increased from $6\frac{1}{2}\%$ to 8% in 17 more industries, bringing the total number of industries to which the enhanced rate of 8% now applies to 71.

The Coal Mines Provident Fund Scheme 1948 was extended to 10 new Coal Mines raising the total to 1,297 at the end of December 1967. There were 3.68 lakh subscribers to the Fund on March 31, 1967. During the period April 1967 - February 15, 1968, 30,606 persons were enrolled as new members. A pilot Scheme of unemployment insurance for the members of the Coal Mines Provident Fund has been formulated and is being processed in consultation with State Governments.

Working Conditions and Welfare.- The Working Conditions in factories and mines are being regulated by the Factories Act 1948 and the Mines Act 1952. Apart from these legislative measures, there was considerable activity for popularising various safety measures.

National Safety Council for industries other than mines was set up in March 1966. The council enrolled 120 members during the year. The main aims of the council are promotion of safety measures in industry and collection and dissemination of up-to-date information on accident prevention in various industries.

The National Council for Safety in Mines which was set up in July 1963, continued to provide Safety education and propaganda in mines. In addition to its normal activities like holding of Safety and accident prevention classes and observation of safety weeks in various mines, the council held a training course for the instructors of a vocational Training Centre. The Council was also rendering assistance in organising Pit Safety Committees. At the end of October 1967, the number of such Committees functioning in Coal Mines was 408 and that in non-coal mines 217.

The activities of the Welfare Funds for Coal and Mica mines continued to expand. The Iron Ore Mines Labour Welfare Fund provided medical, educational recreational and other facilities for the iron ore miners. Central Advisory Boards were set up during the year for the Mica Mines Labour Welfare Fund and the Iron Ore Mines Labour Welfare Fund.

The number of consumer stores on fair price shops opened so far for the benefit of Industrial Workers comes to 2789. Twelve whole-sale Central Stores and 373 primary stores were functioning in the Coal fields. These stores have set up with financial and managerial assistance from the respective welfare funds.

Training and Education.- Training of officers administering Labour policies and programmes continued to receive adequate attention. Advantage was taken of the training facilities under the Indo-US Technical Co-operation Programme, Colombo Plan, Indo-French Technical Programme, and the ILO Expanded Programme of Technical Assistance. Training facilities were also rendered to other countries under the programmes. The ILO and USAID provided the services of experts in vocational guidance, Industrial Physiology and Labour Statistics. It was also possible for the department to place the services of three more officers at the disposal of ILO and one officer under Colombo Plan Programme.

The Central Institute for Training in Industrial Relations provided training facilities to officers of the Central and State Governments as well as public undertakings. The Institute which was set up in 1964 had so far conducted ten courses and trained 204 officers including those from foreign countries.

The Scheme for workers Education operated through the Central Board for workers Education continued to maintain progress over 6 lakh workers and 12,000 worker-teachers were trained under the scheme. The Board brought out a number of publications. The Scheme of grants-in-aid was expanded to include short-term courses like one-day schools, three-day seminars, one-week camps and study-circles.

Plan for 1968-69.- The Plan proposals of the Department for 1968-69 were discussed with the Planning Commission and the State governments in November-December 1967. The bulk of the Plan provision is for craftsmen training Programme and Employment Service Schemes. For the other Schemes of the Department a sum of Rs.88 Lakhs has been provided for. The following table gives the outlays, for different groups of schemes:

	<u>Rs.in lakhs</u>
(i) Safety, productivity, etc.	24.7
(ii) Industrial Relations	20.1
(iii) Labour Welfare and Social Security	13.6
(iv) Research and Surveys	11.6
(v) Dock Labour Housing	18.0

Under Safety and Productivity it is proposed to impart training in the field of productivity to the managerial and supervisory staff as well as workers and to make the mining and industrial safety legislation more effective. In the field of industrial relations, the programme envisages the establishment of a Research Commissioners organisation to undertake research in Industrial Relations, under the Labour Welfare Schemes emphases will continue to be placed on workers Education Programme. Under research and surveys major part of the outlay will be ear-marked for field surveys and studies to be undertaken by the Labour Bureau. Under Dock Labour Housing it is proposed to construct about 788 new houses during the year.

National Commission on Labour.- The National Commission on Labour is making satisfactory progress in its work. Of the 37 study groups/ Committees set up by the Commission, twelve have already submitted their reports. Its recommendations, which are expected to be available next year will provide guidelines for the reshaping of labour policy for the future.

Among other things, Volume II of the report deals with programmes of craftsmen training and manpower and employment. The Directorate-General of Employment and Training is in charge of the development and instruction of programmes, relating to Employment and vocational Training on a national basis.

A copy each of the volume I & II of the Report of the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment) was sent to Geneva on 14 May 1968 vide this office minute D.2/3772/68 dated 14.5.1968).

(Report 1967-68, Ministry of Labour and Employment and Rehabilitation (Department of Labour and Employment) Government of India, New Delhi Vol I PP. 96 Vol.II pp.45.

Chapter 6. General Rights of Workers.

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61.A. Discrimination in Employment and Occupation

India - March-April 1968

Linguistic Minorities Report placed before Rajya Sabha on 8 May 1968: States Urged not to insist on language qualifications for Recruitment

The Commissioner for Linguistic Minorities placed his eighth report on the table of Rajya Sabha on 8 May 1968. The Commissioner said in the report that in many cases there was "a big time lag" between complaints by linguistic minorities and decisions on them by State Governments which tended to create a sense of frustration in the minds of minority language groups". Any impediment in the machinery which hindered prompt action should be removed in the interest of growth of mutual understanding among groups and national integration.

On recruitment to State services, the report criticized the Orissa Government's insistence on the regional language qualification at the time of recruitment though it had earlier dispensed with the language qualification. "Thus the recent action of the State Government amounts to putting back the clock of national integration". The report also mentions UP, Punjab and Maharashtra among States which insist on the language qualification at the time of recruitment. The Commissioner has pointed out to the concerned State Governments that insistence on knowledge of regional languages at the time of recruitment amounts to "indirect imposition of domiciliary restrictions" which were abolished by legislation in 1957.

(The PATRIOT, 10 May 1968)

Men can be promoted as Nursing Superintendents:
Andhra Pradesh High Court Ruling

The Andhra Pradesh High Court struck down on 28 April 1968 in Hyderabad a Government order, dated November 16, 1960, and Rule 2(A) of the Andhra Pradesh Medical Rules by which, men were barred from promotion to the posts of Nursing Superintendents of hospitals.

The High Court delivered the judgement, while allowing a writ petition of a Male Head-Nurse in a Government Hospital, who was the seniormost Head-Nurse in the State by 1955, and was qualified for promotion as Nursing Superintendent, but it was denied to him, under the impugned Government order and the rule and a lady candidate, much junior to him was promoted instead. The Court directed the Government to consider the petitioner for his promotion for the post of Nursing Superintendent.

(Article 16 lays down that in employment under the State, there should be no discrimination on the ground of sex only).

The defence of the Government was that the duties of a Nursing Superintendent were peculiar to women and, therefore, could be discharged efficiently only by women.

Pointing out that men were still being recruited to the Nursing Profession, in the Andhra Pradesh State, the court took note of the fact that there was no distinction between men and women in the matter of recruitment into the Nursing service or their emoluments etc.

(The HINDU 30 April 1968).

Reservation of Seats for Backward Classes in
Andhra Pradesh Medical Colleges held Invalid:
Judgement of Supreme Court

The Supreme Court upheld on 27 March 1968 the judgement of the Andhra Pradesh High Court declaring unconstitutional the orders of the State Government reserving 20% of the seats in medical colleges for candidates of the backward classes.

Dismissing the appeal by the State against P. Sagar on Wednesday Mr. Justice Shah said that the test of the validity of a law alleged to infringe a fundamental right did not lie in the belief of the maker of the law that it was made properly but in the demonstration by evidence and argument before the courts that the guaranteed right was not infringed. In this the material on record did not establish that the criteria adopted for reservation of seats complied with constitutional requirements.

Andhra Pradesh has six medical colleges and the State Government issued two orders on June 15, 1966 reserving the seats for these courses partly for certain categories of persons and a further 20 per cent. for members of the backward classes. It also prepared a list of the backward classes for whom this reservation was designed.

The respondent challenged these reservations in the High Court on the ground that they infringed the fundamental right which guaranteed that the State shall not discriminate against any citizen only on the ground of religion, race, caste, sex or place of birth. The High Court held that the list of backward classes prepared by the State was based on caste and hence offended Article 15 of the Constitution and was ultra vires.

It was argued in the appeal to the Supreme Court that Article 15(4) empowered the State to make laws for the advancement of any socially and educationally backward classes of citizens. In preparing the list of backward classes caste was only one factor and the expert knowledge of the Director of Social Welfare and the Law

Secretary was the basis of the classification. The lists were therefore, within the exception of Article 15(4) and valid.

Dealing with this argument, Mr. Justice Shah said that the criteria for determining a backward class for the purpose of Article (15)4 of the Constitution could not be based solely on religion race, caste, sex or place of birth. The validity of the present law had to be determined by the court on the basis of the material placed before it and it was not sufficient for the Government to assert that it was made after full consideration. Their Lordships found no reason to differ from the view taken by the High Court that the reservation for the backward classes were invalid.

(The STATESMAN, 28 March 1968)

67. Conciliation and Arbitration

India - March-April 1968

Annual Conference of Indian Institute of
Personnel Management held at Calcutta,
2 March 1968.

The annual conference of Indian Institute of Personnel Management was held at Calcutta on 2 March 1968. The conference was inaugurated by Mr. V.V. Giri, Vice-President of India and attended, among others by labour officers or personnel managers drawn from different parts of India.

Inaugural Speech.- In his inaugural address Mr. V.V. Giri, Vice-President of India explained single union formula. According to Mr. Giri's formula the Chief Labour Commissioner at the national level should scrutinize the membership of various unions and cause an election to be held on the basis of the principle of proportional representation by single transferable vote. This body should be able to negotiate with the employers "usefully and on equal terms" on fundamental issues like conditions of service, hours of work and rationalization.

The same process should be followed at the State level too, with the Labour Commissioners doing the job. This Mr. Giri thought will give employers confidence in the "capacity of the new body to deliver the goods" and recognize it without hesitation or reluctance. If this organisation acted in a constitutional and democratic manner, "a time may come when workers will realize the efficacy of a single organization and gradually the unions will emerge together."

In Mr. Giri's view "appropriate labour policy appears essential" to secure workers' co-operation for higher productivity. His prescription, mainly meant for employers, had seven points. These included an all-round determination to co-operate; strengthening of trade union organization; a move to-wards fair wages; an assurance that gains of higher productivity would be shared with workers; and consultation with workers in personnel policy.

The Institutes president, Mr. S. Nageswaran was extremely critical of the "Government's interference" in industrial disputes. In his view instead of imposing a disincentive to industry in all forms of collective bargaining the Government should legislate for recognition of the majority union. He preferred plebiscite to verification of membership as a method of recognition. But whatever the method he added an independent quasi-judicial body should be entrusted with its execution.

The group or syndicate (to use the conference terminology) on the "changing pattern of industrial relations" felt that collective bargaining and compulsory adjudication or voluntary arbitration were not mutually exclusive and could be used to strengthen and supplement each other. And then, it went on to suggest that only after convincing himself that all collective bargaining possibilities had been exhausted by the parties in a dispute, an officer should refer the issue for adjudication.

The syndicate on "Evaluation of the working of wage boards" said that since wage boards "as at present conceived and constituted have not produced the desired results", it was better to rely on collective bargaining for settling wage disputes; and points which were not settled through direct negotiations should be referred to mutually agreed arbitrators and not to compulsory adjudication.

Though there was much emphasis on collective bargaining, the discussions either by the syndicate or at the plenary session did not throw much light on the methods of selection of the bargaining agent. One syndicate thought it desirable that the principles of recognition should be clearly enunciated. But then it went on to merely record in the report: "The principle of recognising unions by ballot as distinct from recognition by verification of membership was examined. There were obviously strengths and weaknesses in both and there was no specific conclusion about the need to change the existing procedure".

(The STATESMAN, 3 & 6 March 1968.)

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES OF WORKERS

INDIA - MARCH-APRIL 1968.

71. Employees and Salaried Intellectual Workers

Higher DA for Indian Airlines Pilots Recommended by National Industrial Tribunal

The National Industrial Tribunal has recommended specified grade of dearness allowance for the pilots of the Indian Airlines Corporation with retrospective effect from 28 January 1966. This directive was given on 6 March 1968 by Mr. Veereswar Tyagi who had been appointed arbitrator to settle the dispute between the IAC and the Indian Commercial Pilots Association.

The DA (within brackets) to be paid to the pilots apart from their other emoluments against the respective pay-scale which would include basic pay plus efficiency bonus and command pay is as follows:

Rs.900 (Rs.205); Rs.950(Rs.211); Rs.975 (Rs.214); Rs.1000 (Rs.217); Rs.1050 (Rs.222); Rs.1100 (Rs.227); Rs.1150 (Rs.232); Rs.1250 (Rs.242); Rs.1350 (Rs.252); Rs.1450 (Rs.262); Rs.1550 (Rs.272); Rs.1650 (Rs.282) Rs.1750 (Rs.292); Rs.1800 (Rs.297); Rs.1850 and above Rs.300).

(The HINDUSTAN TIMES, 7 March 1968)

Salaries of Reserve Bank Employees Raised:
Award by Arbitration

Under the award of the arbitrator, Mr. T.L. Venkatarama Iyer, retired Supreme Court Judge, the Reserve Bank employees belonging to class III and certain categories of class II will get higher emoluments from 1 January 1966.

The award has raised the basic grade starting from Rs.155 to Rs.192-540 and made it applicable to 25 categories of employees. The arbitrator has categorized the employees covered by the award into nine groups, the first group with 25 categories including clerks and coin-note examiners with the revised scale of Rs.192-8-200-10-230-15-290-EB-15-425-20-465-EB 25/3-540 (23 years).

The scales for Group II and Group III begin at Rs.230 and end at Rs.540 or Rs.560. The starting pay of other groups ranges from Rs.275 to Rs.600 at the maximum ranges from Rs.535 to Rs.960.

The provisions of the award relating to scales of pay and special pay, officiating pay, family allowance, dearness allowance, house rent allowance and hill and fuel allowances will have retrospective operation from January 1, 1966. The other provision will take effect from the day the award becomes enforceable.

(The STATESMAN, 13 March 1968)

CHAPTER 8. MANPOWER PROBLEMS

INDIA - MARCH-APRIL 1968

81. Employment Situation

Central Staff Training and Research Institute to be set up in Calcutta with the aid from Federal Republic of Germany

An agreement for the establishment of a Central staff training and research institute at Calcutta with assistance from the Federal Republic of Germany was signed at New Delhi on 26 March 1968.

The Institute will conduct research on a continuous basis to ensure that the standard of training conforms to the most modern techniques. It will evolve syllabi and other teaching devices for technical courses. It will also give advance training in teaching methods to senior officers of training establishments under the Directorate General of Employment and Training.

Of the total cost of Rs.82 lakhs the assistance from the Government of Federal Republic of Germany is estimated to be of the order of Rs.34.50 lakhs. The remaining amount of Rs.47.50 lakhs will be borne by the Government of India.

(The HINDUSTAN TIMES, 28 March 1968,
the AMRITA BAZAR PATRIKA, 18 March 1968)

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3,087 Engineers Unemployed in Delhi
Admission for new entrants to be
Regulated

According to a survey of unemployed engineering personnel conducted by the Directorate of Employment, Training and Technical Education of Delhi Administration, as many as 803 graduates and 2,284 diploma holders in engineering are jobless in Delhi. The number of job-seekers has been increasing steadily every year. There were 277 jobless graduate engineers in December 1964; the figure rose to 504 in 1965 and 550 the next year. Diploma holders have fared a shade worse. The queue was 817-strong in 1964; the next year it lengthened to 1,261 and in 1966 to 2,146.

The problem is likely to get worse in the next couple of years. The effect of the increases in admission capacity made during the third Plan, particularly under the stress of the border conflict with China, are already showing up in out-turn at the diploma level, but the full impact at the degree level has still to materialise.

A reduction in admissions is now accepted as "inescapable". But to avoid ad hoc cuts by States - technical as well as general education are State subjects - it is proposed to set up a full-time highpowered committee to recommend a new policy for admissions in time for the next session in the light of its assessment of future needs.

(The STATESMAN, 26 March 1968)

CHAPTER 9. SOCIAL SECURITY

INDIA - MARCH-APRIL 1968

XI. Provident Fund

Employees' Provident Fund Scheme - Development
Development and Future Plans*

An article on Employees' Provident Fund Scheme - Development and Future Plans, published in March 1968 issue of the Indian Labour Journal briefly describes an outline of the Scheme, the benefits it provides, the manner in which it is administered and the manner in which the funds collected are interested and made available for plan purposes. The Employees' Provident Fund Scheme now covers 110 industries/classes of establishments all over the country and there are plans to extend the Scheme to another 30 industries/classes of establishments within the next year or so. This will bring in the purview of the Scheme practically all defined industries or classes of establishments and there will no longer be any need for drawing a distinction between one type of industry and another for purposes of the Scheme. In fact the present classification has resulted in substantial amount of confusion and administrative inconvenience, both to the establishments as also to the administration. There are several instances where doubt arises whether a particular establishment falls in a particular classified group or not and this has led to several disputes between the establishments and the organisation, which have to be resolved in the court of law. The author of the article suggests that a better alternative at this stage would be to define the scope of the Scheme by reference to the number of persons employed in an establishment irrespective of the type of work they are engaged in. The minimum number for coverage may be reduced to 10 to be ultimately brought down to 5. This will eliminate a large number of disputes on the question of the number of persons employed in a particular unit. In most other countries where statutory provident fund schemes have been established, there is either no minimum employment limit or it is kept at 5 persons.

(The Indian Labour Journal, Vol.IX, No.3, March 1968 pp. 277-284.)

92. Legislation

India - March-April 1968

Recommendations of the Committee on Employees State Insurance Scheme accepted by Government

The Government has accepted 115 of the 164 recommendations of the Committee on Employees State Insurance Scheme either fully or with modifications or in principle. The remaining 49 recommendations are under consideration.

Some of the important recommendations accepted are: Provisional payment upto 75 per cent of permanent disablement benefit, to disabled employees; Time limits for payments for maternity permanent disablement and dependents' benefits may be reduced to 14 days, one month and three months respectively; Appointment of an expert committee to review the schedule pertaining to assessment of loss of earning capacity on permanent disablement. Discretionary powers to medical boards in cases involving schedule and non-schedule injuries; decentralisation of the scheme to ensure that all matters concerning determination of claims for short-term benefits are settled in the local offices; Increase the duration of sickness benefit from 56 days to 91 days and ultimately to 28 weeks.

(The HINDU, 11 March 1968)

Kerala, Mysore and Orissa: Employees' State Insurance Scheme extended to certain areas in the States

^{In} The exercise of the powers conferred under the Employees' State Insurance Act, 1948, the Central Government has appointed 24th day of March 1968 as the date on which the provisions of Chapter IV (except sections 44 and 45 which have already been brought into force) and Chapters V and VI (except sub-section (1) of section 76 and sections 77, 78, 79 and 81 which have already been brought into force) of the said Act shall come into force in the following areas.

Kerala State.- The areas within the revenue villages of Perunad, Kulasekharapuram, Krishnapuram; Thazhava, Thodiyoor, Mynagapally. Thevalakkara, Panmana and Karunagapally in the Karunagappally Taluk in the Quilon District.

The area comprising the revenue village of Thiruvallam in the Trivandrum Taluk in the Trivandrum District.

Mysore State.- Area situated within the Municipal limits of Harihar Town.

Orissa State.- Area comprising the revenue villages Kansbahal, Chungimati, Dholua and Panposh, Police Station Rajgangpur in the District of Sundergarh.

(Notification S.O. 1062, 1063, 1061 and 1064 dated 18 March 1968, the Gazette of India, Part II Sec3, sub-section (ii), 23 March 1968, pp.1634-1635).

Madras and Gujarat: Employees State Insurance Scheme Extended to certain areas in the States

In exercise of the powers conferred under the Employees' State Insurance Act, 1948, the Central Government has appointed the 31st March 1968 as the date on which the provisions of Chapter IV (except sections 44 and 45 which have already been brought into force) and Chapters V and VI (except sub-section (1) of section 76 and sections 77, 78, 79 and 81 which have already been brought into force) of the said Act shall come into force in the following areas:-

Madras State.- The area within the Municipal limits of Koilpatti and the area within the revenue village of Ilappaiurani and Thittankulam and

II. The area within the limits of Inam Maniyatehi Panchayat, in Koilpatti taluk in Tirunelveli district.

The following revenue villages in the Tirunelveli Taluk of the Tirunelveli district:-

- 1. Tiruppanikarisalkulam.
- 2. Kandiaperi
- 3. Vagaikulam; and
- 4. Karuvelankulam.

The revenue village of Uthukuli in Pollachi taluk in Coimbatore district.

G Gujarat State.- (i) Area with Municipal limits of Jamnagar town, Jamnagar Taluk, district Jamnagar.

(ii) Area of Jamnagar town outside the Municipal limits and known as Jamnagar (Sim) of Jamnagar Taluka, district Jamnagar.

(iii) Area of Bedi village of Jamnagar Taluka, district Jamnagar.

(Notifications SØ 1165 dated 18, March 1968
1166 " 19 March 1968
1167 " 23 March 1968
1168 " 26 March 1968, Gazette of India, Part II Sec.3, sub-sec.(ii) 30 March 1968 p.1711).

Kerala and Madras: Employees' State Insurance Act, 1948, extended to certain areas in the States

In exercise of the powers conferred under the Employees State Insurance Act, 1968, the Central Government has appointed the 28th day of April 1968 as the date on which the provisions of Chapter IV (except sections 44 and 45 which have already been brought into force) and Chapters V and VI (except sub-section(1) of section 76 and sections 77, 78, 79 and 81 which have already been brought into force) of the said Act shall come into force in the following areas.

Kerala: The area comprising the revenue village of Sooranad South in Kunnathur Taluk in the Quilon District in the State of Kerala.

Madras: The following revenue villages in Tirumangalam taluk, in Madurai district:-

- (a) Maravankulam;
- (b) Palakkapudupatty;
- (c) Kappalur;

2. The following revenue villages in Madurai taluk, Madurai district:-

- (a) Thoppur; (b) Nilayur; (c) Silaiman
- (d) Puliankulam; (e) Varaganur;
- (f) Iravada Nallur; (g) Vandiyur;
- (h) Mela Madai; (i) Managiri;
- (j) Sathamangalam.

The area comprised within the revenue village of Manaloor, in Manamadurai sub-taluk of Sivaganga taluk, in Ramanathapuram district.

(Notification SO 1480 dated 16 April 1968
SO 1481 dated 20 April 1968,
the Gazette of India, Part II Sec.3 sub-sec.(ii)
dated 27 April 1968, p.2013).

Madras: Employees' State Insurance Scheme
Extended to certain areas in the State

In exercise of the powers conferred under the Employees State Insurance Act, 1948, the Central Government has appointed the 28th day of April, 1968 as the date on which the provisions of Chapter IV (except sections 44 and 45 which have already been brought into force) and Chapter V and VI [except sub-section (1) of section 76 and sections 77, 78, 79 and 81 which have already been brought into force] of the said Act shall come into force in the following areas in the State of Madras, namely:

The area comprised within the limits of the revenue villages of Odapalli Agraharam and Pallipalayam in Tiruchengode taluk, in Salem district.

(Notification SO 1378 dated 4 April 1968 the Gazette of India, Part II Sec.3 sub-sec.(ii) 20 April 1968, p.1878).

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6 May 1968, p.9

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AICC Economic Review, 15 May 1968, p.9.

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p.1292.