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17 JAN 1955

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INTERNATIONAL LABOUR OFFICE
INDIA BRANCH

Industrial and Labour Development in December 1954.

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

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - DECEMBER 1954.

14. Conventions and Recommendations.

India Ratifies International Labour Convention
Concerning Forced Labour (No.29).

The Government of India has ~~xx~~ informed the International Labour Office that it has ratified the International Labour Convention (No.29) concerning forced labour. India's ratification was registered by the Director-General of the International Labour Office on 30 November 1954.

The Convention which was adopted by the International Labour Conference on 28 June 1930 and which came into force on 1 May 1932 requires every member of the Organisation ratifying the Convention to suppress the use of forced or compulsory labour in all its forms within the shortest possible period. Forced or compulsory labour may, however, be used during the transitional period for public purposes and as an exceptional measure, subject to a number of guarantees laid down in the Convention.

With the present ratification the total number of International Conventions in force in India is 19.

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CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

INDIA - DECEMBER 1954.

21. United Nations and Specialised Agencies.

Fourth World Forestry Conference, Dehra Dun,
11-21 December 1954.

The fourth session of the World Forestry Conference was held at Dehra Dun from 11-21 December 1954. The Conference was attended by about 400 delegates of whom the delegates from India numbered 197. The foreign delegations included 50 nations and four International Organisations. The I.L.O. was represented by Mr. V.K.R. Menon, Director of this Office.

The Conference was inaugurated by the President of India.

The programme of the Conference included the following subjects:-

- A. The present status of forest protection and forest management in the world;
- B. Protective functions of the forest;
- C. Productive functions of the forest;
- D. Forest products and utilisation; and
- E. Tropical forestry.

The Congress set up different Committees to deal with the various topics.

Recommendations.- Assistance by the Food and Agricultural Organisation in the dissemination of technical knowledge on torrent control and catchment area management was among the recommendations made by the Congress.

The Congress also recommended preparation of a set of principles of soil and water conservation by F.A.O., convention of a world conference on eucalyptus, U.N. assistance in amelioration of the condition of forest workers and establishment of terminology committees in different countries for the compilation of a multi-lingual dictionary of forestry terms.

Broadly, the subjects dealt with by the Congress related to the protective and productive functions of forests and utilisation of forest products.

Status of workers.- It was revealed during discussion that in over-propulated countries, the wages and the standard of living of forest workers was low, and that improvement in their economic condition could be effected only through higher productivity, which was possible through use of improved implements and rationalisation of techniques. The Congress, therefore, recommended that a study be made for output-schedules of forest labour specially in tropical countries, and of the scope for improvement of tools and techniques used in forest operations; and that training of forest workers in efficient use of tools should be organised more generally.

(The Statesman, 22 December 1954).

Note: A report ~~xxxxx~~ by Mr. Menon on the Congress was sent to Geneva on 29 December 1954 under Minute No. F4(c)/1849/54.

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28. Employers' Organisations.

India - December 1954.

Role of Private Sector in India's Development:
Mr. Deshmukh's Assurance at Annual General
Meeting of the Associated Chamber of Commerce,
Calcutta, 13 December 1954.

Addressing the annual general meeting of the Associated Chamber of Commerce at Calcutta on 13 December 1954, Mr. C.D. Deshmukh, Union Finance Minister gave the assurance that the Government stood by the policy embodied in its Industrial Policy Resolution of 1948, which gave a definite place to the private sector in the country's economic development.

He, however, cautioned that no policy could remain rigid in this dynamic world. Some shift of emphasis was bound to take place as the country's economy developed, and its needs expanded and one had to take stock of the position from time to time. He added that since the objective was to develop the economy rapidly and the field for expansion was so limitless, it was hardly correct to view any or every extension of the public sector as so much encroachment on the private sector.

The "troubles" of the private sector: Mr. Mackinlay's address. - Mr. G.M. Mackinlay, President of the Associated Chamber of Commerce, in the course of his ~~xxx~~ presidential address said that the economy of the country on the whole was buoyant. "There are sound hopes for the future. There is great scope for development, great need for industrialisation, great goodwill from overseas and an improving name and an increasing participation in international markets.

"The national income rises - slowly, as it must; industrial and agricultural production has gone up by 33 per cent in the case of industry compared with 1950 and by over 18 per cent in the case of agriculture; the balance of payments position is not on the longterm unsatisfactory; the sterling balances are still substantial; the food position has improved out of all recognition; there has been a reassuring stability of prices and a remarkable absence of inflationary pressure.

"But what fundamentally worries us all - and I am speaking here of commerce and industry as a whole - is the increasingly apparent trend of the Government policy towards a too rapid degree of socialisation of the State which is tending to suppress and curtail the activities of the private sector and to create an undercurrent of unseasoned and vague distrust of it". The complete "welfare State" cannot be imposed upon an economy insufficiently developed to sustain it, and over-anxiety to achieve it at too rapid a pace would only do untold harm, he stated.

"Our troubles", Mr. Mackinlay said, "are in essence psychological. A little more confidence in us and a little trust would cure our malaise quicker than any legislative nostrums".

There were in course of preparation at the moment, he said, a number of far-reaching ~~affair~~ ~~taxation~~ measures the final decision on which would vitally affect the private sector. These included the Companies' Bill, the proposed amendments to Article 31 of the Constitution, the implementation of the as yet unannounced recommendations of the Taxation Enquiry Commission, fresh amendments to the Industrial Disputes Act and the Government of India resolution on industrial policy in which certain revisions were contemplated. He thought that it was natural that "private enterprise should be hesitant, even bewildered before this forbidding array of legislative and policy changes so vital to its future and its very ~~existence~~ existence".

As regards the proposal for revision of the Companies Act, Mr. Mackinlay said that the structure recommended to the Company Law Committee and incorporated in the Bill was so composite a whole that rejection of any of its main component parts would endanger and vitiate its whole effectiveness. This was particularly so in the case of the managing agency provision of the Bill, any material departure from which would create such a void in the closely related field of company investment and company finance, that the whole economy and future development of the country would suffer a grievous setback.

There was in fact nothing to take its place in the absence of an integrated capital market with issue houses, underwriting firms, holding companies, investment trusts and the like, which in other countries provided the main channel through which private investment was made. Services of this nature would take many years to develop. In these and other respects, Mr. Mackinlay emphasised, the managing agency system had still a vital role to fill in the progressive rise of India's industrial power and in the general interest it would do its utmost to operate effectively within the safeguards of the Bill as it now stood. In the established industries too, on which the country's export trades and her balance of payment position were so dependent and in which goodwill laboriously built up, was such a vital factor, any radical changes in the present system of direction would not only have a harmful effect on overseas markets but would deal a serious blow to the confidence of the vast number of India's small investors who comprised the great majority of shareholders in their managed companies. Until the Companies' Bill substantially in its present form was passed by the legislature, anxiety and hesitancy must continue.

Citing as the second cause of the private sector's anxiety Government's intention to amend Article 31 of the Constitution (which guaranteed to the owner of property compensation in the event of the property being taken over by Government ~~and~~ for public purposes), Mr. Mackinlay said they fully appreciated the reasons which has prompted Government to consider protecting the interests of the public at large and their recent frustration in the law courts, but private enterprise viewed with great concern a proposal which sought to vest in Government, including all the State Governments, the right to deprive individuals, and firms of their property and rights on what might amount to the most nominal of compensation and concerning the fairness of which they would have no recourse to the courts on the ground that Government's action offended against their rights under the Constitution.

The third cause of anxiety was the burden of taxation which at the level of the traditional investing classes (particularly the salary-earner) was stifling incentive to save and to invest.

"When the Second Five-Year Plan is being thought of and is said to have as its main objective the more rapid industrialisation of the country, the point I wish to make now is that development, whether in the public or the private sector, ultimately gains its stimulus from that margin of the reward for hard work, inventiveness and enterprise which is left to the individual for investment in Government securities or in private venture. In this, its best sense, the "profit-motive" cannot lightly be disregarded at a time when India stands in need of capital both indigenous and foreign, when there is too little to go round

and when other countries are competing for it", Mr. Mackinlay said.

Labour Relations.- In the field of labour relations, Mr. Mackinlay said, there were signs of an earnestness of purpose to resolve differences between employers and employees through mutual consultation. There had been signs, on the other hand, that tribunal interpretations of Acts were merely serving to discourage progressive employers. Mr. Mackinlay also mentioned that the employers were "still up against the two 'intactable' problems of bonus payments and the modernisation of plant and machinery necessary to keep some of their major employing industries in existence against competition".

Mr. Deshmukh's address: Bright economic picture.- Mr. Deshmukh, in the course of his address, agreed with the President's remarks about the "buoyant picture" of India's economy. He said: "We are passing through an important transition in our economic development. We are moving steadily into a new era, an era of progressive, well-ordered growth, with widening of opportunities for the people to participate in the development of the country. This reorientation is in its initial stages. There are some who think - and not without justification - that this reorientation is proceeding too slowly. There are others who are apprehensive that in trying to go forward, sufficient attention may not be paid to the need for stability and ~~organizational~~ orderliness in development. The problem is to find a golden mean; and this implies readiness on the part of all concerned to adjust themselves to the facts of experience..... Our economy today shows obvious signs of strength and stability, and I think there is little doubt that in this matter of development planning, we are set on the right road.

"There are, perhaps, a few 'shadows' in the picture. They are bound to be when one considers the large canvas on which the picture is being painted. But I doubt if it is correct to say that the shadows are more prominent than the highlights. My own assessment is that while some shadows exist, the highlights provide the undertone for sober confidence".

Objectives of planning.- Restating, in this context, the objectives of India's planning and the methods to be employed in implementing them, the Finance Minister said: "We want to double our per capita income in about a generation. We want to eliminate unemployment within, ~~say~~ say, ten years, and we must make a sizeable impression on the problem in the next five years. We want, at the same time, to move in the direction of a more even distribution of incomes, of wealth and of economic power. These are our basic aims - I believe they will find wide acceptance - and we want to achieve them through democratic means".

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Referring to the problem of unemployment, Mr. Deshmukh said that he considered unemployment a major problem in India's economy. "The first plan has increased employment opportunities, but we are still in a situation in which while employment is increasing, unemployment is increasing too. In other words, new jobs are not being created at a rate sufficient to absorb the annual increases in labour force. The only solution to this problem is more ~~xxx~~ capital formation and judicious choice of our investment pattern.

"How is the rate of investment to be increased? The answer, in the ultimate analysis, is larger sacrifices in the present and harder work all-round. To some extent, we can rely on friendly external assistance, and judging from past trends and enlightened opinion in countries abroad, I have no doubt that if we do our part well, external resources will be available to us in a reasonable measure. The task for us is to concentrate on effective mobilisation of our own resources".

Public and private sectors.— Mr. Deshmukh stated that on present expectations and estimates, the Second Plan will have to provide for considerably larger outlays, both in the public and in the private sectors, outlays which may necessitate investment of the order of ten to twelve per cent of the national income annually. This could be achieved only through larger public as well as private savings. For an effort on this scale, close and unstinting co-operation between the public and private sectors is necessary. This was stated in the first plan report, and it remained the policy of the Government. "To secure and maximise this co-operation I would myself strongly deprecate this constant antithesis between the private and public sector as if these interests were separate and the two must function in opposition. I would rather stress the co-operative role of the two.

"The broad line of demarcation between the two has been laid down in the industrial policy resolution of 1948. The Government stand by the policy embodied in that resolution which gives a definite place to the private sector in the country's development.

"I suggest that nothing that has since occurred has altered that basic position; but I think, you will admit, as people handling the day-to-day affairs of the world, that no policy can remain rigid in this dynamic world and that some shift of emphasis is bound to take place as the country's economy develops, and its needs expand, and one has to take stock of the position from time to time.

"It is a truism that in a underdeveloped economy like ours massive sums for large-scale industry are unlikely to be raised by the ~~re~~ private sector rapidly enough or in a manner not involving undesirable social consequences, so that inevitably the public sector may have to take on that kind of development from its own resources". He added: "Obviously, development cannot be allowed to wait till the private sector is in a position to shoulder such a burden. I do not see why the simple proposition that the State, in the public interest, may have to take over for development certain types of industry which may well be ~~as~~ beyond the scope of the private sector, should be construed as involving any reflection upon the private sector or as creating anxieties for it. It is merely the realistic acceptance of a state of affairs which cannot be allowed to continue and thereby retard development. This does not, of course, mean that the private sector will not have ample scope for full play for its resources and enterprise. Where the objective is to develop the economy rapidly, it is hardly correct to view any or every extension of the public sector as so much encroachment on the private sector. Even in the case of industries reserved for the State, there is no reason why private capital or assistance from abroad should not find a place.

"If one looks at the problem dispassionately, I am sure it will be generally agreed that there is still great scope for private enterprise in this country. In the coming years, I feel, if the progress of development is maintained as it ought to, there will be more for the private sector to do than it easily can, and it will be necessary for the Government through appropriate institutions, like the Industrial Development Corporation and the Industrial Finance and Development Corporation or in other ways to assist the private sectors. There is, therefore, little room for hesitancy or ~~more~~ uncertainty. There is, perhaps, a certain amount of adjustment - psychological adjustment if you like - called for on both sides, but about the need for a fruitful partnership between the public and the private sectors, in the interests of the common goal of higher living standards all round, there can be no doubt".

Taxation burden.- Mr. Deshmukh said "the burden of taxation had to be related to the dynamic picture which we have in mind - that of rising incomes and rising expenditures, coupled with rising productivity, both in the public and private sectors".

Revision of Companies Act.- Referring to the ~~Companies Bill~~ Companies Bill, Mr. Deshmukh said; "I do not myself think that these proposals, even if they are finally accepted in their present form, will spell such grave disaster on the private sector as is now prophesied in some quarters. You are, however, entitled to demand that if the Government

were to be clothed with these additional powers, they should be exercised with due circumspection and due regard to the legitimate interests of all those who are likely to be affected by them. On this score, I would assure you that ~~with~~ it will be the Government's constant endeavour to make use of their powers only when they must, and only in the long-term interests of trade and industry in this country. It is my hope that it may be possible at the appropriate stage to associate representatives of the business community and others who are closely connected with the working of companies in the private sector with the administration of the Companies Act, so that there may be increasing awareness of each other's responsibilities and limitation".

Right to property.— Making a reference to the President's ~~remarks~~ remarks on the proposed amendment to Article 31 of the Constitution the Finance Minister said that one had to look at the picture as a whole and not take an alarmist view of the position just because it was proposed to ~~make~~ make an amendment. In any case, there was no ground for the fear that the owners' right to compensation in case of acquisition of his property by the Government will be whittled down. "We stand by the principle of fair compensation for the acquisition of private property for public purpose. But recent decisions of the Supreme Court, I am told, equate every curtailment of property right by authority of law with the compulsory acquisition of a property right for which the law has to provide and the State has to pay compensation. I doubt if the Constitution-makers in enacting Article 31 intended to set so much store by private property. And, in any case, this view of the ~~Constitution~~ Constitution makes it impossible to undertake necessary regulatory legislation, lest some right to property should be infringed".

Labour relations.— As regards labour relations, he said: "You have complained about certain employers having been required to pay gratuity in addition to retrenchment compensation. I am not aware of the particular cases you had in mind. There is, however, a certain distinction between the two, gratuity being in the nature of a retirement benefit, which should be conserved for the old age of the employee, while retrenchment compensation is an assistance to the employee to tide over the inevitable period of unemployment. Since retirement benefits have not been regulated by statute, the question whether the payment of gratuity is necessary in a particular case has to be left to be settled between the parties and, if necessary, by eventual resort to tribunals.

"You have also mentioned that conventionally accepted retiring ages are not recognised. I think the difficulty arises on account of the necessity for ensuring that retrenchment is not resorted to

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under the ~~guise~~ guise of retirement of a workman on reaching the age of superannuation. The proposed provision in Law already provides that if there is any existing contract of employment containing any particular stipulation regarding the retirement age, such retirement would not amount to retrenchment and there is no requirement that the stipulation should be in writing. All that is intended is to prevent employers from changing the stipulated retirement ages solely with a view to evading payment of retrenchment compensation. If the contract of employment does not already contain a stipulation in that behalf, there is nothing to prevent employers from ~~xx~~ making such a stipulation just as they would change any other contract of employment.

"You also mentioned that you called the intractable problem of bonus and modernisation. I need not say anything about the first as there are now fairly well regulated standards laid down by the Appellate Tribunal and there is no immediate proposal for legislation in this respect. On the subject of modernisation of plant and machinery, there is, I think, no disagreement between Government and Industry on the necessity of undertaking it where the circumstances make such a course unavoidable. The only difference is one of approach and ~~emphasis~~ emphasis. What Government desires in the interest of both the employers and the employees is that the Industry should "expand and rationalise" rather than "Rationalise and retrench" and that capital and labour should co-operate in evolving schemes for modernisation".

Resolutions.— The meeting adopted a resolution emphasising the need for greater security and encouragement to the development by the private sector of the country's commercial and industrial economy to implement successfully the current and future Five Year Plans.

In a resolution on taxation the Chambers stressed the need for positive incentives to work, save and invest by alleviating the burden of direct, and spreading the incidence of indirect taxation. A permanent and adequate solution of outstanding sales tax problems and greater moderation and gradualness in the imposition and enhancement of excise duties were also urged.

The resolution on the Industrial Disputes Act invited the attention of the Government to the "heavy burden" placed upon employers by the provisions of the Industrial Disputes Act, 1947, as they now stood, governing the payment of retrenchment compensation. The Association urged the Government to ~~xxxx~~ amend the Act in such a manner as to prescribe a limit to the amount payable to a workman as retrenchment compensation.

In a resolution on decasualisation of dock labour, the Association requested the Government to examine the position at each port in order to introduce "such measures as may be necessary to ensure that costs are kept at a reasonable level and that a satisfactory standard of work and discipline is maintained".

Other resolutions related to road transport, the electricity supply industry and import trade.

(The Amrita Bazar Patrika, 14 December 1954).

Annual General Meeting of Employers' Federation of India, Calcutta, 15 December 1954: President's Address.

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The annual general meeting of the Employers' Federation of India was held at Calcutta on 15 December 1954. Mr. Homy Mody, President of the Federation presided.

Presidential address: Problem of rationalisation should be approached in a spirit of reason.- In the course of his presidential address, Mr. Homy Mody regretted that the attitude taken up by labour unions towards the problem of rationalisation had been very unhelpful. Their attitude would seem to be that, if new and better types of machinery were to be installed, there should be no retrenchment of labour; and if any benefits accrue, they should go largely to the workers. What sort of rationalisation this would mean, he asked. "If the present state of unemployment is the reason for resisting rationalisation, it is a safe guess that, as far ahead as one can see, there can be no possibility of introduction and promoting the competitive capacity of Indian industry". He felt that from every point of view this was a deplorably short-sighted attitude particularly because of the fact that all over the world, partly as a result of destruction of plants and machinery and partly due to continuing advances in technique, large-scale modernisation had taken place and better and cheaper goods were being produced. He held that rationalisation had been found in other countries to develop employment opportunities.

Managing Agency system:- Mr. Mody was against introduction of any restrictive provisions and drastic changes in the system of company management as proposed under the Company Law Amendment Bill. He was referring particularly to the managing agency system which according to him had a great contribution to make towards the carrying out of the past programme of development that lay ahead. "It is rooted in the capital structure of the country; ~~part~~ apart from banks and insurance companies, at least three-fourths of the total capital invested in joint-stock companies in India belonged to the category of companies administered by managing ~~agencies~~ agents". He hoped that Government, and legislature would desist from doing anything which might cripple the capacity of the private sector to fill the important role envisaged for in the Second Five-Year Plan and which was likely to assume increasing importance in the future development of the resources of the country.

Industrial relations.- Coming to the question of industrial relations, Mr. Mody said that the year under review was comparatively quiet and there were no substantial stoppages of work. But the "go-slow" tactics were still being resorted to, against which the employers had yet no effective and speedy remedy. While expressing his anxiety to do all "we can to promote healthy relations with our workers", he felt that Section 33 of the Industrial Disputes Act had rendered it very difficult for them to maintain discipline in the works. A measure of agreement had been reached on the subject at recent meeting of the Joint Consultative Board and when it was implemented the situation ~~xxxxxx~~ might improve further.

Mr. Mody advised the business classes, "traditionally conservative in their outlook", to change with the times and shed many of their preconceived notions, while doing what they could to resist the more extreme forms of political and economic thinking. India had undergone many changes in the few years that had elapsed since her independence was achieved. The business community had a great contribution to make to the development of the resources of the land, and to the extent to which they were able to advance the interests of the country and promote the well-being of the mass of the people, they would have justified their claim to an important place in the economic life of the country. He urged upon the employers to be constantly progressive in their outlook, while determined to defend what they considered to be their legitimate rights. He also felt that business classes whatever category they might belong to should stand united on every fundamental issue and should strike a common line of approach and speak with one voice.

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Workers' welfare.- In conclusion Mr. Mody observed that while there was cause for despondance over much that "has been happening in the field of industrial relations in recent years, the future was not without hope. In many large-scale organisations a great deal of attention was being paid to personnel management and industrial relations and several schemes had been projected for promoting the health, safety, comfort, and general well-being of workers, within and outside the factory".

(Amrita Bazar Patrika, 16 December, 1954).

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CHAPTER 3. ECONOMIC QUESTIONS.

INDIA - DECEMBER 1954.

33. Full Employment Policy.

Uttar Pradesh: Central Government Grants
126.7 Million Rupees for Unemployment Relief.

The Government of India has sanctioned schemes costing 126.7 million rupees for unemployment relief in the State of Uttar Pradesh, according to a statement made by Mr. Muzaffar Hussain, Deputy Minister in the State Assembly on 3 December 1954.

Some of the approved schemes are: Irrigation (26.4 million rupees loan); Power (23.5 million rupees loan); Municipal Department (48.3 million rupees loan); Industries (2 million ~~rupees~~ rupees as grant); Education (1.49 million rupees grant); P.W.D. (250,000 rupees grant); and Rehabilitation Department (500,000 rupees as loan and 1.5 million rupees as grant).

(The Hindustan Times, 5 December 1954).

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34. Economic Planning, Control and Development.

India - December 1954.

Lok Sabha approves Government's Economic Policy and Socialistic Pattern of Society: 12 Million New Jobs by 1961: Finance Minister's Announcement: Imperial Bank to be Nationalised.

The Lok Sabha debated on 20 and 21 December 1954, the Government of India's economic policy and adopted a resolution approving it and declaring a Socialistic pattern of society as the objective of that economic policy.

The resolution stated: "This House having considered the economic situation in India and the policy of the Government, relation thereto, is of the opinion that -

(i) the policy of Government is in harmony with the policy statement of the 6th April 1948;

(ii) the objective of our economic policy should be a socialistic pattern of society; and

(iii) towards this end the tempo of economic activity in general and industrial development in particular should be stepped up to the maximum possible extent".

Finance Minister's address: Aims of economic policy. - Mr. C.D. Deshmukh, initiating the debate stressed that subject to the broad objectives laid down in the Constitution of the country as Directive Principles of State Policy, the enunciation of economic policy had necessarily to be determined by practical considerations and not by any doctrinaire approach. The days of laissez faire were past. However, in an expanding economy, the opportunities for investment must in the aggregate keep growing. It was not correct to assume that any expansion of one sector was necessarily an invasion of the other or a contraction

of its opportunities. "To my mind", the Finance Minister added, "there is no basic incompatibility between the public sector and the private sector".

The long-term objectives of economic policy in any modern State, he continued, were an increase in national income, stable levels of employment, provision of certain minimum standards of services to all in the matter of education, health and housing and economic and social justice. These provided the long-range horizon which the planning authority had constantly to keep in view. But there were also short-term objectives which varied with circumstances and, what was more important, there was often a measure of conflict between short-term and long-term objectives. Therefore, Mr. Deshmukh said, granted that the long-term objectives were met, the accent of the policy must shift from time to time between one objective and another in the light of short-term situations.

Five-Year Plan.- Mr. Deshmukh said that considerations of this character were taken fully into account, when the first Five Year Plan was formulated. The improvement in the economy that had taken place since the first Five Year Plan was formulated was apt to make one forget under what limitations the first start had to be made. If there was impatience now, that was a measure of the confidence that had been gained and of the realisation that the country could go ahead much faster.

From the progress report, the Finance Minister said, the House was aware that the rate of public spending had been below expectations. In the first three years only about 40 per cent of the expenditure proposed over the five-year period was incurred. To some extent the low rate of spending in the earlier period was due to the difficulty of gearing an ordinary administration to the needs of a welfare State. Then the bigger projects took some time to get under way and considering the inflationary situation at the start of the Plan, the Government had to proceed with caution. The situation had now altered completely, he added.

It was too early yet to say, he continued, whether the Plan expenditure, this year would come up to the high level envisaged. But every effort was being made to see that no scheme, which was worth while and had been properly worked out, lagged behind for want of finance or on account of procedural delays. Central assistance up to the limit defined in the Plan was being sanctioned for States and the Planning Commission was prepared to agree, and had in fact approved, new Centrally assisted schemes for States which were in a position to carry them through. Some of them were specifically aimed at alleviating the

unemployment situation. In fact considering this situation and the current indices of money supply and the prices, production and balance of payments figures, he would welcome an increase in public spending.

Private sector.- Mr. Deshmukh said that the private sector had also made substantial progress, although as in the public sphere, much perhaps could have been done. Referring to industrial policy, Mr. Deshmukh read out the Industrial Policy Resolution of 1948 and said the Government stood by it. Nothing that had happened since it was laid down indicated any need to change it, although there might be shifts of emphasis from time to time.

A high rate of capital formation in an under-developed economy could not be sustained without some structural changes becoming necessary. The experience in other countries which had secured rapid development was that the instruments of public ownership and control in respect of certain strategic sectors was necessary besides the usual techniques of taxation and borrowing if the process of ploughing back the increases in national output was to be accelerated.

In a democratic country it was, of course, necessary to avoid excessive centralisation and to develop on co-operative lines. Even so, the public sector had to take on increasing responsibilities. In other words, the "mixed economy" was one in which the relative proportion of the mixture could ~~and~~ remain unchanged. The rate at which they changed or the lines on which the State undertook new responsibilities was a matter to be decided upon by careful weighing of all the facts of the case.

In the first Five Year Plan investment in public sector was placed at 17,000 Million rupees to 18,000 million rupees, as against a development outlay of about 20,690 million rupees. Investment of the private sector was estimated at about 18,000 million rupees. This 50-50 ratio roughly involved a relatively more rapid rate of growth in the public than in the private sector. Further, the investments in the public sector, judged in terms of their economic and social importance were of truly strategic significance.

As regards the performance of the private sector, it was not possible to give all the details but it was not correct to say that the private sector, as represented by organised industry, had failed to respond. In the first two years of the Plan the investment on expansion of the private industrial sector was estimated at 530 million rupees and in the third year 440 million rupees. In the current year it was expected to go up to 630 million rupees. If investment in the fifth year went up to 750 million rupees or so, then the target for expansion would have been realised.

Full employment, main ideal.- The Finance Minister said that the progress achieved, however, did not give room for any complacency. In spite of all that had been achieved, the problem of unemployment still remained. The problem ~~of~~ could not be tackled successfully without a significant increase in the rate of investment.

"The Central objective of our economic policy from now on", said Mr. Deshmukh, "must be to create full employment conditions within a measurable period, say 10 years from now. This is by no means an over-ambitious goal. It is perhaps the minimum we ought to strive for. In achieving this, there is ample scope for expansion both in the public and private sectors.

"This means that we have to create at least 2 million new jobs, if not more, every year. These jobs must obviously be created in the non-agricultural sector".

The Planning Commission, said Mr. Deshmukh, had initiated various surveys of employment. From the results of two or three, it appeared that in some of the urban areas, 8 per cent to 10 per cent of the employable population needed to be drawn into productive employment. One could not, of course, generalise from these figures and it was difficult to assess what proportion of the agricultural population could really be regarded as available for employment in other occupations.

On a very rough guess, some ~~in~~ 15 million people out of a total working force of about 150 million might be regarded as available for absorption in new lines. In other words, to the increase of 9 million or so that were expected in the employable population as a result of the normal growth, one should add these 15 million for whom fresh jobs must be found. That meant the creation of some 24 million jobs to achieve the target of full employment. "Even if we set ourselves the target of, say, 12 million jobs to be created by the end of the second Plan period, spreading the whole process over 10 years, the investment required for the purpose will be substantial".

The average income per head in the non-agricultural sector was 1,000 rupees a year. Obviously, one must provide at least that level of average income for the new jobs created. For employing 2.4 million people per year on this basis an increase of 2400 million rupees in the national income every year is needed, on the assumption of a capital - output ratio of 2 1/2 to 1. This means an annual investment of 6,000 million rupees are required. Besides considerable investment in agriculture also would be necessary to sustain this increase in the non-agricultural sector, for which, on a rough and ready basis, an investment of 4,500 million rupees may be required. "Therefore, "the total investment in the economy would have to be of the order of 10,000 million rupees a year if we have to create 12 million new jobs within the next five years". In other words, the aggregate of investment for the five years would perhaps be between 50,000 million rupees and 60,000 ~~xxxxxx~~ million rupees as compared to the first Plan's target of 35,000 million rupees in the public and private sectors. An investment of 10,000 million rupees a year meant 10 per cent of the national income.

In future plans special attention would have to be paid to small-scale industries, bearing in mind "our paucity of capital or our abundance of manpower".

Foreign investments.- Dealing with foreign investments, Mr. Deshmukh said in 1948 foreign investment in manufacture, trade, utilities, transport, mining, financial and miscellaneous, was estimated at 3,200 million rupees. Since then there had been some inflow and some ~~xxxxxx~~ outflow. Repatriation of capital between 1948 and 1953 had been estimated at roughly 1,000 million rupees. As against this, not only had there been fresh investments by foreigners but there had been considerable ploughing back of profits. Remittances abroad by way of profits, interest and dividends had been around 300 million rupees a year for the last five years. It was to be ~~æ~~ expected that the rebate given on undistributed profits and the increasing strength and stability which the Indian economy had been showing were encouraging foreign investors to plough back a significant proportion of the profits for further investment in India.

It was necessary in view of the country's large needs in the years to come to maintain conditions in which external assistance - he did not mean aid - would continue to become available.

In the first three years of the Plan the assistance available to the public sector was 2,340 million rupees, of which 1,320 million rupees was utilised. This was made available by the U.S. Government, by the International Bank, the Colombo Plan countries, the Government of Norway and the Ford Foundation. External investment in the private sector had also been coming forward as in the case of oil refineries. He had recently been to the USA, Canada and Europe and "I have good reason to hope that in the years to come external assistance will be available to us at least on the scale on which it has been forthcoming so far for the next Plan. We shall, of course, maximize our own resources, but considering our large and increasing needs, it is obvious that any foreign assistance will be marginally a welcome supplement to the effort we put in on our own".

Extension of banking facilities.- Mr. Deshmukh referred to the Reserve Bank's survey of Rural Credit and said one of its major recommendations concerned the setting up of a commercial banking institution by the State with branches all over the country. The Government had accepted this recommendation in principle. The recommendation was for the constitution of a State Bank of India, into which should be fitted, by amalgamation, the Imperial Bank of India and certain other banks which were already in various degrees associated with the State Governments. The policy he had just announced, said Mr. Deshmukh, was a further illustration of the Government's practical approach to economic problems. It was not a doctrinaire approach. It merely sought control of a sector of commercial banking to facilitate the comprehensive development of banking and the expansion of credit facilities to important sectors of the economy, at present not adequately served. The rest of the commercial banks would continue in private hands as at present. They would still have an important role to play in the task of economic development. It had been obvious for sometime that the existing structure was inadequate for the expanding needs of the country and for serving important sectors of the economy.

So far as reduction of inequalities was concerned, Mr. Deshmukh said that the problem was one of balancing of different considerations. While on one hand resources were needed for the public sector, it was also necessary to see that incentives were not dulled beyond a certain point, as thereby, more harm than good might result.

Moreover, anyway, the number of rich is limited and "chopping off the tall poppies is not going to furnish a correct approach to the solution of the problems, while it may cause far more serious adverse repercussions in the economy".

Concluding Mr. Deshmukh said that the country's achievements till now were substantial. There was no ~~asking what they could~~ end to the road to progress because there was no ceiling to what they could do for the development of the country. In the task of nation-building, for which there was plenty of scope for everyone, there was no room for differences, based purely on ideologies and doctrines. The only ideology was the ideology of the motherland and the only doctrine should be one of sacrifice.

Socialistic ideal reiterated: Prime Minister's address.- Intervening in the debate, Mr. Jawaharlal Nehru, Prime Minister, reiterated his faith that the country was progressing towards a classless and casteless society according to the socialistic pattern. Progressively there was bound to be nationalisation of industry but what was important was that they should not be tempted to nationalise everything if such a process led away from more employment and greater production.

Mr. Nehru said that while, he welcomed criticisms, he felt that some of the criticisms levelled by the Opposition had no relation to facts. "If anyone either in this House or elsewhere blames or criticises or ignores what the Indian people have done during the past six years, I say it is not proper, because in spite of the grave and great problems we have had to face, in spite of this Government's deficiencies, and in spite of errors, the Indian people have done a fine job during the past few years. Let that be clear, I am prepared to shout out my pride anywhere in the world."

Making a reference to recent changes in China the Prime Minister said he did not like to criticise other countries and wanted to be friendly with them. He liked many things in China and he did not like some things. But what he was suggesting was that these upheavals were products of history. One did not, in order to reach a goal, organise an upheaval and destruction. He could not ~~accept~~ accept the theory that in order to make progress they must destroy, and increase conflict and bitterness, so that they would have a clean slate to write upon. No country ever had a clean slate, not even after the biggest of revolutions. No one would willingly destroy something which was worth while in order to build something, unless one was forced by circumstances.

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The Prime Minister said he was prepared to compare what had ~~been~~ been done in India during the past few years with any other country. It might be that they had achieved less. He was prepared to admit that but they had also to see the peaceful co-operative method of approach which they had pursued. It might be that they could and should go forward faster in this peaceful co-operative way. But the House must be clear as to whether it accepted this peaceful democratic method or not. Why did they have parliamentary democracy - presumably because they thought that in the long run it produced the best results.

One way of defining their objectives, the Prime Minister said, was to say that they should find progressively fuller employment till they reached full employment. Greater production and better distribution were all part of it.

India, he emphasised, could not compare her problems with countries of the industrialised West because they had generations of growth. They ~~had~~ could not compare India even with Soviet Russia although they might learn some things from her. He was prepared to compare India with Russia seven years after her freedom but not after 40 years. The only country which was comparable was China, in the sense that she had vast population, tremendous unemployment, very low standards of living and undeveloped and under-industrialised economy. India was certainly more industrially developed than China although one could not say what would happen in the future.

Mr. Nehru emphasised that there could not be the slightest complacency, because that would come in the way of the people working hard. He added that there were many difficulties in the way of the country's progress, but something worse than class was caste - class petrified - which was a curse in the country. "We have to fight the menace of caste, not by resolutions, because we are not going to change the caste structure by resolutions. You cannot change the fabric of India, with all its caste divisions and provincial divisions, by some magic wand".

Mr. Nehru declared that taking the background of the country, with all its separatist and provincial tendencies, the Planning Commission had done a "pretty good job" in making the people conscious of the problems and its intricacies and thinking in terms of planning for India as a whole. The Planning Commission, rightly came to the conclusion three years ago that the most important problem was on the agricultural front, though, of course, attention was also being paid to river valley schemes. Unless the country had a strong agricultural basis, other efforts would be bogged. Too much stress on heavy industries had produced difficult problems in other countries. In fact, the cost of rapid

industrialisation had been terrific in some countries. "That cost, I doubt any country will pay deliberately". Mr. Nehru said. "I am certain that no country with any sense of parliamentary democracy can possibly pay it". He was quite sure, that real progress must ultimately depend on industrialisation, which in turn depended on heavy industries. "But if I go in for heavy industries alone, and not think of other factors, it is quite possible that our problems might get much more difficult. In fact, it is quite possible that new problems might grow. We will have to face the problem which China is facing - terrific unemployment. We do not want unemployment; we want more employment". Therefore, Mr. Nehru said, one had to balance them.

Socialistic society. Reiterating that India's ultimate pattern of society was a socialist pattern, Mr. Nehru said the objective of a casteless and classless society could be attained obviously in a socialist pattern. As the socialist pattern grew, there was bound to be more and more nationalised industries, but what ~~is~~ was important was not to attempt to nationalise everything but to increase production and employment.

In order to get the socialist pattern of society, the Prime Minister continued, "we have to break through a certain crust of the structure - call it economic or social structure - which inhibits progress and which prevents the full growth of the energy exercised by the masses of people. I want to release that energy of the people. Therefore, one has to gradually get over a lot of the crust - the feudal crust and the capitalist crust. As a matter of fact, all over the world that process is continuing. Some individuals might talk in distant countries about private enterprise and laissez faire but nobody practically believes in laissez faire. There is regulation and control in regard to imports and exports".

Place of private sector. It was obvious, Mr. Nehru ~~xxx~~ continued, that in an undeveloped country like India, "we cannot progress except by State initiative and except by enlarging the public sector and except also by controlling the private sector in a measure. I cannot go actually into the lines. The lines will be changing because the public sector will be a growing one, but strategic points in the private sector must be controlled by the State. But if you leave something to the private sector, you must give them freedom to function. It is absurd to ~~ask~~ them to function when denying them freedom to function, denying them ~~initiative~~ initiative. Then the whole thing will become a public sector".

"Our policy must be inevitably of raising production by increasing employment as rapidly as possible. In doing that it is essential the public sector should grow as rapidly as possible. I think, in the circumstances in India today, it is quite necessary that the private sector should function under certain broad strategic control. We have to have the public sector and the private sector as a co-ordinating part of the plan. We have to think of the whole business of building India as one large co-operative enterprise, in which every group and every part of India shares. I do not wish to limit the public sector at all in any way. But our resources are limited. It is no good my preventing somebody when I cannot do it myself. That is folly.

The debate.- During the debate Prof. Hiren Mukherjee (Communist - West Bengal) said the fact that 70 per cent of the total expenditure of an average rural household was spent on food indicated the people's poverty. The Five Year Plan had only provided for absorption of some 400,000 men from the villages into industry. This was too low a figure to relieve rural unemployment. He referred to the private sector of industry and said links between Indian and foreign capital were making it more powerful. He was sure they did want a private sector in the country, but the basic conception must be of a very powerful public sector. Unemployment was increasing because private sector was not utilising the installed capacity to the full.

Mr. Tulsi Das Kilachand (Independent, Bombay) said he was glad the Government was proceeding on practical and not on doctrinaire lines in economic policy. In a number of industries, he said, the private sector had already reached or was about to reach the targets fixed in the Five Year Plan. He urged that private sector must be given certain freedom of action. There was no use having this sector and ~~tying it~~ "tying it hand and foot". Referring to the controversy between big and small industries, he said there was enormous scope in India for both to develop.

Mr. Asoka Mehta (PSP - Madhya Pradesh) said the circumstances in which the industrial policy announcement of 1948 was made had changed and the policy should be revised. "Today the Prime Minister has placed before the country two new goals - of a socialist economy and elimination of unemployment within 10 years. Surely the industrial policy of the Government must be in conformity with the new goals enunciated". The Government, he said, had failed to discover "new people with initiative and enterprise" to start industrial undertakings.

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Mr. K.P. Tripathi (Congress, Assam) welcomed the steps taken towards nationalisation of the Imperial Bank and the establishment of finance corporations. It was necessary to balance the purchasing power of the rural sector and the production in the industrial sector, he said. The Government should sponsor a price support programme for helping the small agriculturists.

Mr. T.T. Krishnamachari, who replied to the debate, endorsed the ideal of providing 12 million jobs in the next Plan period in an effort to eliminate unemployment in 10 years.

(The Hindustan Times, 21 and 22 December 1954; Text of the Speech of Shri C.D. Deshmukh, Finance Minister at Lok Sabha on 10 December 1954, on Economic Policy, received in this Office;
Lok Sabha Bulletin - Part I (Brief Record of Proceedings) 21 December 1954, No. 374).

No further Expansion of Jute Textile Industry:
Government Decisions on Enquiry Committee Report.

By a resolution dated 3 December 1954, relating to the Jute Inquiry Commission Report (vide pp.25-30 of the report of this Office for July 1954), the Government of India has decided to accept the recommendation of the Commission that erection of new jute mills should not, as a rule, be permitted because of the high ~~xxx~~ idle capacity in the industry. ~~of~~ The Government of India has also accepted the view of the Commission that the export of raw jute, even as a measure of price support, should not be permitted at present.

Price control.- The resolution says that Government has given careful consideration to these recommendations, and agreed with the view that statutory price control would be undesirable for an industry which sells the bulk of its production in overseas markets, where it has to face growing competition. But it doubts whether the publication by Jute Commissioner of the fair parity price of raw jute will have any tangible effect on prices which, in the absence of control, must be determined by the working of the ordinary market forces.

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Fair price to the grower.- The securing of a fair price, the resolution says, is essentially a long-term problem. It will be possible only by improving the scope of jute production and the competitive strength of the industry. The establishment of a well-regulated futures market, better transport and marketing facilities and similar other measures recommended by the Commission should also prove helpful.

The Government has expressed agreement with the Commission's view that a mere physical increase in the volume of production in areas which are unsuitable or uneconomic is likely to create additional problems rather than help in reducing the shortage of jute. To attain this objective, efforts will have to be made to effect improvement through propaganda, research and demonstration, through the use of manure and improved seeds, through better methods of marketing and improved facilities for transport.

The Commission in its report had recommended that the object of the 'grow more jute' campaign should be a restricted one, namely, the attainment of relative rather than absolute self-sufficiency and the endeavour should be in favour of intensive cultivation and improvement in quality rather than to offer inducement for jute cultivation on a widely dispersed basis.

Expansion of industry.- Agreeing with the Commission's recommendation that erection of new jute mills should not, as a rule, be permitted, the resolutions says, that the object should be to ensure the full utilisation of the existing capacity. "For a considerable time now the industry has been working with 12 1/2 per cent of its looms sealed and with the weekly working hours specially restricted. There has been a recent welcome increase in the working hours and with the generally favourable trends now in evidence, the Government feels that it should be possible for the industry to think in terms of increasing its output and expanding its overseas markets rather than in terms of restricting its output in response to a decline in overseas demand".

Regarding trading and marketing practices, the resolution says that the Forward Markets Commission, which has been established for the purpose of regulating forward trading, is considering the Commission's suggestion that a single well-knit and regulated organisation should be set up for the jute industry.

One of the main defects of the marketing system followed in raw jute and more particularly in jute manufactures is that it has lent itself to a large-scale speculative activity.

The Government also agrees that the many malpractices to which the Commission has drawn attention like the practice of issuing pucca delivery orders in anticipation of production, must be curbed if the reopening of the futures markets is not to have disastrous results once again.

The Government has stated that there is no need at present to set up a jute board to advise it on prices, but it proposes to review the position at a later stage to see whether the creation of an organisation of this kind would be useful and desirable in dealing with many other problems confronting Indian jute. "There may conceivably be occasions when urgent action is necessary to meet a crisis. ~~Thus~~ The Government already has the necessary powers to control the price and distribution of jute goods and suitable measures to have a similar reserve of powers in respect of jute are under contemplation. Should it become necessary for the Government to use any of these powers for fixing statutory prices, the setting up of a jute board on the lines recommended by the Commission might be considered".

A number of other recommendations made by the Commission have been brought to the notice of the State Governments concerned, the resolution adds. These include intensive cultivation and improvement in quality, cautious approach in re-examining the areas under jute cultivation and restriction of cultivation to areas where good retting water is freely available.

The Government has also drawn the attention of the industry to some of the observations and suggestions made by the Commission. These relate, among other things, to the rational utilisation of the storage accommodation in Calcutta, vigorous market research and diversification of patterns of production, raising of working hours to 48 a week as a step in the process of change in working hours, absorption of labour displaced from units which close down in mills working longer hours and the need for the mills themselves to finance rehabilitation and development from their own resources.

(Resolution No. 14(3)-Jute/54, dated 4 December 1954; The Gazette of India, Part I-Section 1, 4 December 1954, pp. 292-293)

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Utilisation of Atomic Energy for Development:
Conference meets at New Delhi.

A conference on the development of atomic energy for peaceful purposes in India was held in New Delhi under the presidentship of Mr. Jawaharlal Nehru, Prime Minister of India, on 26 and 27 November 1954. Besides representatives of the Government of India and the senior staff of the Department of ~~Atom~~ Atomic Energy, the conference was attended by about 50 experts from all parts of India representing different branches of science, engineering and industry. The purpose of the conference was to bring to the fore the scientific, technical and industrial problems which have to be tackled in order to harness atomic energy for peaceful purposes.

Prime Minister's address.- Mr. Nehru inaugurating the conference stated that India was making "fairly good progress" in the development of ~~atomic~~ atomic energy for peaceful purposes and people in other countries had appreciated this. Mr. Nehru said India wanted atomic energy for power generation as power was most important in developing a country's resources. Atomic development ~~was~~ was more important, relatively speaking, for the underdeveloped countries. India was naturally far behind the big Powers. Nevertheless, in Asia, leaving out the Soviet Union, there were few countries which were more advanced in this work than India - in some ways, even including countries outside Asia. That was a fairly solid basis laid for the development of this work.

The Prime Minister recalled that when India's industrial policy was announced in 1948, atomic energy was mentioned in that resolution as the exclusive responsibility of the State. "And that was natural, because we found that no State can allow atomic energy to be developed in a private way - it is much too dangerous. Apart from its possible use for war purpose, in peaceful use also it can be converted into some other use which is dangerous. So that, even six years ago we envisaged the development of atomic energy and stated that this is the exclusive responsibility of the State.

"Of course, apart from the major reason I have mentioned, work on atomic energy is an exceedingly costly ~~affair~~ affair, and only the State can meet that cost. We have this Atomic Energy Department of the Government which is setting up establishments and plants for this purpose. I think we are making fairly good progress, and that people in other countries have appreciated this".

Dr. H.J. Bhabha, Secretary of the Department of Atomic Energy, stated that India had necessarily to follow a different basic pattern than the British atomic energy plan or the plans of other countries for two important reasons. First, India possessed the largest deposits of thorium in the world; some 100,000 tons of thorium in an easily extractable form were found on the beaches of Travancore alone. Recently, monazite sand, rich in thorium, had also been discovered on the East Coast. Thorium could now be converted into a fissionable material. It was, therefore, reasonable to base India's power plans on thorium rather than on uranium of which only low-grade deposits had so far been located. Secondly, the British plan depended on a gaseous diffusion plant which was enormously expensive to instal and to run. India's atomic energy plans were based on uranium in the beginning but would later on run entirely on thorium which would be converted into Uranium 233.

Dr. Bhabha then described some of the technical difficulties which had to be faced and disclosed that for a moderator India would use heavy water. For this purpose it was proposed to set up a fertiliser-cum-heavy water plant in the Bhakra-Nangal area where ample cheap power and an adequate supply of cooling water will be available. The plant will produce some 250,000 tons per annum of fertiliser in the shape of nitro-limestone and about six tons of heavy water per annum. The heavy water will be a free by-product. If it had to be bought from abroad, it would cost 700,000 rupees to 1,000,000 rupees per ton.

Dr. Bhabha also spoke hopefully about the possibility of producing atomic power from fusion instead of fission. The energy produced by fusion at present, as in ~~any~~ an hydrogen bomb, remained uncontrolled.

At the conference papers were read on different aspects of the subject, such as geological survey and prospecting, uranium and thorium extraction and purification, the roles of chemistry and metallurgy in atomic energy, the choice and design, instrumentation, and control of atomic reactors, health protection, and the biological and medical aspects of atomic energy. The talks were followed by a general discussion.

(The Statesman, 22 and 27 November 1954).

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Tea (Second Amendment) Bill, 1954, passed by
Lok Sabha: Measure for Increased Cess on
Tea Exports.

The Lok Sabha adopted on 14 December 1954, the Tea (Second Amendment) Bill, 1954, providing for the enhancement of the tea export cess from two rupees per 100 lbs to four rupees.

The Commerce and Industry Minister, Mr. T. T. Krishnamachari, moving consideration of the Bill, on 24 December 1954, said the existing rate yielded about 8.5 million rupees a year, and it was more or less enough to cover the expenses of the Tea Board and the limited propaganda for tea in the foreign market. Since the passing of the Tea Act last year, the functions of the Tea Board had expanded and it had now to undertake various measures for the all-round development of the tea industry and for securing better working conditions and providing improved amenities to workers.

It has not been possible, the Minister said, to carry out the functions to any considerable extent largely because of the paucity of funds. The intention of the Government was to take up the obligation laid on the Central Tea Board and to chalk out a plan for rendering such aid and facilities to workers as was possible.

Amenities to workers.— Mr. Krishnamachari said the proceeds of the increased cess were not intended purely for the purpose of providing amenities to workers, but they might even be spent on rehabilitating small tea gardens and the development of the tea industry as a whole.

(The Hindustan Times, 15 December 1954;
The Gazette of India, Extraordinary,
Part II, Section 2, dated 24 November
1954, pp. 657-658).

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36. Wages.

India - December 1954.

Minimum Wages in Assam Plantations:
Wage cuts to be restored.

Replying to a question in the Lok Sabha on 13 December 1954, Mr. Abid Ali, Deputy Minister for Labour stated that the Assam Government was contemplating revision of minimum wages of workers of tea gardens in Cachar area with a view to restoring fully the wage cuts resulting from enhancement of the issue price of food grains early in 1953. He explained that the extent of wage cuts varied in different regions except the Assam Valley from two to six annas per day in case of adults and from one and a half to three annas per day in case of minors. In the Assam Valley no cut was imposed in economic gardens. In uneconomic gardens, planters were permitted to supply cereals and at controlled rates instead of the concessional rate of 5 rupees a maund but in view of this, the dearness allowance of workers was raised by two annas per adult and one anna per minor for each working day.

Wage cuts had been fully restored in all gardens excepting those in Cachar which yielded less than seven and a half maunds per acre.

(The Hindustan Times, 14 December, 1954).

Bihar: Minimum Rates of Wages fixed for
Employment in Lac Manufactories, Mica Mines,
Mica Works, Bidi-Making Manufactories, Rice Mills,
Dal Mills, Flour Mills and Oil Mills.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Bihar has fixed the following all-inclusive minimum rates of wages for employment in various industries noted below with effect from the date of publication of the notifications in the Bihar Gazette (17 November 1954).

Lac Manufactories

Locality	Categories of employees.	Minimum rates of wages
District of Santhal Parganas.	(i) Rang Karhiyas or Ghasandars or Majandars.	Rs.0-7-6 for 35 seers of unwashed <u>chauri</u> (seed lac).
	(ii) (Where there is no washing machine) Rang Karhiyas or Ghasandars or Majandars.	Rs.0-4-0 per basket of 20 seers of washed wet seed lac.
	(iii) Kamin (when employed on piece rate).	Re.0-8-0 per maund of clean and finished seed lac.
	(iv) Jhalbhariya.	Rs.1-4-0 per day.
Districts of Manbhum, Singhbhum, Gaya, Hazaribagh and Ranchi.	(i) Ghasandar or Majandar.	Rs.1-4-0 per day.
	(ii) (Where there is no washing machine) Ghasandar or Majandar.	Re.0-4-0 per basket of 20 seers of washed and wet seed lac.
	(iii) Kamin (when employed in piece rate).	Re.0-8-0 per maund of clean and finished seed lac.
	(iv) Jhalbhariya.	Rs.1-4-0 per day.
District of Palamau.	(i) Ghasandar or Majandar.	Re.0-6-6 per basket of 24 seers of washed and dried seed lac.
	(ii) Lathwa or Jhalbhariya.	Rs.1-4-0 per day.
	(iii) Ghoghahins.	Rs.1-0-0 per day.
Whole of the State of Bihar.	1. Darwan.	Rs.40-0-0 per month.
	2. Chowkidar.	Rs.40-0-0 per month.
	3. Engine Driver.	Rs.55-0-0 per month.
	4. Helper of an Engine Driver (Oilman, Cleaners, etc.).	Rs.40-0-0 per month.

(Notification No. W3-10136/54L-16231 dated 1 November 1954)

Mica Mines

Categories of employees.	Minimum rates of wages.
Shift in charge or shift boss.	Rs. 85 per month.
Darwan or Chowkidar.	Rs. 45 per month.
Dak Carrier.	Rs. 40 per month.

(Notification No. W3-10132/54-L-16232 dated 1 November 1954).

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Mica Works

Categories of Employees.

Minimum rates of wages.

Sirdar or Checker.	Rs. 1-12-0 per day.
Carpenter.	Rs. 2- 8-0 per day.
Darwan or Chowkidar.	Rs. 40 per month.
Cleaner.	Rs. 40 per month.
Motor Mechanic and Fitter.	Rs. 75 per month.

(Notification No.W3-10132/54-L-16233 dated 1 November 1954).

Bidi-making Manufactories

Categories of employees.

Minimum rates of wages.

Employees employed in -	
(i) Sekai(drying)excluding Sekai by Tandur furnace and sun's rays.	Rs. 1-8-0 per 100,000 bidis.
(ii) Packing(Basket packing).	Rs. 1-4-0 per 100,000 bidis.
Munshis.	Rs. 60 per month in municipal and notified areas and Rs. 52 per month in rural areas.
Employees employed in processing of tobacco(screening and sieving).	Rs.1-8-0 per day in municipal area and Rs.1-4-0 per day in rural areas.

(Notification No.W3-10173/54-L-16234 dated 1 November 1954)

Rice Mills, Dal Mills, Flour Mills and Oil Mills

Categories of employees.

Minimum rates of wages.

(1) Wireman.		Rs. 60 per month.
(2) Assistant Mistry.		
(3) Tindals.		
(i) Helpers(assisting categories mentioned above in skilled jobs).		Rs. 45 per month.
(ii) Silkman.		
(iii) Shellarman.		
(iv) Washerman.		
(v) Switch Board Attendants.		
(vi) Boilerman.		
(vii) Hammerman.		
(viii) Sealman.		
(ix) Pressman.		
(x) Expellerman(who does Cachua work or Ghani man).		
(xi) Peons.		
(xii) Darwans.		

(Notification No.W3-10133/54-L-16235 dated 1 November 1954).

Bombay: Minimum Rates of Wages fixed for
Employment in Public Motor Transport.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Bombay has fixed the following rates of minimum wages for employees in public motor transport in different zones of the State comprising of specified districts.

Class of employees.	Rates				
	Zone I Rs.	Zone II Rs.	Zone III Rs.	Zone IV Rs.	Zone V Rs.
1. Employees by whatever name called making doing skilled work of the nature done by Drivers, Mechanics, Fitters, Turners, Electricians, Checkers, Supervisors, Tinsmiths, Batterymen, Vulcanisers, Carpenters, Blacksmiths, Welders or Patchers.	95	90	85	80	75
2. Employees by whatever name called doing semi-skilled work of the nature done by Assistants or Junior skilled workers, Conductors, Machinemasters, Fittermates, Greasers, Oilers, Booking Clerks, or Hammerman.	75	70	85 65	60	55
3. Employees by whatever name called doing unskilled work of the nature done by Helpers, Washers, Cleaners, Watchmen, Mazdoors, Sweepers, Peons or other miscellaneous workers.	60	55	50	45	40

(Development Department Notification No. 2443/54 dated 18 November 1954; Bombay Government Gazette, Part IVA, 25 November 1954, pp. 502-503).

Travancore-Cochin: Minimum Rates of Wages
Fixed for Employment in Coir Industry.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Travancore-Cochin has fixed the following rates of wages for employees employed in the manufacture of coir with effect from 1 December 1954.

Minimum piece rates: 1. Head-load transport of raw husks.— Rs. 0-14-0 per thousand. This rate is fixed for any distance equal to one furlong or less. Where the distance is more, the worker will be entitled to claim proportionately higher minimum wages.

2. Counting husks before retting.— Re. 0-7-0 per thousand.

3. Putting husks into pits: (a) Rs. 1-12-0 per thousand husks in ordinary cases.

(b) Rs. 2-0-0 per thousand husks, where additional effort is involved in digging pits (as in places like Gnarakkal in the Cochin Area).

4. Taking the husks out of the pits.— Rs. 1-12-0 per thousand husks.

5. Counting the husks after retting.— Re. 0-7-0 per thousand husks.

6. Bundling.— Re. 0-2-6 per bundle for office quality bundle of one maund. Where the bundling has to be done more artistically, and with greater care as in Rosewall and Choruval, special rates will have to be paid in accordance with the extra effort and time required.

7. Beating Husks.— Rs. 1-2-0 per 100 fully retted husks. (When the husks are not properly retted the worker will be entitled to claim higher wages).

8. Cleaning.— (a) Re. 0-6-0 per ratt or vandi (cart load) for cleaning fibre with the help of machinery.

(b) Re. 0-8-0 per ratt or vandi for cleaning fibre without the help of machinery.

9. Spinning.— Different rates have been fixed for spinning the different varieties of coir yarn. For varieties of yarn not specified in the schedule, such piece rates shall be paid for spinning which will enable an average worker to earn on any working day Rs. 1-12-0 in the case of men workers, Rs. 1-3-0 in the case of women workers and Re. 0-15-0 in the case of adolescents.

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Prosperity allowance.- This allowance is payable only to workers engaged in beating husks, cleaning the fibre, spinning, and rotating the wheel, excepting those engaged in hand spinning. It shall be paid to the above categories of workers engaged in making any particular variety of coir, irrespective of the grade, when the average price of that variety during any month rises by ~~Rs~~ 15 rupees above the specified basic prices.

Prosperity allowance shall be paid at the rate of 1 anna for every rupee earned as wages during that month in which the average price is above the basic price, by 15 rupees or more. The worker shall be entitled to an allowance of 1 anna in the rupee for every such rise of 15 rupees in the price of coir. Thus the amount earned as allowance shall continue to increase as prices rise until it reaches 11 annas per rupee of wages earned during a month when the ~~the~~ average price of coir rises by 165 rupees over the basic price. The maximum allowance to which the workers shall be entitled is 11 annas per rupee of wages earned during a month. But no reduction in the minimum wage rates shall be permitted if the price falls below the basic level. The amount due to workers as prosperity allowance for any month shall be paid within 15 days of the publication of the average price for that month by the Government.

(Notification No. L6-9490/54 DD dated 19 November 1954; Travancore-Cochin Gazette, No.48, dated 30 November 1954, Part I, pp. 1-3).

Uttar Pradesh: Increase in Wages of Employees in Vacuum Pan Sugar Factories ordered.

In exercise of the powers conferred under the Uttar Pradesh Industrial Disputes Act, 1947, the Government of Uttar Pradesh has made an order giving the following increases in the wages of employees in vacuum-pan sugar factories prevailing during the crushing season 1945-46 on which the increases recommended by the Sugar Factories Labour (Wages) Inquiry Committee, U.P., and Bihar were allowed in accordance with the decisions of the Government in 1947.

Wage levels of 1945-46 (Per Month)	Increase to be given
(1) Rs. 22-8.	Rs. 32-8.
(2) Rs. 23 to Rs.30.	An increase of Rs.32-8.
(3) Rs. 31 to Rs.40.	An increase of Rs.28-14.
(4) Rs. 41 to Rs.50.	An increase of Rs.26-8.
(5) Rs.51 to Rs.100.	An increase of Rs.24 Rs. 24.
(6) Rs. 101 to Rs.200.	An increase of 24 per cent of wages.
(7) Rs.201 to Rs.300.	An increase of 18 per cent of wages.

These increases will be given with effect from the date of ~~the~~ starting of actual crushing during the current (1954-55 season).

All the vacuum-pan sugar factories are required to observe the following conditions in giving increase in wages to its workmen:

- (i) No workman is to get less than 55 rupees per month as his wage;
- (ii) Increments earned by a workman in the usual course during the period from 1945-46 season to 1953-54 season or increments allowed by employers in response to the appeal of the Minister for Labour, Uttar Pradesh, in Sugar Industry Tripartite Conference held on 19 November 1952, will be in addition to the increments sanctioned in this Order.

Every vacuum-pan sugar factory in Uttar Pradesh will continue to give all the existing facilities, allowances and concessions to its workmen in addition to the wages sanctioned in this Order.

The Order will in respect of the matters covered by it, be binding on all vacuum-pan sugar factories in Uttar Pradesh and their workmen and remain in force till the commencement of the next crushing season, i.e. 1955-56.

(Government Gazette of Uttar Pradesh, Part IA, 27 November 1954, pp.1828-1829).

Bonus for Coimbatore Textile Mill Workers:
Arbitrator's Award published.

The arbitration board constituted by the Government of Madras to go into the dispute between the workers and the managements of the textile mills in Coimbatore over the question of payment of bonus for the year 1952 and 1953 has given its award. The Board's award is subject to a minute of dissent on two points relating to the recommendations by one of the three labour representatives.

The Board consisted of an official as chairman and two representatives each of the employers and workers.

The Board has recommended payment of four months' basic earnings as bonus for each of the two years 1952 and 1953 in the case of five mills, four months' earnings as bonus for 1953 in the case of one mill; three months' earnings as bonus for the two years in the case of 14 mills; three months' earnings as bonus in the case of two mills for 1952 and in the case of nine mills for 1953; and two months' earnings as bonus in the case of two mills for 1953. The Board has also recommended an ex gratia payment of 15 days' basic earnings as bonus for each of the two years in the case of six mills.

"Basic earnings" for purposes of the award are to include basic wages, night shift allowance, production allowance, maternity allowance paid and compensation for involuntary unemployment during 1952 and 1953.

The total payment of bonus under the award is likely to be of the order of 3.5 million rupees. The number of workers concerned is about 35,000 and the total number of mills is 39.

The award shall be applicable to workers of all categories, jobbers and mill staff except apprentices.

Payment under this award will have to be made before 31 December 1954. Any bonus already paid for the years 1952 and 1953 or advances made is to be adjusted against the amounts payable under this award.

(The Hindu, 23 November 1954).

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38. Housing.

India - December 1954.

Rural Housing Cell to be set up in States.

The decision to create a rural housing cell in every State was taken on 12 November 1954 at a conference of State Development Commissioners held at New Delhi. The Development Commissioners, who had come for the National Development Council session, met to discuss in detail some of the problems involved in the implementation of the community development programme. Mr. S.K. Dey, Central Administrator of Community Projects, presided.

The present situation with regard to rural housing, which comes within the sphere of State Governments, is that there is no specific planning or administrative machinery at State level for looking after this subject. The Central Government, however, has a Rural Housing cell which is concerned with the promotion of research, advice and demonstration. Similar cells are to be set up now in State secretariats. They will consist of an engineer, an architect and a draftsman and will maintain liaison with the Centre.

(The Hindustan Times, 13 November 1954).

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39. International Economic Relations.

India - December 1954.

India-Iran Commerce Treaty concluded.

India and Iran signed at Teheran (Iran) on 15 December 1954, a treaty of commerce and navigation which regulated on a reciprocal basis the rights and obligations of nationals of either country in the other in such matters as commercial enterprises, laws of taxation, and acquisition and disposal of property.

Under the treaty, commercial enterprises of one country will be allowed to function in the other and in the matter of customs duties, exports, etc., 'most favoured nation' treatment is to be given.

The treaty provides that each country will provide facilities regarding shipping, etc. to the other.

According to official sources in Delhi, the treaty is expected to facilitate trade and commercial intercourse and to strengthen the ties of friendship existing between the two countries.

The treaty provides for the entry of nationals of either country into the other and to engage in commerce, industry and trade and to acquire and dispose of movable and immovable property. The property of the nationals of either country is to receive lawful protection, and in case of confiscation or seizure, right and just compensation should be given.

The nationals of either country are not to be subjected to taxes etc. heavier than those imposed on the nationals of the most favoured nation.

They will be afforded "reasonable facilities" for making remittances to the country of domicile for the support of families and other essential payments. They will also have access to courts of justice and tribunals.

The treaty will be in force for three years and then for an unlimited period unless notified to the contrary by either party with six months' notice.

(The Hindustan Times, 16 December 1954).

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Review of Work of the Tariff Board during
1953-1954.

Twenty-eight inquiries consisting of 22 cases of grant of continuance of protection and six cases of price fixation were completed by the Tariff Commission during 1953-54. New claims to protection (as distinguished from claims to continuance of protection by protected industries) which the Commission examined during the year related to dyestuff industry, caustic soda and bleaching powder-industry, titanium dioxide industry and automobile leaf spring industry. Cases of price fixation included those of steel, tinplate and cement.

The Government generally accepted the recommendations of the Commission in the large number of cases of protection and price fixation on which reports were submitted during the year 1953-54. During its examination of cases of industries for continuance of protection, the Commission found that while protection had generally enabled the industries to establish themselves and to expand production, continuous endeavour to improve quality and reduce cost of production was still necessary to consolidate their position especially in view of the change-over of markets into buyer's markets and the increasing foreign competition in several lines.

Idle capacity in many industries.— A notable feature of several protected industries was the continuing existence of unutilised capacity. In a few cases apprehension regarding the import of low-priced products from certain countries was put forward as a reason for claiming higher protection. In some cases, fears were also expressed by Indian-owned units regarding severe competition from foreign-owned units established within the country.

It was pointed out by the Commission that the question of protection related to foreign competition and not to internal competition and that in regard to the foreign-owned units, the position had been laid down in the Prime Minister's policy statement dated 6 April 1949, on foreign capital in India. Prejudice against the indigenous product was alleged to exist in the case of several industries and the Commission took this factor into account in assessing the disadvantage of the indigenous industry and the measure of protection required by it.

As regards the quantum of protection recommended by it in the case of various industries, the Commission is generally guided by the principles laid down in Section 14 of the Tariff Commission Act, 1951. A new factor in the situation was the increase effected by the Government in the protective duties on certain articles on revenue considerations.

This increase was in several cases accompanied by or made in anticipation of a measure of import liberalisation.

As these increased rates of duty were found on examination by the Commission to be adequate or even higher than what seemed to be required to safeguard the position of some industries against foreign competition, the Commission recommended discontinuance of protection in the case of industries like pencils, fountain pen ink and buttons. The Government accepted the Commission's recommendations, in certain other cases, such as preserved fruits and electric brass lamp holders. The Commission's recommendation for continuance of protection was accepted but in regard to duty the existing rates were continued, although the Commission had recommended a lower rate of duty.

An important inquiry held during the year was one into the question of grant of protection and assistance to the dyestuff industry. Because of the long range of dyes and colours used by the consuming industries, the large number of intermediates used in the manufacture of dyes and the series of intricate chemical reactions by which basic materials are converted into intermediates and these in turn into dyes and the highly organised character of the industry in other countries the question of protection to this industry presented peculiar and somewhat unusual problems. The establishment of the industry in India, is, however, of considerable importance, as it forms the nucleus around which the organic chemical industry can develop and its products contribute to the strength of the national economy in times of peace and the industry can be readily converted to the production of defence materials in times of crisis.

In its report on the automobile industry(1953) the Commission had drawn attention to the under-developed character of the ancillary industries in India and the importance of developing them along with the main industry. After the publication of the Government resolution on the report accepting most of the recommendations made by it, the Commission followed up its inquiry into the main industry by inquiries into the ancillary industries. Inquiries into three industries, viz., leaf springs, sparking plugs and hand tyre inflators have already been completed and into two more, viz., diesel fuel injection equipment and axle and suspension parts inquiries will be held before the close of the year.

Inquiries in 1953-1954. The total number of inquiries completed during 1953-54 would be 62 consisting of 50 inquiries into the question of grant or continuance of protection, 11 inquiries relating to fixation of prices and one inquiry of an unusual type, viz., determination of a fair ratio between the ordinary shares of the Steel Corporation of Bengal Ltd., and the Indian Iron and Steel Company Limited.

Among the new cases for grant of protection into which inquiries have been or would be completed during this period are engineering industries, including the automobile industry, and its ancillary industries, diesel fuel injection equipment industry, ball bearing and steel balls industry, power and distribution transformer industry and engineer's steel files industry, chemical and allied industries, including the dyestuff industry, caustic soda and bleaching powder industry, dioxide industry and the manufacture of para-aminosalicylic acid; and textile industries including flax goods and woollen hosiery. In two of these cases, viz., the woollen hosiery industry and the manufacture of para-aminosalicylic acid, the Commission did not recommend grant of protection.

Cases of continuance of protection also represented a fair cross section of the Indian industry. Among the 35 cases of continuance of protection into which inquiries have been or would be completed during 1953-54 were two cases of metallurgical industries, viz., ferrosilicon and antimony, 11 cases of engineering industries, including cotton textile machinery, bicycles, sewing machines, oil pressure lamps, motor vehicle batteries, woodscrews, machine screws, hurricane lanterns, zip fasteners, electric brass lamp holders and electric motors; 10 cases of chemical and allied industries, including soda ash, calcium chloride bichromates, stearic and oleic acids, sheet glass, dry batteries, hydro-quinine, fountain pen ink, glucose, and calcium lactate; three cases of food industries, viz., preserved fruits, sago and cocoa powder and chocolate; two cases of textile industries, viz., sericulture and artificial silk and cotton and artificial silk mixed fabrics, and seven other industries, including plywood and tea chests, coated abrasives, grinding wheels, cotton and hair belting, pencils, buttons and pickers.

In six of these cases, namely, pencils, fountain pen ink, ferrosilicon, buttons other than plastic buttons, hurricane lanterns and dry batteries, the Commission's recommendation for discontinuance of protection was accepted by the Government. In the case of some industries including sewing machines, 1/2 pickers, zip fasteners, grinding wheels, calcium chloride and machine screws, either the inquiries have been completed recently or the Government resolutions on the Commission's reports have not yet been issued. The 11 inquiries into fixation or revision of prices of commodities held by the Commission during 1953-54 included steel, cement, tinsplate, raw rubber, super-phosphate and electric furnace billets produced by registered re-rollers and conversion charges of bars and rods produced by registered re-rollers.

(The Hindustan Times, 6 December 1954).

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

INDIA - DECEMBER 1954.

41. Agriculture.

Andhra Inam Tenants Protection Act, 1954
(President's Act No. 14 of 1954).

The Government of India published on 9 December 1954 the text of the President's enactment, the Andhra Inam Tenants Protection Act, 1954 (No. 14 of 1954), to provide for the temporary protection of certain classes of tenants in the State of Andhra.

The 'reasons for the enactment' state that under section 3(2)(d) of the Madras Estates Land Act, 1908 (Madras Act I of 1908), an estate includes an inam village (grants for services rendered) of which the grant has been made, confirmed or recognised by the Government notwithstanding that subsequent to the grant, that village has been partitioned among grantees. In recent years, Courts have held that where the inam lands granted do not form a whole village, they do not constitute an "estate" within the meaning of section 3(2)(d) aforesaid. As a result, landholders of such inam lands have been resorting to largescale evictions of their tenants. Pending the enactment of permanent legislation to safeguard the rights and privileges of tenants in such inam lands, the Government of Andhra considered it necessary to provide for temporary protection against eviction of tenants of such lands subject to the condition that the tenants pay to the inamdar concerned, or deposit in Court for such payment, the arrear rents due for two faslis (revenue year) and also pay the rent regularly in future as and when it falls due. In order to achieve this object, the Andhra Tenants Protection Ordinance, 1954 (Andhra Ordinance IV of 1954), which was based largely on the provisions of the Madras Tenants and Ryots Protection Act, 1949 (Madras Act XXIV of 1949), was promulgated. The Ordinance further provided for the reinstatement of tenants evicted on or after the 1 October 1953 and before the commencement of the Ordinance. The present enactment replaces the Ordinance. Provision has also been made for the determination of fair rents in cases of dispute.

(The Gazette of India, Extraordinary, Part II,
Section 1, 9 December 1954, pp. 367-373).

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Rajasthan Tenancy Bill passed: Measure to provide uniform Land Tenure system.

The Rajasthan Assembly passed on 3 November 1954 ~~a~~ a comprehensive Tenancy Bill providing for a uniform land tenure system for the whole State.

The Bill provides for three classes of tenants, namely, khatedar tenants, ghair khatedar tenants, and tenants of khudkasht (personal cultivation). A tenant of khudkasht or a sub-tenant of land other than grove land, who at the commencement of the Act, was in possession of land which had been let or sub-let to him, will, if he is prepared to pay compensation under the Act, have the right for the acquisition of khatedari rights.

It provides for ejectment of tenants for arrears of rent. No tenant will be liable to ejectment from his residential house in a village other than a house erected as an improvement, merely because he has been ejected from his holding in that village.

Providing remedies for wrongful ejectment the Bill lays down that a tenant who has been wrongfully ejected from his holding, in addition to his reinstatement, will also be awarded a reasonable compensation not exceeding four times the annual rent of the area from which he was ejected.

It also provides that any tenant whose right to or enjoyment of the whole or part of his holding is invaded or threatened to be invaded by his landholder or any other person may bring a suit for the grant of a perpetual injunction.

(The Hindustan Times, 5 November 1954).

West Bengal Land Reforms Bill, 1955.

The Government of West Bengal published on 10 December 1954 the text of the West Bengal Land Reforms Bill, 1955, proposed to be introduced in the Legislative Assembly of the State.

According to the Statement of Objects and Reasons of the Bill, the Bill is a comprehensive measure of land reforms aimed at remodelling the existing system of land tenure ~~xxxxx~~ after the initial measure of abolition of intermediaries has been achieved by the adoption of the West Bengal Estates Acquisition Act, 1953, by providing for such matters as - (a) the rights, obligations and incidents in respect of the holdings of rai-yats; (b) limitation on transfer and sub-letting of land so as to prevent accumulation of lands in a few hands ~~for~~ or any land being acquired by non-agriculturists; (c) control and regulation

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of the share-produce system of cultivation; (d) introduction of a rational system of assessment on land, consolidation of holdings, formation of co-operative farms and concessions and facilities for such farms; (e) maintenance and revision of record of rights; and (f) other matters in regard to rights in land and management thereof. The Bill has been framed with the above objects in view.

The Bill ~~xxxx~~ seeks to prescribe inter alia, the rights and obligations of raiyats (persons holding lands for purposes of agriculture) in respect of land, share of produce payable by bargadar (cultivator), procedure for determining rent rates, grounds for reduction of rent, acquisition of holdings for consolidation, formation of co-operative farms of uneconomic holdings, maintenance and revision of record of rights and management of estates vested in the State.

The Bill provides that the produce of any land cultivated by a bargadar shall be divided in the proportion of 60: 40 as between the bargadar and the person whose land he cultivates and provision is made for the settlement of disputes between the bargadars and the landowners. For the formation of a co-operative farm it is necessary that fifteen or more raiyats owning uneconomic holding with an aggregate area of not less than 30 acres of cultivable lands should apply in writing for the registration of such farm under the Bengal Co-operative Societies Act. A co-operative farm is entitled to certain concessions and facilities including remission or suspension of rent as Government may allow, free supply of seeds and manure for the first three years and thereafter at concessional rates, free technical advice by experts, financial assistance and arrangements for better marketing.

(Calcutta Gazette, Extraordinary,
10 December 1954, pp. 1751-1765).

42. Co-operation.

India - December 1954.

Bihar: Annual Report on the Working of the Co-operative Societies for the Year 1951-1952*.

Registration of societies.- According to the annual report on the working of the co-operative societies in Bihar State for the year 1950-51, the total number of societies of all kinds including the Bihar State Co-operative Bank rose to 16,639 on 30 June 1952 against 14,731 in the previous year. Of these 6,484 were cane societies and 10,153 non-cane societies. The total membership of both individual and societies also went up to 763,130 on 30 June 1952 against 657,387 on 30 June 1951. Out of these, 230,599 members (both individual and Societies) were in cane societies and 532,531 in non-cane societies. Thus there was an increase of 937 societies in cane and 971 societies in non-cane and 35,257 membership in cane and 95,960 in non-cane during the year under report.

Multipurpose co-operative societies schemes.- A scheme for the organisation of multipurpose co-operative societies was sanctioned in 1948 and the work was taken up in June 1949. The scheme aims at raising the level of the life of the village people by meeting their necessary requirements of life through the organisation of multipurpose co-operative societies on a whole village basis such as supply of articles of daily use, better marketing and of their products, supply of manures and seeds, education, sanitation and improvement of village communication, etc. The organisation of these ~~societies~~ societies was taken on an intensive scale in selected thanas (Districts). Till last year the work was done in 9 thanas but during the year under report it was extended to two more thanas. Over and above the organisation of new multipurpose co-operative societies in intensive and other areas, conversion of old primary co-operative societies into multipurpose co-operative societies is also being done on a large scale. During the year under report 604 new multipurpose co-operative societies were organised and 168 primary co-operative societies with unlimited

* Annual Report on the Working of Co-operative Societies in Bihar for the Year 1951-1952. The Superintendent, Government Printing, Bihar, Patna, 1954. pp. liii - 190; Price ~~Rs. 6/-~~ Rs. 6/-.

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liabilities were converted into multipurpose co-operative societies. Thus the total number of multipurpose co-operative societies both new and converted rose to 5,880 at the close of the year 1951-52 against 4,717 of the previous year.

Development of handloom industries and their marketing organisation.- The scheme for development of handloom industries for organising the weavers into co-operative societies was first sanctioned in 1935. At present a special staff consisting of one assistant registrar, one technical assistant and 19 weaving supervisors and an equal number of assistant weaving supervisors are engaged for the organisation and supervision of such societies which was 140 on 30 June 1952. The marketing of these societies was previously done mainly through the Cottage Industries Institute of the Industries Department. But recently in 1951 the Government sanctioned a scheme for the development of handloom marketing organisation for 3 years for the re-organisation and development of cottage industries in Bihar under the direct control of the Co-operative Department. Therefore the marketing of the goods of the weavers' societies is now to be done mainly through the Bihar handloom weavers' co-operative union. Government has sanctioned a loan of 500,000 rupees to the union as a long term loan to serve as its working capital. This loan has, however, not yet been utilised. The union has at present appointed its agents in various districts of the State for marketing handloom products. It procures yarn at controlled rate and supplies the same to the Weavers' Co-operative Societies affiliated to it. A Central emporium of handloom products has been opened by the Union at Patna very recently through which marketing of handloom products will also be made.

Rural industrialisation.- This scheme was sanctioned in 1952 for 3 years. It aims at bringing about rural industrialisation by selecting 3 or 4 areas for intensive work to be undertaken by co-operative department in consultation with the industries department and all India manufacturers association for the demonstration of machinery for small scale industries and by arranging for training of those who desire to start any of these industries. Government has provided two inspectors for this scheme. The scheme is at present in its initial stage.

Co-operative Credit Agricole.- The scheme was sanctioned in 1944 with the object of supplying fertilisers, seeds and improved agricultural implements to agriculturists at cheap rates on the lines of the Credit Agricole of Egypt. The operation of the scheme was entrusted to the Bihar State Co-operative Bank which has 198 depots at different places of the State for the distribution and storage of seeds and manures. The Government has sanctioned a grant of 3 million rupees for

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the construction of godowns for the storage of seeds and manures in different parts of the State. The construction of godowns is in progress. During the financial year 1951-52 the Government gave subsidy on the sale rate of chemical fertilisers to the extent of 25 per cent and 50 per cent amounting to 269,244 rupees. The total sale during the year under report was: chemical fertilisers 5,918,102 rupees; and oil cakes 1,294,021 rupees.

The other schemes were village welfare and vegetable growers' schemes. Both these schemes would merge into multipurpose co-operative societies scheme from the next financial year 1953-54.

The department was also alive to the need of bringing the various occupational groups, like weavers, vegetable growers, fishermen, blacksmiths, oilmen, shoe-makers, & teachers, etc., into the co-operative fold and to assist them in their occupation by organising special co-operative societies for them and to give them all possible facilities to carry on their trade.

The Table below gives the progress of the organisation of different types of societies during the last 4 years.

(A) Societies under the Registrar, Co-operative Societies, Bihar.	1948	1951-52 (30 June 1952)
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Central Societies -

1. State Co-operative Bank, Central Banks, Co-operative Unions and Central Stores.	59	73
2. Primary Credit Societies with limited liabilities (Agricultural and non-agricultural).	94	112
3. Primary Credit Societies with unlimited liabilities (Agricultural).	5,782	3,120
4. Multipurpose Co-operative Societies.	869	5,880
5. Weavers' Co-operative Societies both limited and unlimited.	86	149
6. Vishwakarma Co-operative Societies.	8	28
7. Oilmen's Co-operative Societies.	-	64
8. Vegetable Growers Co-operative Societies.	29	67
9. Fishermen's Co-operative Societies.	4	22
10. Co-operative Stores.	188	313
11. Teachers Co-operative Stores.	-	174
12. Harijan Co-operative Societies.	8	36
13. Grain Golas Co-operative Societies.	22	23
14. Other types of Co-operative Societies.	93	94
Total.	7,238	10,155

(B) Societies under Joint Registrar, Co-operative Societies, Bihar.	1948	1951-52 (30 June 1952)
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1. Co-operative Development and Cane Marketing Unions.	59	64
2. Cane Growers' Co-operatives.	4,913	6,420
Total.	4,972	6,484
Grant Total .. A = B.	Plus 10,155 = 6,484 = 16,639	

Provincial and Central non-credit societies.-

The four provincial unions of special types of societies viz., (i) The Bihar handloom weavers co-operative union, Ltd., (ii) the Bihar provincial vishwakarma industrial co-operative federation Ltd., (iii) the Bihar fishermen's co-operative union, Ltd., and (iv) the Bihar provincial teachers' co-operative union, Ltd., continued to work as before. Their position is indicated below:-

	Number of members.	Share capital paid up. Rs.	Reserves. Rs.	Working capital. Rs.
1. Bihar Handloom Weavers' Co-operative Union, Ltd.	218	28,800	5,050	43,918
2. Bihar Provincial Vishwakarma Industrial Co-operative Federation, Ltd.	154	4,000	315	4,315
3. Bihar Fishermen's Co-operative Union, Ltd.	28	3,775	1,110	102,731
4. Bihar Provincial Teachers' Co-operative Union, Ltd.	350	7,585	728	202,350

	Goods purchased. Rs.	Goods sold. Rs.	Cost of management. Rs.	Profit or loss. Rs.
1. Bihar Handloom Weavers' Co-operative Union, Ltd.	17,586	11,894	3,434	x 1,868
2. Bihar Provincial Vishwakarma Industrial Co-operative Federation, Ltd.	42,009	40,000	696	x 2,292
3. Bihar Fishermen's Co-operative Union, Ltd.	--	--	5,309	- 8,208
4. Bihar Provincial Teachers' Co-operative Union, Ltd.	9,405	4,934	8,483	x 5,192

The total number of central non-credit societies besides 4 central non-credit societies of provincial type rose to 77 against 73 of the previous year. They consisted of 64 cane marketing unions, 5 multipurpose unions and 8 central stores. There was an increase of 3 co-operative development and cane marketing unions and 1 central store.

Agricultural societies.- The number of agricultural societies, all types on 30 June 1952 came to 15,518 against 13,736 at the close of the previous year. Out of these 15,518 agricultural societies there were 3,151 credit societies and 12,367 non-credit societies.

Co-operative Farming.- An experiment in co-operative farming was started in 6 cane growers' co-operative societies.

Weavers' co-operative societies.- There were 149 weavers' co-operative societies in the State of which 140 were of limited liability types and 9 of the unlimited liability. Only three weavers' co-operative societies were registered during the year under report. The handloom industry is at present passing through a critical phase owing to the slump in the market due to the free flow of mill cloth. Steps have been taken to ease the situation as far as possible by the organisation of the provincial handloom weavers' co-operative union and grant of a loan of 500,000 rupees to the union by Government to serve as its working capital. The Union has now undertaken to purchase the products of constituent societies for being sold in the market and to meet their requirement of yarn at reasonable rates.

In spite of the slump in the market for handloom cloth the facilities offered by Government to the weavers' co-operative societies have proved to be of immense value in ~~px~~ reviving the economic condition of the weavers' members and there is steady progress in the working of these societies.

Teachers' co-operative stores.- This is one of the recent enterprises of the co-operative department in the State. For the purpose of proper distribution of text-books and other requisite educational stationery the organisation of a net work of teachers' co-operative stores was taken up. Till the end of 1951, 99 teachers' co-operative stores were organised with a provincial teachers' co-operative union. The number of such stores has risen to 174 on 30 June 1952. Their paid up share capital amounted to 49,444 rupees and reserves to 6,737 rupees. They have a working capital of 67,291 rupees. They sold goods to the total value of 177,459 rupees during the year under report and had a total profit of 9,919 rupees.

Industrial vishwakarma co-operative societies.- The number of industrial vishwakarma societies remained the same as in the previous year, viz., 28. A scheme for starting a small workshop in each of the societies prepared by the Department, envisages that the State Government would make necessary advance to the societies under the State aid to Industrial Act to enable them to purchase modern machinery such as electric motors or oil engines and power grinding, power polishing, power drill and pressure machines etc., to form a small ~~small~~ cutlery factory in every society where scissors, razors, knives, tools, padlocks, etc., would be prepared.

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Oilmen's co-operative societies.— The scheme for the development of oil crushing industry and organisation of oilmen's co-operative societies was sanctioned by Government in 1949 with a special staff for the same and Government advanced loans for the purchase of ghanis and supply of oilseeds to these societies, i.e., 25,000 rupees for ghanis and 50,000 rupees for oilseeds. Several members of the societies purchased ghanis with the help of the Government loan of 25,000 rupees and the Bihar State Co-operative Bank purchased necessary oilseeds out of the Government loan of 50,000 rupees for supply to the members. But due to heavy fall in the price of oilseeds subsequently none of the societies came forward to receive the oilseeds at cost price till the close of the year with the result that the State Bank had to dispose of the same in open market at a cost much below than the purchase price and the Oilseeds Committee had to bear the loss of 20,714 rupees incurred by the State Co-operative Bank in this transaction.

The number of such Co-operative Societies stood at 64 during the year under report. Sixty-six Wardha ghanis and 400 deshi kolhus were working in these societies. The total membership of these societies was 768 with a paid up share capital of 8,353 rupees. Their reserves and working capital amounted to 45 rupees and 27,889 rupees respectively. They purchased raw materials to the total value of 52,198 rupees and sold produce to the extent of 44,323 rupees. Profit earned by them and losses incurred during the year amounted to 749 rupees and 97 rupees respectively.

Fishermen's co-operative societies.— In order to bring fishermen under the co-operative fold the Bihar co-operative federation employed an organiser four years ago to organise co-operative societies among the fishermen. Only 22 societies could so far be organised in the whole State. A provincial fishermen's co-operative union was also organised in April 1951 which is also trying to organise all the fishermen in the State into co-operative societies so that they may receive necessary assistance through co-operatives to improve their condition.

The following table indicates the position of the Fishermen's co-operative societies during the last two years:—

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		1950-51	1951-52
Number of societies	--	22	22
Number of members	--	1,127	1,296
		Rs.	Rs.
Share capital paid up	--	44,575	43,515
Reserves	--	77	589
Working capital	--	67,105	73,662
Goods purchased	--	38,099	62,527
Goods sold	--	39,131	63,750
Profit	--	12,495	2,284
Loss	--	5,863	35,772

Harijan co-operative societies.— Co-operative societies exclusively for Harijans have been formed with the object of improving their socio-economic condition and to imbibe in them the spirit of thrift and co-operation as also to prevent them from ~~resorting~~ resorting to money lenders for their daily needs. Extreme poverty stands in the way of their subscribing to sufficient share capital to raise necessary loans from the Central Banks. Even then the number of their societies is rapidly increasing. From 30 in 1949 it rose to 33 in 1950-51 and to 36 at the end of 30 June 1952. Excepting a few, there are Harijan Societies in every district of the State, the largest number being in Patna District. These societies have a paid up share capital of 80,525 rupees, reserves 27,061 rupees, working capital 204,621 rupees. A sum of 349,195 rupees was advanced to the members as loans during the year under report and the deposits received from the members amounted to 93,407 rupees. The total loans outstanding against the members on 30 June 1952 amounted to 169,764 rupees. One of the most essential things required for the uplift of Harijans is to provide them with shelter as the majority of them do not possess any house. They are most municipal employees and therefore with the assistance of the Local Self-Government and the Welfare Department the possibility of organising co-operative housing societies for the Harijans is being explored in some of the municipal towns for construction of suitable tenements for them. The cost of the tenements may be met partly from Government grant and partly from deduction from their monthly pay in suitable instalments. Some Harijans co-operative societies under the aegis of the Harijan Sevak Sangh are running primary schools for education of their children.

Housing co-operative societies.- The total number of housing co-operative societies remained 5 as before. The first housing society in the State was the Pioneer Housing Society Ltd., Patna, registered in 1928. A large number of houses were constructed by its members out of the loans from the society and it proved a great success. Recently in 1946 another Housing Co-operative Society i.e., Metropolitan Co-operative Housing Society was registered at Patna, but it has not yet started functioning. The other 3 societies are at Gaya, Jamshedpur and Ranchi. They have also not taken up the work in right earnest. The total number of membership of the Pioneer Housing Society was 118 with a paid up share capital of 21,000 rupees. Its reserve and working capital amounted to 3,448 rupees and 116,917 rupees respectively.

(The report on the Working of Co-operative Societies for the Year 1950-1951 was reviewed at pages 40-51 of the report of this Office for November 1953).

43. Handicrafts.

India - December 1954.

Economic Progress through Self-Employment:
All-India Conference of Khadi and Village
Industries Board's Recommendation: President's
Plea for Promotion of Cottage Industries.

A conference of State Khadi and Village Industries Boards convened by the All-India Khadi and Village Industries Board held at Poona from 17 to 19 ~~Dec~~ November 1954 was inaugurated by Dr. Rajendra Prasad, President of India. The President, in the course of his address, made an emphatic plea for cottage industries and suggested that certain fields of production should be reserved for cottage industries.

The conference adopted, among others, a resolution, recommending to the Government to accept economic development through self-employment as an integral part of their policy and to make it the basis of the second Five-Year Plan.

Promotion of Cottage Industries: President's remarks.— The President stated that consideration should be given to the question of reserving a field for khadi and handloom industries, so that the element of competition between handloom and mill-made cloth was eliminated. "I think we have to extend this concession by reserving the fields for other cottage industries as well, so that in those fields bigger industries are not allowed to operate". Till such concessions were given to cottage industries, and as long as heavy industries, were permitted to compete with them, it was difficult, if not impossible, for the cottage industries to grow.

At present, Dr. Prasad said, bigger industrial undertakings were being afforded facilities like concessional railway freights. These developments were having a deleterious effect on the growth of the village industries. "Take sugar for example", he said. "To save sugar factories from the competition of foreign producers, the Government has been subsidising the Indian sugar industry for a number of years at the cost of many millions. Similarly, the steel industry in India has had to be subsidised heavily. I see no reason why the Government should not extend help on the same scale to the village industries, when millions of people benefit from them and get employment because of them".

Solution of unemployment.— Dr. Prasad said that in India, where eighty per cent of the people lived upon agriculture and allied callings, the only result of excessive industrialisation would be more production by fewer men, which instead of solving the problem of unemployment, would render it more complicated. "Its proof lies in the fact that ~~it~~ although our country has advanced sufficiently on the road to industrialisation, the incidence of unemployment instead of coming down, appears to have gone up". Referring to the role of cottage industries in the country's economic set-up, the President said that special significance attached to handicrafts and such small-scale industries as could be easily managed at home during spare time. "If we lose sight of this fact and imagine that we can solve the problem of unemployment through industrialisation, I am sure we shall only have disappointment in store for us", Dr. Prasad said.

Dr. Prasad said that it had been accepted as a matter of policy that in planning for social and economic betterment small-scale industries ought to be given a place. In the Second Five-Year Plan, it had been decided that before finalising the draft of the section dealing with industries, representatives of the various small-scale industries should be consulted.

"The real problem", he said "is that of adjustment of the small-scale and the bigger industries. The aim of all industrial undertakings is to increase production and national wealth. We must see that place should be given to the village industries and bigger industrial undertakings in order to ensure India's maximum prosperity". It is no argument to suggest, that it is useless to manufacture an article on small-scale when the same article can be manufactured and offered at a cheap price by bigger industries. Our hesitation to offer certain ~~xxx~~ articles at a slightly higher price would virtually mean growing unemployment for millions and consequently forcing them to starve. We have, therefore, to choose between unemployment and starvation on the one hand and a slightly higher cost of certain manufactured articles on the other. No wise man, I am sure, would prefer large-scale unemployment to paying higher cost we must act courageously and draw up a list of those fields which have to be reserved for the village industries and in which these industries have not to contend against either indigenous mill-made goods or foreign imports". He hoped that the Government would do all that was possible to encourage the village industries.

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Increase in production could not, however, be accepted as the sole ideal. "Our real aim should be to make the people prosperous and to keep the maximum number of them employed", he said.

The President pointed out that in some other countries, cottage industries had been improved and developed to such an extent that they were able to stand on their own feet in their own right. He stressed the need to develop village industries in India also "from the economic and artistic point of view". The day was not far off, when India's countryside would be electrified and with the help of electricity, they could have time and labour and also perhaps improve the quality of the manufactured goods. "Our aim is to develop these industries to such an extent and to create such a wide demand for their products that these can flourish in the course of time independently, so that they are able to dispense with the special concessions and facilities offered to them by Government".

Dr. Prasad complimented the Khadi and Village Industries Board on the headway it had made in popularising the products of village industries. "Today when the problem of unemployment threatens to assume alarming proportions, nothing can be of greater advantage to the nation than an avenue which promises employment. The belief should be your sheet-anchor and you should be able to draw inspiration from Bapu's memory", he said.

Resolutions: Development of Self-employment Sector.— The Conference recommended to the Government to accept economic development through self-employment as an integral part of their policy and to make it the basis of their Second Five-Year Plan. It urged the Government to provide a plan for full employment to the entire people through the development of the self-employment sector of national economy and to explore and utilise fully the capacity of khadi and village industries to solve the unemployment problem in the country. These industries were preeminently suited for self-employment through a comprehensive socio-economic plan, the Conference said.

The Conference further recommended that the self-employment sector should be protected and strengthened. Government should also devise appropriate policies such as reservation of spheres of production, control of centralised and heavy industries in the interest of the self-employed or small co-operative producer and avoidance of conflicts between the different sectors of the economy, for the purpose of achieving the objective of full employment and prevention of exploitation.

The Conference also suggested the provision of adequate initial capital to village industries and the development and supply of improved means of production.

The Conference accepted the use of electricity and other forms of mechanical power in principle, but felt that its introduction could be considered only if it helped employment and production and did not result in the exploitation of labour, of one individual by another, or of one group in the community by ~~another~~ another.

It was of the opinion that the basis for declaring an industry a village industry, should be related to the basic needs of a family and a community and should be capable of being organised on a self-employment basis.

The Chairman of the All-India Khadi and Village Industries Board was authorised to appoint a Committee to help the Board in securing the approval of the Planning Commission and the Government of India to the resolutions of the Board.

Subsidy on sales. - By another resolution, the Conference recommended that in addition to the present subsidy of three annas in a rupee to meet the overhead expenditure in the marketing of Khadi, an extra additional subsidy of two annas in the rupee may be granted as a "production incentive". The question of granting additional subsidy for handspun and handwoven woollen and hand-reeled silk was raised. It was agreed that in regard to woollens and silks, the present subsidy of three annas in the rupee should continue as it was felt that the marketing position of woollens and silks was slightly better than that of cotton and khadi. With regard to the desirability of the Board's conducting production centres, it was decided that in areas where recognised or certified institutions did not exist, the Board should undertake production and sales organisation directly. It was also agreed that, apart from such direct participation in the production and sales of khadi and articles of other village industries, the Board could start model centres in other areas.

With regard to the structure of the State Boards and their relations with the Central Board, the Conference felt that the majority of the members of a Board - which should not ordinarily exceed 15 - should be non-officials and all the members be nominated by the State Government. It was the duty of the State Boards to adhere to the policy laid down by the Central Board, the Conference said.

Multi-purpose co-operative societies.- The Conference felt that, as a first step, the immediate objective of the Second Five-Year Plan must be increase in production by a concentration of effort on the lowest income-groups in the population. To this end, groups of about 1,000 families should be formed into multi-purpose co-operatives. Such an approach, the Conference felt, would create confidence among the masses that the Government was in earnest about their betterment and would create a climate for public co-operation and full utilisation of national resources in labour and materials. The plan must seek to transform national economy from the present pattern based on exploitation, in which consideration of personal gain took precedence over those of social welfare, to one that promoted the establishment of an equalitarian society, based on mutual love and co-operation.

(The Hindu, 18 and 21 November 1954).

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44. Merchant Marine and Fisheries.

India - December 1954.

Conditions of Work in Bombay and Calcutta Ports:
Inquiry Committee appointed.

The Government of India announced on 16 December 1954 the appointment of a committee to inquire into the terms and conditions of service of the pilots and berthing staff of the ports of Bombay and Calcutta.

Mr. Justice N.S. Lokur will be the Chairman of the committee with Commodore R.D. ~~Kakani~~ Katari, Deputy C-in-C and Chief of Staff of the Indian Navy and Capt. J.R. Davies, Nautical Adviser to the Government of India, as members.

Mr. K. Narayanan, Under-Secretary of the Ministry of Transport will be Secretary to the Committee.

According to its terms of reference the committee will inquire into and report on the conditions of work of categories of personnel employed in the ports of Calcutta and Bombay which are detailed in the schedule and make recommendations with special reference to scales of pay, allowances and fees, medical facilities, system of turns, hours of work, period of rest and weekly day off, adequacy or otherwise of the strength of the existing cadres and the basis on which they should be fixed and the desirability of adoption of an interim scheme of remuneration for abnormal work as a result of shortages in existing cadres.

The committee has been authorised to call for information from the chairmen of the Calcutta and Bombay port ~~trusts~~ trusts and to take any evidence from the representatives of the officers concerned or of other persons whose views the committee may consider desirable to obtain.

(The Statesman, 17 December 1954).

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CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - DECEMBER 1954.

50. General.

Working Conditions in Printing Presses:
Labour Bureau Review.

An article reviewing labour conditions in printing presses based on replies received from 40 printing presses to a questionnaire sent by the Labour Bureau in 1952, is published in the Indian Labour Gazette, October 1954. The information has been collected to bring up-to-date the data relating to printing presses contained in the report of the Labour Investigation Committee (1944-45). Of the 40 units, 12 were in Madras, 10 in Bombay, 4 in West Bengal and one in each of Assam, Bihar, Travancore-Cochin, Orissa, P.E.P.S.U., the Punjab, Uttar Pradesh, Saurashtra, Madhya Bharat, Madhya Pradesh, Ajmer, Delhi, Jammu and Kashmir and Vindhya Pradesh. Thus, the data for Madras, Bombay and West Bengal alone relate to more than one unit.

In 1952, there were 1628 units employing 71,291 workers in the industry-groups printing, publishing and allied industries, according to the returns under the Factories Act, 1948. This group accounts for 7 per cent of the units and 3 per cent of employed covered by the Factories Act. The average earning per worker, as obtained from the returns under the Payment of Wages Act, 1936, is 96 rupees per month.

Employment.- In 38 units furnishing this information 2,980 workers were employed. Of these 3 employed less than 10 workers, 12 between 11 and 20 workers, 7 between 31 and 60 workers, 5 between 61 and 100 workers, and the rest 11 over 100 workers. The workers were almost entirely employed directly, there being only 27 workers who were employed through contractors in 4 units. Contract labour was employed generally for comparing and binding. There were no women workers and only 8 ~~males~~ child workers in three units. The following table shows the number of workers employed in June 1954 in the different States, among the 38 units which sent information:—

State	Number of		No. of directly employed workers on					
	Units	Workers employed	Permanent basis		Tempo- rary basis	Time rates		Piece rates
			No.	per cent		No.	Per cent	
1	2	3	4	5	6	7	8	9
Bombay.	9	640	600	94	39	575	90	64
Madras.	11	473	384	82	82	356	76	110
West Bengal.	4	4 53	412	92	33	445	100	-
Orissa.	1	312	137	44	175	312	100	-
Assam.	1	245	123	50	122	151	62	94
Jammu and Kashmir.	1	146	146	100	-	146	100	-
Punjab.	1	112	112	100	-	112	100	-
Ajmer.	1	108	56	52	52	108	100	-
P.E.P.S.U.	1	107	43	45	52	81	85	24
Vindhya Pradesh.	1	99	83	84	16	-	-	99
Travancore-Cochin.	1	91	87	96	4	87	96	4
Saurashtra.	1	89	40	45	49	89	100	-
Madhya Pradesh.	1	45	45	100	-	45	100	-
Bihar.	1	34	34	100	-	34	100	-
Delhi.	1	14	-	-	14	14	100	-
Madhya Bharat.	1	8	8	100	-	8	100	-
Uttar Pradesh.	1	5	5	100	-	5	100	-
Total.	38	2,980	2,315	78	638	2,568	87	385

With the exception of those in Uttar Pradesh, Madhya Bharat and Delhi, and 4 units in Bombay, 2 in West Bengal, and 6 in Madras, all other responding units employed more than 20 workers each. The units employing between 21 and 50 workers were 2 in Madras, one each in Bombay, Bihar and Madhya Pradesh. It will thus be seen that the units responding from most of the States were largely medium and large sized and therefore the results of the study may be taken to be applicable mainly to units in these classes.

As regards length of service, it appears that there is a fair degree of stability of employment in the responding units. Only 14 per cent of the workers had below one year's service, 42 per cent between 1 and 5 years, 24 percent between 5 and 10 years, and 20 per cent over 10 years' service.

Recruitment and training.— With the exception of a few units which utilised the services of employment exchanges, all others recruited directly. System of training new workers existed only in 5 units - 2 in West Bengal and one each in Uttar Pradesh, Bombay and Delhi. In 3 of the units, the period of training ranged from 3 to 12 months, information about the other two units being not known. During this period the workers got a monthly allowance of 30 rupees in the Delhi unit, 20 rupees to 25 rupees in the Uttar Pradesh unit and 35 rupees in one of the West Bengal units. The unit in Bombay and the other unit in West Bengal paid some subsistence allowance.

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Absenteeism.- Absenteeism figures furnished by 24 units show no evidence of a clear seasonal variation in absenteeism. The level of absenteeism in the units in West Bengal and Orissa seems to be definitely higher.

Leave and holidays with pay.- There is a wide variety in the matter of granting leave and holidays in the different units. Seven units (4 in Bombay, 2 in Madras and one in Vindhya Pradesh) granted leave with pay according to the Factories Act. Nine units (3 each in Bombay and West Bengal, and one each in Assam, Madras and Jammu and Kashmir for permanent employees only in the case of the last named State) allowed privilege leave, casual leave, sick leave and festival holidays with pay to their employees. One unit in Bombay granted to its employees privilege leave, sick leave as well as festival holidays with pay. Five units in Madras and one each in Bihar, Orissa, Uttar Pradesh, P.E.P.S.U., and Travancore-Cochin granted festival holidays as well as casual leave with pay. In Madras one unit allowed privilege leave, casual leave and festival holidays with pay. Another unit in this State allowed only festival holidays and sick leave with pay. One unit each in Bombay, the Punjab, Saurashtra, Ajmer and Madhya Pradesh gave privilege leave and festival holidays to their employees. All other units gave only either privilege leave, sick leave, casual leave or festival holidays with pay. The period of admissible privilege leave varied from 10 to 30 days and casual leave from 7 to 30 days. Of the seven units which allowed sick leave, two allowed 7 days' leave in a year, two 10 days, two 15 days and one 22 1/2 days. The number of festival holidays granted by the units varied from 8 to 31.

Hours of work.- Information regarding shifts and hours of work is available in respect of 38 units. Of these 34 worked one shift, 2 two shifts and 2 three shifts. The daily hours of work in all the units except those in Jammu and Kashmir and Vindhya Pradesh ranged from 7 1/2 to 8. In the unit in Jammu and Kashmir the daily hours of work were 6 1/2. In the Vindhya Pradesh unit they were 6. The weekly hours of work were 36 in one unit (Vindhya Pradesh), 39 in another unit (Jammu and Kashmir), 42 in 6 units, 44 in 2 units, 45 in 5 units and 48 in all other units. Night shifts were worked in two units. In one of these units workers got night shift allowance, while in the other, night shift workers worked shorter hours i.e., 36 hours per week as against 42 hours for day shift workers.

Wages and earnings.— The following table shows the minimum basic wage and allowance, paid during 1952 to the least skilled workers in the different States. It will be noticed that the minimum monthly basic wages vary from 12 rupees in Travancore-Cochin and Jammu and Kashmir to 55 rupees in Ajmer. The total monthly earnings vary from 15 rupees in Travancore-Cochin to 112 rupees in Ajmer.

State	Minimum Basic Wage		Dearness Allowance		Other Payments and concessions		Total	
	Rs.	A. P.	Rs.	A. P.	Rs.	A. P.	Rs.	A. P.
Bombay.	26	0 0	25	0 0	-	-	51	0 0
West Bengal.	23	0 0	22	0 0	-	-	45	0 0
Assam.	22	0 0	11	0 0	6	0 0	39	0 0
					(also Rice at concession rates).			
Bihar.	23	0 0	9	0 0	-	-	32	0 0
Madras.	15	0 0	5	0 0	-	-	20	0 0
Travancore-Cochin.	12	0 0	-	-	3	0 0	15	0 0
					(Ration allowance with free medical aid).			
Orissa.	18	0 0	14	0 0	5	0 0	37	0 0
Punjab.	25	0 0	25	0 0	3	12 0	53	12 0
Uttar Pradesh.	45	0 0	Nil	-	-	-	45	0 0
P.E.P.S.U.	20	0 0	35	0 0	-	-	55	0 0
Saurashtra.	30	0 0	30	0 0	-	-	60	0 0
Madhya Bharat.	46	0 0	Nil	-	-	-	46	0 0
Ajmer.	55	0 0	50	0 0	7	0 0	112	0 0
Delhi.	30	0 0	Nil	-	-	-	30	0 0
Jammu and Kashmir.	12	0 0	6	0 0	12	0 0	30	0 0
Vindhya Pradesh.	25	0 0	Nil	-	-	-	25	0 0
Madhya Pradesh.	35	0 0	Nil	-	-	-	35	0 0

Eleven units - 7 in Madras, 2 in Bombay and one each in Travancore-Cochin and the Punjab - paid profit bonus to their employees. The rate of bonus generally varied from half a month's basic pay to 2 months' basic pay. One unit each in Madras and Bombay paid attendance bonus also. One unit in Bombay paid some Divali Bonus to its employees. One Madras unit paid to its employees 25 rupees at the time of marriage or death.

Only two units - one in Madhya and one in Jammu and Kashmir gave regular increments to their employees.

Housing and welfare.- Housing accommodation was provided by only 4 units - one each in Bombay, the Punjab, Uttar Pradesh and Ajmer. The percentage of workers provided with housing accommodation was 16 in Bombay, 10 in the Punjab, 66 in Uttar Pradesh and 8 in Ajmer. The monthly house rent charged by the units was 1 rupee 12 annas in Bombay, in Uttar Pradesh 5 rupees 8 annas and in the Punjab and Ajmer 15 per cent and 10 per cent of the basic pay respectively.

Eighteen units provided medical facilities to their employees. Of these 4 maintained dispensaries and 8 kept first aid boxes. Details of arrangements made in the other 6 units are not known. Seven units had canteens and 3 had built rest shelters for their employees.

Four units - one each in Bombay, West Bengal, Ajmer and Jammu and Kashmir opened shops for supplying food grains, etc., at concessional rates. Educational facilities were provided in 6 units - 2 in Bombay and one each in West Bengal, Ajmer, Saurashtra and Jammu and Kashmir. One unit each in Bombay, Travancore-Cochin, Orissa, Ajmer and Jammu and Kashmir opened co-operative societies. Only five units - 2 in Bombay and one each in Orissa, West Bengal, and the Punjab - provided facilities for indoor and outdoor games.

Provision for future.- Provident funds to which employers and workers both contribute existed in 13 units - 4 in Bombay, 3 in Madras, 2 in West Bengal and one each in Travancore-Cochin, Orissa, the Punjab and Jammu and Kashmir. Membership of the funds was generally speaking open only to permanent workers or those having put in a certain number of years' service. In the Jammu and Kashmir unit the rate of contribution varied from 6 1/4 to 15 5/8 per cent. In other units the rate was 6 1/4 to 8 1/2 per cent. The employers' contribution in the West Bengal unit was payable only if the Company's income exceeded 35,000 rupees in the year. Ten units also paid pension and/or gratuity to their employees. Of these, 4 units - 2 in Bombay and one each in West Bengal and Orissa - paid pensions as well as gratuity. Four units - 2 in Madras and one each in the Punjab and Bombay paid only gratuity while two units - one each in Saurashtra and Jammu and Kashmir paid only pension to their permanent employees. Details of gratuity schemes are available for three units only. In the Bombay unit employees got 15 months' salary or wages on retirement or resignation after 15 years' continuous service. In case of death or disablement the employees or their dependants got gratuity at the rate of one month's salary or wages for each year of continuous service subject to a maximum of 15 months' salary or wages. In the Madras unit gratuity was paid at the rate of one month's basic wages for every 5 years' service. Workers in the

Punjab unit got gratuity at the rate of half a month's basic salary for each year of service on retirement after 15 years of service.

Trade unions.- In the units responding workers' trade unions existed in 12 units - 4 in Bombay, 2 in Madras and one each in Orissa, West Bengal, Assam, Bihar, the Punjab and Delhi. Of these 8 were registered and 6 were recognised by the management. The table given below shows the number, membership and finances of trade unions as on 31 March 1952 in the industry group, according to returns under the Indian Trade Unions Act, 1926:-

State	Number of		Income	Expenditure	General Fund
	Trade Unions	Members			
			Rs.	Rs.	Rs.
Assam.	3	298	524	336	2,043
Bihar.	6	1,955	1,493	1,686	952
Bombay.	16	7,239	18,971	20,665	22,616
Madhya Pradesh.	3	241	477	398	166
Madras.	10	1,955	7,523	6,949	4,706
Orissa.	2	553	477	323	1,194
Punjab.	4	639	1,092	554	1,813
Uttar Pradesh.	17	4,465	8,515	6,663	7,766
West Bengal.	10	11,206	13,778	12,444	8,454
Ajmer.	1	28	46	41	337
Delhi.	3	1,216	1,677	1,177	6,361
Total.	75	29,792	54,513	51,236	56,408

There was no employers' union. A comparison of the membership given here with the average daily employment figures shows that the system of trade unions was most developed in West Bengal, as nearly 90 per cent of the workers were members of one union or the other. In Assam, Bihar, Orissa and Uttar Pradesh, nearly half the workers were trade union members, while in Bombay, Madras, the Punjab and Delhi nearly one third of the workers had joined trade unions. The development of trade union was poor in Madhya Pradesh and Ajmer.

Industrial relations.- Only one unit in Bombay employing 64 workers had a Labour Officer. In the other units managers, etc., looked into the grievances of the workers. Standing Orders had been framed by 9 units - 3 in Bombay, 2 in West Bengal and one each in Vindhya Pradesh, Orissa, Travancore-Cochin and Bihar. Six units - 4 in Bombay and one each in Orissa and the Punjab had constituted works committees.

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Bank Workers' Strike Postponed: Government's Assurance of implementing Rajadhyaksha Award with retrospective Effect.

The all-India strike of Bank employees called by the All-India Bank Employees' Association, in protest against the modification of the Labour Appellate Tribunal's award relating to salary, allowances and conditions of bank employees, (vide pp. 29-31 of the report of this Office for September 1954), has been called off, consequent upon the appeals by the Government and 50 members of Parliament drawn from all political parties and trade union organisations in the country.

By a resolution adopted on 8 December 1954, the Central Strike Committee of the Association postponed the strike until a decision in this regard was taken by the special session of the Association in deference to the assurances of the Prime Minister and the Labour Minister and the advice of the Central Trade Union Organisations.

The strike call had been given by the Association in support of its five demands: (a) Withdrawal of the Government's order modifying the Labour Appellate Tribunal's Award; (b) implementation of the award with no cut in the existing emoluments; (c) no curtailment of the existing rights and privileges and no retrenchment; (d) recognition of the Association and its constituent units; and (e) no exclusion of the United Bank of India, or any area, from the scope of the award.

According to the Association, the modification of the award by the Government had affected the wages of 92 per cent of the bank employees as well as reduced other rights and privileges. The exclusion of the United Bank of India and banking offices at places with populations of less than 30,000 said the Association, involved the exclusion of 17,000 bank employees from the scope of the award.

Prime Minister's assurance.— Mr. Jawaharlal Nehru, Prime Minister, making a statement in the Lok Sabha on 6 December 1954 during the discussion on the admissibility of an Opposition motion on the bank employees' strike said that the Government of India would "come down heavily" on any bank which failed to implement the Government's assurance under the modified bank award safeguarding existing emoluments of the bank employees for one year. As regards the grievance of the bank employees that the readjustment of the basic salary sanctioned by the modified award might affect their gratuity, bonus and provident fund, both Mr. Nehru and the Labour Minister, Mr. Khandubhai Desai, reiterated the Government's assurance to give retrospective effect to any decision arrived at on the basis of the Rajadhyaksha report.

"I cannot state precisely when Mr. Justice Rajadhyaksha's report will come - it may take two months or three months - but it will not take a long time", Mr. Nehru said. "Therefore, nothing is lost except a delay of two, three or four months in this matter".

It was open to banks, Mr. Nehru pointed out, to come to any agreement with their employees provided what was given was not less than was provided for under the modified award. Not only did the Government not come in their way but they would welcome their acting in any manner so as to get rid of any anomalies of this type.

Retrospective effect to Award.- On 19 November 1954, the Union Labour Minister, Mr. Khandubhai K. Desai, gave an assurance in the Lok Sabha to bank employees that the Government proposed to give "necessary retrospective effect" to the action that would be taken on Mr. Justice Rajadhyaksha's recommendations to make good any losses by particular employees in the matter of provident fund, gratuity and bonus accruing during the intervening period.

The Labour Minister said certain employees' organisations had complained that re-fixation of emoluments by banks, in compliance with the Government's orders modifying the Appellate Tribunal's decision, had resulted in an immediate reduction in their total earnings. Inquiries made by the Government showed that where banks had re-fixed the salaries and allowances of their employees in accordance with the order, while there might have been some reduction in the basic salaries or dearness allowance or both of some employees, the total emoluments of the employees, currently payable, had been fully protected by the grant of an allowance equal to the reduction in total emoluments according to the revised calculations.

"It is true, however, that as basic wages have been reduced in some cases, benefits such as provident fund contributions, bonus and gratuity, which are based on basic wages are liable to be affected correspondingly". These benefits are, however, not immediately payable and there would still be time after receipt of Mr. Justice Rajadhyaksha's award to give retrospective effect to them if necessary.

Banks' support to Government stand.- Representatives of the Imperial Bank of India, the Indian Banks' Association and the Exchange Banks' Association, meeting at Bombay on 8 December 1954, announced that they "stood" by the Government's statement in the Lok Sabha on 6 December 1954.

(The Hindustan Times, 20 November 1954 and 5, 7 and 9 December 1954; The Statesman, 4, 5, 7, 8, 9 and 10 December 1954)

51. Hours of Work.

India - December 1954.

Working of the Railway Servants (Hours of Employment) Rules, 1951, during the Year 1951-1952.

The Railway Servants (Hours of Employment) Rules, 1951 were framed by the Government of India in March 1951 under the Indian Railways Act, 1890. These rules, which came into force on 1 April 1951 ~~superseded~~ superseded the Railway Servants (Hours of Employment) Rules of 1931. The Rules apply to all classes of railway servants except (a) those who are subject to the Factories Act, the Mines Act and the Indian Merchant Shipping Act; (b) Supervisory Staff; (c) certain sections of the staff of the Health and Medical Departments; (d) persons employed in a confidential capacity; (e) saloon attendants; (f) caretakers of rest houses, etc.; (g) gate-keepers of certain 'C' Class level crossings; (h) armed guards or other police personnel; (i) staff of railway schools; and (j) casual labour. The rules incorporated the recommendations concerning hours of work, periods of rest, etc., of railway employees made by Justice G.S. Rajadhyaksha in his award of May 1951.

As in the case of the Railway Servants (Hours of Employment) Rules of 1931 the administration of the new rules is the responsibility of the industrial relations machinery which is under the Chief Labour Commissioner (Central). The actual field work in connection with the enforcement of the rules is done by the Regional Labour Commissioner (Central), Conciliation Officers (Central) and Labour Inspector (Central). During the year under review two new regions were created with headquarters at Ajmer and Nagpur. Thus the total number of regions increased to seven viz., Ajmer, Bombay, Calcutta, Dhanbad, Kanpur, Madras, and Nagpur. Each region is under Regional Labour Commissioner (Central).

The total number of railway employees who were covered by the new rules on 31 March 1952 was 688,289 as compared to 693,973 covered by the 1931 rules on 31 March 1951. The slight reduction in the number was probably due to the introduction of contract system for several works which were previously executed departmentally. The officers of the industrial relations machinery inspected 4,756 establishments in 1951-52 as against 5,050 in 1950-51. The number of irregularities detected during the year under review was 7,013 as compared to 5,579 in the previous year. The increase was largely due to the fact that on account of the speeding up of the implementation of Justice

Justice Rajadhyaksha's award and the enforcement of the new rules the Railway Administrations were required to fill additional vacancies which they could not do for some time at least. Of the total number of irregularities detected during the year 1,211 related to non-maintenance of rosters, 419 to non-display of rosters, 344 to maintenance of out of date rosters, 350 to maintenance of illegible rosters, 1,372 to employment of workers during periods of rest, 759 to employment of workers outside rostered hours and 32 to continuous employment of workers on night duty. During the year under review, 3,409 irregularities were rectified, 273 were objected to by the Railway Administrations and the rest were under consideration of the Railway Administrations. Of the total number of irregularities rectified by the Railway Administrations, 1,152 were rectified within a period of three months and the rest after more than three months. The delay in rectifying irregularities was largely due to the inability of the Railway Administrations to get the necessary staff for the purpose of working the revised rosters and for providing weekly rest to staff.

For purposes of regulating the hours of work and periods of rest the workers covered by the rules are classified into four categories depending upon the nature of work. The classification of workers, therefore, assumes considerable importance and the officers of the industrial relations machinery always pay special attention to it. During the year, 16 cases of doubtful classification and 119 of incorrect classification were referred to Railway Administrations. The corresponding figures for the previous year were 20 and 181.

Trade Unions of Railway employees also took interest in the enforcement of the rules and very often they brought the grievances of their members to the notice of the officers of the Industrial Relations Machinery. All such grievances were investigated and necessary action was taken to secure their redressal.

The award of Justice G.S. Rajadhyaksha was implemented in almost all railways by 31 March 1952.

(Indian Labour Gazette, October 1954, pp. 346-347)

56. Labour Administration.

India - December 1954.

Working of the Payment of Wages Act, 1936,
and the Employment of Children Act, 1938,
on Indian Railways during 1950-1951.

Payment of Wages Act, 1936. According to the annual report of the Chief Labour Commissioner (Central) on the working of the Payment of Wages Act, 1936, during 1950-1951 on railways, who continued to be in charge of the administration of the Act, the method of inspection adopted by the labour inspectors continued to be the same as in previous years, viz., detection of irregularities on the spot and their rectification generally in consultation with the supervisory staff of the railways. Whereas minor irregularities were taken up directly with the railway administrations, major irregularities were reported to the Regional Labour Commissioners who, after further scrutiny, made necessary references to the railway administrations. Infringements detected by the Regional Labour Commissioners and Conciliation Officers (Central), during their inspections were also taken up by the Regional Labour Commissioners with the railway administrations for rectification.

All persons employed directly or through contractors, in Indian Railways including factories, who are in receipt of wages below 200 rupees per month are governed by the Payment of Wages Act. The number of persons thus governed by the Act during ~~1950~~ 1950-51 was 1,239,921; of these, 355,795 were employed through contractors and 884,026 were employed directly.

Inspection. During the year under report 5,439 establishments including Railway Stations, contractors' establishments and the offices of the paymasters were inspected. Whereas the number of establishments inspected in the Southern Zone (Bombay) and the Eastern Zone increased appreciably during the year, the number of establishments inspected over the B.B. & C.I. Railway decreased considerably due to the headquarters of the Labour Inspector (Central), Ahmedabad, not functioning for the greater part of the year. In the Western Zone the number of establishments inspected was 1,740.

The number of reports submitted and irregularities detected during the year under report was 599 and 9,654 respectively. The irregularities related mostly to non-payment of wages in time. There were 8,127 cases of this nature. Of these, 3,200 cases occurred in the southern zone, 3,015 in the western zone and 1,912 in the eastern zone.

Next in importance were irregularities relating to non-display of notices. Of the irregularities referred to the railway administrations for rectification, 5,769 were rectified, 184 were objected to and 3,701 cases remained under consideration towards the close of the year.

During the year under review 87 cases of imposition of fines in excess of permissible limits were detected in the southern zone by the Labour Inspectors. There were also 51 cases in which recovery of fines was made after the expiry of 60 days. All these cases were taken up with the railway administrations concerned for refund of all irregular recoveries made to the employees concerned. In the western zone, 25 cases of fines recovered after the expiry of 60 days or fines imposed in excess of the limits permissible under the Payment of Wages Act were detected. The total number of cases in which fines were imposed was 23,908 and the total amount of fines was 38,181 rupees 2 annas and 9 pies. Deductions for damages or loss amounting to 220,993 rupees 10 annas and 3 pies were made in 81,924 cases.

During the year under review no breaches of the provisions relating to deductions for amenities and services were noticed. In the southern zone there were 15 cases in which deductions towards repayment of loans to co-operative societies were made in excess of the prescribed limits.

A summary of the annual returns submitted by the Railway Administrations, showing the number of persons employed, total wages paid and the ~~xxxx~~ average annual earnings for 1950-51 and 1949-50 is given below:-

	No. of persons employed	Total wages paid		Average earnings for the year 1950-51	Average earnings for the year 1949-50
		Rs.	A.P.	Rs.	Rs.
Southern Zone-					
(a)	--	110,515	102898493 0 0	931.1	911.7
(b)	--	23,627	27624934 2 0	1160.2	1112.7
Western Zone-					
(a)	--	67,756	64692307 4 0	954.8	744.5
(b)	--	49,298	65486745 10 0	1328.4	983.0
Eastern Zone-					
(a)	--	306,884	275341999 0 0	897.2	483.6
(b)	--	57,706	60414789 11 6	1046.9	323.0
Grand Total.		615,786	596459268 11 6	968.6	676.3

(a) Non-factory labour. (b) Factory labour.

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Employment of children Act, 1938.— This Act prohibits the employment of children under 15 years of age in any occupation connected with the transport of passengers, goods, or mails by railway, or connected with a port authority within the limits of any port. Such employment is an offence punishable with simple imprisonment extending up to one month or a fine up to 500 rupees or both. The Chief Labour Commissioner, the Regional Labour Commissioners (Central), the Conciliation Officers and the Labour Inspectors are appointed as Inspectors under Section 6 of the Act.

During the year 1950-51 the number of inspections made in different zones was 1,378 as compared to 1947 in 1949-50. The number of cases of irregularities detected was 62.

The inspection staff continued to carry out inspection of the ~~General~~ Central undertakings with a view to enforcing the provisions of the Act. All breaches of the provisions of the Act detected by the labour inspectors were reported direct to the Administrations concerned.

(Indian Labour Gazette, October 1954,
pp. 347-349)

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CHAPTER 6. GENERAL RIGHTS OF WORKERS.

INDIA - DECEMBER 1954.

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

Payment of Wages (Bombay Amendment) Act, 1954
(No. LXX of 1954).

The Payment of Wages (Bombay Amendment) Bill, 1954 (vide page 48 of the report of this Office for August 1954) as passed by the Bombay Legislature received the assent of the President on 15 November 1954 and has been gazetted as Bombay Act No. LXX of 1954. The Act makes certain amendments to the Payment of Wages Act, 1936, in its application to the State of Bombay.

To effect expeditious recovery of an amount ordered to be paid by an Authority under section 15 of the Payment of Wages Act, 1936, the Amendment Act amends sub-section 5 of ~~the~~ section 15 empowering the Authority to recover the amount in all cases as an arrear of land revenue. Another amendment (section 17A) provides that when an appeal is preferred by a person under section 15, the provision of section 15A (exemption from payment of court fees) shall mutatis mutandis apply with the modification that such person, not being an Inspector, shall pay court fees of an amount of five rupees and that such amount shall be refunded to him in the event of his succeeding in the appeal.

(Bombay Government Gazette, Part IV,
18 November 1954, page 280)*

Travancore-Cochin: Draft Proposal to extend
Payment of Wages Act to Employment in Dock,
Wharf or Jetty Services in Cochin Port.

The Government of Travancore-Cochin has notified its intention to extend the provisions of the Payment of Wages Act, 1936, to the payment of wages to all classes of persons employed in dock, wharf or jetty services in the port of Cochin. The draft proposal will be taken into consideration by the Government after 27 February 1955.

(Travancore-Cochin Gazette, Part I,
30 November 1954, page 1523)*

66. Strike and Lockout Rights.

India - December 1954.

PEPSU: Sugar Industry declared a Public Utility Service.

In exercise of the powers conferred under the Industrial Disputes Act, 1947, the Government of the Patiala and East Punjab States Union has declared the sugar industry in the State to be a public utility service for the purposes of the Act for a period of six months from 21 November 1954.

(Patiala and East Punjab States Union Government Gazette, Part I, Section 1, 21 November 1954, page 247).

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67. Conciliation and Arbitration.

India - December 1954.

Industrial Disputes (Appellate Tribunal)
(Bombay Amendment) Act, 1954 (No. LXV of 1954).

The Industrial Disputes (Appellate Tribunal) (Bombay Amendment) Bill, 1954 (vide page 55 of the report of this Office for August 1954) as passed by the Bombay Legislature, received the assent of the President on 12 November 1954 and has been gazetted as Bombay Act No. LXV of 1954. The Act adds a new clause 2A to section 33 of the Industrial Disputes (Appellate Tribunal) Act, 1950, providing for the application of chapter V of the Bombay Industrial Relations Act, 1946, in so far as they relate to the parties to any proceedings and appearances on their behalf, to the representation of parties in the proceedings under the former Act.

(Bombay Government Gazette, Part IV,
18 November 1954, pp. 270-271).

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CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN
CATEGORIES OF WORKERS

INDIA - DECEMBER 1954.

74. Indigenous Labour.

All-India Tribal Conference, New Delhi, 4 and 5
December 1954: Prime Minister urges "understanding
approach".

The third All-India Tribal Conference was convened at New Delhi on 4 and 5 December 1954. The Conference, which was a non-official one, was attended among others, by Mr. Jawaharlal Nehru, Prime Minister, Dr. K.N. Katju, Minister for Home Affairs and tribal leaders and Members of Parliament.

Prime Minister's address.- Mr. Nehru inaugurating the meeting said that it was essential to raise the standard of living of the tribal people. It, however, did not mean an attempt to develop the tribal people on the same lines as those in the rest of India. The training of those chosen from the tribal areas might take time, but while this approach might not lead to rapid progress it would lead to sound progress. He pleaded for a "very understanding" and balanced approach towards the tribal question.

Mr. Nehru stressed the need to remove the "vicious" mental barrier between plainsmen and tribal areas. But he emphasised equally the need to maintain India's unity in diversity and asked the tribal people to grow up on their own roots and not to adopt the false values of "the so called civilization".

There were generally two extreme ~~max~~ approaches to tribesmen, both of which were bad, Mr. Nehru said. One was to regard them as museum specimens. They were kept in a condition where they were subjects of study for anthropologists. The second approach was to throw the doors wide open in such a way that people from outside were able to exploit them economically and otherwise. One should avoid both extremes and follow a middle course, that is, enabling them to progress without compulsion, except the type of compulsion that might be involved, say, in compulsory education, and as far as possible, utilising people belonging to these areas for this work.

Many things in India, Mr. Nehru said, might be suitable to the people of the tribal areas and which they could adopt gradually. But there were other things which might not be suitable.

Some tribes were more advanced than the rest but generally speaking, even those who were supposed to be very backward and primitive possessed certain virtues not found in the so-called civilized areas. For example, they were very disciplined. They had also been developing their way of life without a "market economy" which passed for a higher form of civilization, that is people climbing over other people's shoulders to get on in life on the theory of the survival of the fittest.

In certain areas of the Pacific, Mr. Nehru said, the tribal people had adopted certain ways from the West which had done them great injury. One was the introduction of this market economy. Another was the bringing of gin or other harmful alcoholic drinks from Europe. They get accustomed to these ways and were bowled over. They lost their balance. They lost their customs and their arts. The "horrid importations" from the West in the 19th century, cheap trinkets and the rest destroyed their crafts. This type of European civilization, Mr. Nehru felt, had been most disastrous to those people. There was some danger that the importation of some of the ways of life from the plains of India might have similar consequences on the tribal areas. That was why care should be taken to see that they grew on their own roots.

Mr. B.N. Datar, Deputy Minister for Home Affairs, said that the tribal people were suffering from three main disabilities - geographical isolation, cultural barriers and economic backwardness. Every effort had to be made to get them rid of these evils.

Dr. Katju, Home Minister, addressing the conference emphasised the need to foster a sense of unity with the people of the tribal areas and said that a "two-way traffic" should be developed between the people of the tribal and non-tribal areas.

Papers were read and speeches made by the participants in the conference reviewing the condition of the tribals in the various States and measures that were and should be undertaken to improve their conditions. The suggestions included spreading of education and provision of amenities like roads and hospitals in the tribal areas. A suggestion was also made for the creation of a separate ministry for tribal affairs at the Centre.

Mr. B.N. Datar, winding up the discussions, said the conference had been of a deliberative nature and had proved very useful. He also reiterated the need for a two-way cultural traffic between the tribal and non-tribal areas. The rich tribal culture, which was now being preserved, he added, should be assimilated into the composite culture of the country.

(The Hindustan Times, 5 and 6 December 1954).

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CHAPTER 8. MANPOWER PROBLEMS.

INDIA - DECEMBER 1954.

81. Employment Situation.

Employment Exchanges: Working during October
1954.

According to the review of work done by the Directorate General of Resettlement and Employment for the month of October 1954, as a result of many closed holidays during the dussehra and divali festival season, the number of working days at the exchanges was greatly curtailed. Applications for employment assistance, even during the working days, also fell steeply with the result that the number of fresh registrations during the month was the lowest recorded for three years. The live register, in consequence, dropped by more than 21,000. Similarly, the number of vacancies notified and placings effected showed a steep fall, the number of placings being the lowest recorded for many years. The employment situation in general continued to be dull.

Statistics collected in respect of educated unemployed showed that, during the quarter ending 30 September, the number of such persons had continued to rise, and at the end of September there were about 190,000 educated persons still seeking employment assistance as against 180,000 at the end of June.

A shortage of efficient stenographers, fast typists, trained teachers, experienced draughtsmen, overseers, compounders and nurses continued to be reported by a large number of exchanges. A number of exchanges also reported a shortage of highly skilled technicians viz., fitters, turners, moulders and electricians.

Surpluses of clerks, untrained teachers, freshers from schools and colleges, carpenters, motor drivers and unskilled office workers continued to be widespread.

Registrations and placings.— The following table shows the registrations for employment and placings during October 1954 as compared to September 1954.

		October 1954	September 1954
Registrations	==	94,414	122,312
Placements	==	10,500	14,357

Registrations recorded a fall of 27,898 as compared to previous month and reached the lowest level in any particular month during the last three years. This ~~mark~~ precipitate fall is reported to be mainly due to fewer working days during the month. Employment exchanges in all the States except Bombay and Travancore-Cochin reported a fall in registrations. A comparatively large decline was however, recorded in the States of Uttar Pradesh (10,247), Delhi(3,521), West Bengal (2,718), Madras(2,633), Himachal Pradesh (2,580) and Punjab(2,490). The employment exchanges in Bombay on the other hand, showed an increase of 1,427 as compared to the figure for September 1954.

The placement figure was also the lowest ever recorded in any one month since November 1946. A comparatively large fall in placings was reported by the exchanges in Himachal Pradesh(1,413), Bihar (440), Madras(442), West Bengal(382) and Uttar Pradesh (360). Employment exchanges in Madhya Bharat on the otherhand, showed an increase of 209 over the previous month's figure. Of the total number of placements effected 7,809 were in Central and State Government establishments and 2,691 were with private employment.

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

<u>Wage groups</u>		<u>Number placed</u>
101 rupees and above	--	1,452
61 rupees to 100 rupees	--	4,879
30 rupees to 60 rupees	--	4,042
Below 30 rupees	--	127

Vacancies notified and submissions.- The number of employers who used the exchanges during the month was 3,890 as against 4,395 during September 1954. The number of vacancies notified by them was 18,216 as against 20,481 during the previous ~~year~~ month, i.e., a fall of 2,265. The decline in the number of vacancies notified was comparatively large in Himachal Pradesh(1,456), Bihar (565), Madhya Pradesh (386), Uttar Pradesh (383), West Bengal (275) and the Punjab (258). There was on the other hand, an increase in the number of vacancies notified in Bombay (461), Delhi (293) and Assam (262). Of the vacancies notified ~~by~~ 13,843 were in Central and State Government Departments and 4,373 in private establishments.

The number of persons submitted to employers during October 1954, was 62,447 as against 77,809 during the previous month.

Register of unemployed.— The number of persons seeking employment assistance through the exchange on the last day of October 1954, was 569,134 which was 21,404 less than the figure as at the end of previous month. Of those on the live register 2,947 were known to be employed persons who desired further employment assistance.

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

<u>Occupations</u>	<u>No. on live Register as on 31 October 1954</u>	
Industrial supervisory	--	5,330
Skilled and semi-skilled	--	51,380
Clerical	--	165,802
Educational	--	18,079
Domestic service	--	19,480
Unskilled	--	272,914
Others	--	36,149
Total	--	<u>569,134</u>

Employment position of special types of applicants.— The employment position in respect of special types of applicants during October 1954 is shown in the table given below:—

Category	Total No. of regist- rations.	Total No. of place- ments.	Total No. on the live register.
1. Displaced persons	-- 5,676	683	47,231
2. Ex-servicemen	-- 4,766	964	26,990
3. Scheduled caste applicants	-- 11,140	1,746	55,136
4. Scheduled tribe applicants	-- 1,756	183	5,608
5. Surplus and discharged Government employees	1,755	707	9,688
6. Highly qualified applicants	-- 590	90	5,060
7. Women	-- 4,831	588	23,032

Educated applicants.— During the quarter July-September 1954, 107,301 registrations and 11,044 placements were effected by the employment exchanges in respect of educated applicants as against 103,965 and 8,326 respectively during the preceding quarter. Of the total number of registrations 93,441 were matriculates (including 12,680 registrants who had passed the intermediate examination) and 13,860 graduates. Amongst the graduates registered at the exchanges 682 were engineers, 112 were doctors and 13,066 had degrees in various other subjects. Employment exchanges secured placements for

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9,116 matriculates (including 1,138 intermediates) and 1,928 graduates of whom 120 were engineers and 17 were doctors. Employment exchanges in Uttar Pradesh recorded the largest number of registrations (25,906) of such persons; whereas the largest number of placements (2,508) were effected by the exchanges in the Madras State. At the end of September 1954, there were 189,976 educated persons on the live register of exchanges seeking employment assistance, as against 180,033 at the end of June 1954, and 162,303 at the end of September 1953. Of those on the live register 167,475 were matriculates (including 21,318 intermediate passed persons) and 22,501 were graduates. Of the graduates 1,082 had degrees in engineering, 201 in medicine and 21,218 in other subjects. A comparatively large number of educated persons remained on the live register of exchanges in the States of Uttar Pradesh (34,791), Madras (26,807), Bombay (26,542) and West Bengal (24,136). Of the total number of ~~educated~~ educated persons on the live register 9,322 were women of whom 8,144 were matriculates (including 634 intermediates) and 1,178 were graduates.

Anglo-Indian applicants. During the quarter July-September 1954, 303 Anglo Indian applicants were registered by the employment exchanges and 47 were placed in employment, 37 in Central and State Government departments and 10 in private establishments. Of those placed in employment 11 were women. At the end of September 1954, 543 applicants remained on the live register of employment exchanges of whom 135 were women.

Only one vacancy specifically reserved for Anglo-Indian applicants, was notified to the exchanges during the quarter under review.

(Review of the Work done by the Directorate-General of Resettlement and Employment for the Month of October 1954; issued by the Ministry of Labour, Government of India).

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Survey of Unemployment in India:
Summary of Results.

To supplement the meagre information available on unemployment in India, a number of employment surveys have been undertaken at the instance of the Planning Commission by various organisations, including the National Sample Survey and Universities. These are the following:-

1. A survey of persons on the Live Register of the Delhi Employment Exchange (National Sample Survey).
2. A sample survey of 4,000 households of Calcutta City. (National Sample Survey).
3. A survey of unemployment in Kolhapur and Batala Evaluation Blocks (Programme Evaluation Organisation).
4. A survey of unemployment in Travancore-Cochin (Travancore University).
5. A preliminary survey in 23 sample towns scattered over the country, covering approximately 4,000 sample households (National Sample Survey).

Of these surveys, the results of the study of Delhi employment exchange live registers have already been reported (vide pp. 49-51 of the report of this Office for September 1954). The results of the last survey has not yet been received. The other surveys are briefly summarised below:-

Sample survey of Calcutta households.- The Calcutta Survey showed that the working force consisted of 40.3 per cent of the population. Of the aggregate working force roughly a fifth was found unemployed and half of the unemployed persons belonged to the 'white-collar' groups with qualifications ranging from matriculation upwards, indicating that though the employment situation in the area surveyed was bad enough, it was worse still in the case of the white-collar groups. A brief statement of the main features of the survey, undertaken in August-December 1953 is given below:-

<u>Economic Status</u>	<u>of the males</u>	<u>of the females</u>
Employers	1.3 per cent	negligible
Employees	31.0 per cent	4.6 per cent
Own account workers	16.0 per cent	0.9 per cent
Unpaid household labourers	2.7 per cent	negligible
Unemployed persons seeking employment for the first time	6.7 per cent	0.6 per cent
Seeking employment not for the first time	6.1 per cent	0.2 per cent
Engaged in domestic work	1.3 per cent	55.3 per cent
Retired and pensioners	1.0 per cent	0.6 per cent
Beggars and persons living on charity	0.5 per cent	0.4 per cent
Old and infirm persons students and children	33.4 per cent	37.4 per cent
<u>Of the Population</u>		
Constitute total working force	40.3 per cent	
Unemployed	7.9 per cent	(20 per cent of the aggregate working force)
Of which		
Seeking employment for the first time	4.2 per cent	
Seeking employment for the first time	3.7 per cent	

Employment in Kolhapur and Batala Evaluation Blocks. In a report on the analysis of the data on unemployment collected through the Bench Mark Schedules of two of its Evaluation Blocks, namely, Kolhapur and Batala, the Programme Evaluation has estimated that the percentage of persons offering for employment in the total population in respect of the two blocks came to 16 and 10, respectively; the reasons for such low percentage being that a majority of women did not offer themselves for employment. Of the persons who offered for employment, 59 per cent in the Kolhapur Block and 41 per cent in the Batala Block, reported unemployment. The average number of days unemployed in the case of persons who reported unemployment in the last 9 months, was 42 in respect of Kolhapur and 129 for Batala. A further analysis of the data according to causes of unemployment showed that illness accounted for 19 per cent of the days unemployed and a major portion of the balance was just non-availability of work. The following table illustrates the main results of the survey:

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Period of the Survey - first half of 1954.

	<u>KOLHAPUR</u>	<u>BATALA</u>
No. of villages selected for the purpose of survey.	6	6
Total population.	6,655	4,405
<u>Occupational status</u>		
Percent of persons in gainful occupations.	45.6	50.7
Percent (to total) of:		
Cultivators.	29.8	16.1
Agricultural labourers.	9.4	2.2
Mark Workers in profession & services.	1.9	8.1
Others gainfully occupied.	4.5	4.5
<u>Employment Status</u>		
Percent (to total) of:		
Independent workers.	32.3	22.3
Employers.	1.9	0.1
Employees.	11.4	8.5
Non-earning dependents.	54.4	69.2
<u>Persons offering for employment</u>		
Percent of persons offering to ^{the} total.	16	10.3
Percent of persons offering to total gainfully occupied.	35	33
<u>Persons reporting unemployment</u>		
Proportion of persons reporting unemployment to total offering.	58.7	41.0
Proportion of agricultural workers reporting unemployment to total agricultural workers.	67	15
<u>Average number of days of unemployment</u>		
Per reporting person.	42	129
Per offering person.	25	52.5
Per agricultural labourer reporting unemployment.	45	76
Per agricultural labourer.	30	9.5
Per employee reporting.	45	130
Per employee.	27	54
<u>Average number of days of unemployment per person reporting specific cause.</u>		
Illness.	47	53
Slack season.	32	60
Work not available.	35	131

Unemployment in Travancore-Cochin. - The analysis of the data collected during the course of the employment survey in Travancore-Cochin State during the later half of 1953 reveals that 22 per cent of males and 64 per cent of females are unemployed. However, when allowance is made for the fact that 26.7 per cent among men and 79.4 per cent among women do not desire employment,

the resultant percentages are 16.1 for men and 13.2 for women. The unemployment in both the sexes is highest in respect of families with an annual income of over 1,000 rupees, indicating thereby that the incidence is highest in the case of middle class. As regards the educational standards of the unemployed the survey reveals that 73 per cent of the male unemployed persons are either illiterate or just literate, 22 per cent have middle standard qualification and 3 per cent intermediates and graduates. As is to be expected the incidence of unemployment is highest in the age-group 15-24. As to the magnitude of unemployment in urban and rural areas, it appears from the survey that though the problem is equally serious in both the areas, its incidence in the urban areas is greater than that in the rural areas. The following table gives a statistical summary of the data collected:-

Period of Survey: Later half of 1953.

Scope: The survey was designed to collect data on the volume, nature of unemployment, its distribution by rural and urban areas, educational attainments, income groups and sources of livelihood.

	<u>Male</u>	<u>Female</u>
Percent of unemployed in the State (Gross).	22.0	64.0
Percent of total not desiring employment (Gross).	26.7	79.1
Net unemployment.	16.1	13.2
Percent of unemployed in rural areas (Gross).	21.0	60.3
Percent of unemployed in urban areas (Gross).	24.3	83.8
Percent of unemployed in agricultural families (Gross).	26.4	66.4
Percent of unemployed in miscellaneous labour families (Gross).	16.2	52.7
Percent of unemployed in families living on pensions, remittances, rents, etc. (Gross).	35.5	62.6
Percent of unemployment in families deriving income from non-agriculture (Gross).	20.9	74.1
Percent of unemployed in families with an annual income of 500 rupees per month (Gross).	21.7	58.1
Percent of unemployed in families with an annual income between 501-1000 rupees (Gross).	20.2	68.4
Percent of unemployed in families with an annual income of 1000 rupees and over (Gross).	23.2	76.0
Percent of unemployed in each educational group:		
Not literate. (Gross).	18.6	60.9
Just literate only. "	18.9	66.9
Above middle school standard. "	43.0	83.4
Intermediate and graduates. "	35.9	64.2
Degrees in teaching. "	6.2	20.4
Professional or technical qualifications. "	19.5	30.8
Certificates in arts and crafts. "	8.6	18.9

Besides these surveys, there have also been several ~~xxx~~ other surveys of employment and unemployment undertaken by official as well as non-official agencies. A brief account of the results of these surveys are indicated below:-

Economic conditions in Faridabad township.- A survey which was organised on behalf of the Ministry of Rehabilitation was designed to throw light on the economic conditions in the Faridabad Township. The employment data contained in the report, which has been prepared on the basis of a representative sample of households in this township, shows that of the total population about 22 per cent was unemployed and fairly large proportion of the employed population had an income of 50 rupees per month and below. A statistical analysis of the data collected is given below:-

Period of Survey:- March and April 1954.

Scope

To assess - i) population, ii) sources of livelihood, iii) nature and extent of unemployment, and iv) standard of living.

Population of the Township.	23,840
of which	
Males - 49 per cent	Females 51 per cent.
Earners.	26.4 per cent
Earning Dependents.	2.4 per cent
Non-earning dependents.	70.2 per cent
Number of working earners and earning dependents.	5,780 (100)
of which	
Superior Administrative and executive work.	0.8 per cent
Unskilled workers.	29.6 per cent
Subordinate Technical work.	28.0 per cent
Subordinate administrative and executive work.	10.0 per cent
Traders and brokers.	7.8 per cent
Grass Cutters.	6.1 per cent
Superior Technical Work (.4 engine ring, .9 medical and health, 2.8 teaching and 0.9 all others).	8.0 per cent
Ministerial work.	4.8 per cent
Bearers of animals.	2.4 per cent
Manufacturers of Cooked Food.	3.6 per cent
Others.	2.0 per cent

<u>Average monthly incomes of earners and earning dependents</u>	
of male earners.	Rs. 52
of female earners.	Rs. 42
<u>Size of the labour force.</u>	6,310 (26.5 per cent of the population)
of the labour force the gainfully occupied are.	91.5 per cent
those in stable employment are.	88.9 per cent
those in temporary employment are.	32.6 per cent
of the labour force, unemployed seeking employment are.	8.5 per cent
	(2.2 per cent of the total population).

General education of the unemployed:

of the unemployed.	
the illiterate are.	16 per cent
the barely literate are.	56 per cent
the pre-matric are.	16 per cent
the matriculates and above are.	12 per cent

Technical qualifications of the unemployed

of the unemployed	
those with no technical skill.	64 per cent
those with only practical skill.	22 per cent
those with practical skill, training and lower order certificates.	14 per cent

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Unemployment in Bharatpur.— The Bihar Sevak Samaj, Bharatpur City, carried out an unemployment survey of the city. The survey estimates that about 20 per cent of the aggregate working force in that city is unemployed, the incidence of unemployment being the highest in respect of unskilled labour.

Unemployment in Bihar.— The Government of Bihar has recently conducted a survey of urban unemployment in the State. The survey covered 4,716 families spread over 15 towns. According to the survey 57.7 per cent of the population constituted the labour force. As regards classification of labour force according to sex, 50.9 per cent were males and 49.1 per cent females. Out of the total male employable population, who offered for employment 15.4 per cent were suffering from total unemployment, the corresponding percentage in respect of females stood at 1.8. The survey further reveals that in addition to total unemployment, 7.05 per cent of the employable males suffered from partial unemployment. In other words 22.4 per cent employable males were actually the victims of either unemployment or under-employment.

Unemployment in Patiala.— A sample survey of unemployment, undertaken by the P.E.P.S.U. Directorate of Economics and Statistics, reveals that the majority of unemployed persons are concentrated in households with income between 50 rupees and 200 rupees per mensem. The survey was conducted in 1,571 households and among persons actively seeking work on a specific date. The survey further reveals that the problem of ~~uneducated~~ uneducated unemployed was as serious as that of educated unemployed. A large number of them have no technical or professional qualifications and often demanded facilities for technical training in order to improve their economic situation. Of the unemployed persons surveyed, 57 per cent were seeking employment for the first time. Unemployed women were 11 per cent. The earning member of ~~the~~ one out of every 10 households was unemployed. A study of age groups among the unemployed shows that 90 per cent of those in the age group below 18, 57 per cent of those between 18 and 25, 72 per cent of those between 26 and 39, and 91.6 per cent from 39 to 54 years are without jobs.

Lucknow University survey.— A sample survey conducted by Lucknow University Department of Economics and Sociology underlines the high incidence of unemployment amongst the educated in Lucknow City. The survey covered nearly 40 per cent of the families in the city. More than one-fifth of the unemployed are either under-graduates or graduates and those having passed high school examinations. Eight per cent of the unemployed held technical qualifications. As many as 30 per cent of the unemployed had been without jobs for more than a year at the time of investigation.

The incidence of unemployment has increased from 8.8 per cent of the total earners a year before, to little over 10 per cent by the beginning of the current year. It has been further estimated that 4 per cent of the total earners are unemployed on account of 'employment lag', that is, the discrepancy between the rate of increase in urban population and employment, and 3.3 per cent due to frictional unemployment.

Survey in West Bengal.- Apart from a sample survey of 4,000 households in Calcutta City, there were three other surveys in State of West Bengal, viz., i) in Calcutta industrial area; ii) Calcutta Corporation area; and iii) an interim survey of unemployment in all big towns in the State excluding Calcutta City and industrial area.

i) Calcutta industrial area.- The statistical results of the survey are shown below:-

(Figures are '000)

The survey was conducted during the period September - October 1953. The size of the sample constituted 20 per cent of the total number of families in the area.

Total population.	<u>2287.6</u>	
Middle class population.		906.2
Otherclass population		1381.4
Of the total population, those aged 16-60 years.	<u>1495.4</u>	
Middle class.		542.6
Others.		952.8
Number of persons aged 16-60 having full time employment.	<u>717.4</u>	
Of the above number in the middle class.		182.0
Of the above number in otherclass.		535.4
Number of persons aged 16-60 having no full time employment, but seeking such employment.	<u>194.5</u>	
Number of males of the above category.	<u>179.2</u>	
Number of males of the middle class.		104.3 72.9
Number of males of the other class.		104.3
Number of females having no full time employment.	<u>15.3</u>	
Number of females in the middleclass class.		6.1
Number of females in the other class.		9.2
Of the total number of persons given in serial No.4, persons with matriculation qualification and above.	<u>30.8</u>	
Bengali.		29.9
Hindustani.		0.7
Others.		0.2

ii) Calcutta Corporation Area.- The following table analyses the data collected during the survey:-

Period of the Survey - September-October 1953.

(Figures are '000)

Total estimated population.	<u>2569.7</u>	
Middle Class population.		1413.8
Others.		1155.9
Of the total population, those aged 16-60 years.	<u>1777.2</u>	
Middle class population.		925.6
Others.		851.6
Number of persons aged 16-60 who have full time employment.	<u>855.1</u>	
Of the above who constitute 'middle class'.		355.7
Of the above who constitute 'other classes'.		499.4
Number of persons in the age group 16-60 who who have not full time employment but seeking such employment.	<u>257.3</u>	
Number of males of the above category.	<u>237.1</u>	
-do- belonging to middle class.		126.2
-do- belonging to 'other classes.'		110.9
Of the total employment seekers, viz., 257.3 those with qualifications of matriculation and above.	<u>65.4</u>	
Bengali.		59.4
Hindustani.		2.9
South Indian.		0.4
Others.		2.7

iii) Cities in West Bengal.- According to the Interim Report of Survey of Unemployment covering 24 towns of the State, excluding Calcutta City and the Calcutta Industrial Area, the pattern of results thrown up by this survey is almost similar to that emerging from surveys of the Calcutta area except for the fact that unemployment is less acute in the case of mofussil towns as compared with that in Calcutta. Of the total persons belonging to the employable age-group 9 per cent were wholly unemployed, the corresponding percentage ~~is~~ in respect of the Calcutta area being over 13 percent. As regards the incidence of unemployment in different categories, the position is similar to that in Calcutta, namely that the severity of unemployment in the middle-classes is almost twice as high as that in the working-class.

(Government of India, Planning Commission, Five Year Plan Progress Report for 1953-54. (Manager of Publications, Delhi), pp.291-293; Employment Review - September-October 1954, issued by the Planning Commission (Labour and Employment Division); The Hindustan Times, 31 October 1954).

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Uttar Pradesh: Central Grants for Unemployment Relief.

The Central Government has sanctioned 126.7 million rupees, as loans and grants for unemployment relief in the State of Uttar Pradesh. For details see pp. 16 of this report.

Bombay: Working of the Decasualisation Scheme for Cotton Textile Industry during 1953.

The decasualisation scheme for employment in textile industry was introduced in Bombay State in 1949, with the objects of (a) regulating recruitment of labour with a view to avoiding waste of manpower, (b) increasing efficiency of production and reducing labour turn-over, (c) reducing the waiting period of the unemployed textile workers, (d) eliminating the malpractices in recruitment of workers for textile industry, such as corruption, bribery and favouritism, and (e) encouraging the systematic training of textile workers and thus ensure steady supply of skilled workers. The scheme is administered by the Commissioner of Labour and is in operation in the areas of Bombay City, Ahmedabad and Sholapur.

The number of workers registered, demanded, submitted and placed under the ~~Scheme~~ Scheme during the year under review and the corresponding figures for the preceding three years, for Bombay, Ahmedabad and Sholapur are shown in the following table:—

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	Year	Registra- tion.	Demand	Submi- sion.	Placement
Bombay	1950	20,355	29,659	23,648	7,434
	1951	46,409	55,408	70,871	40,237
	1952	43,140	62,548	87,234	49,928
	1953	31,916	44,230	62,888	34,663
Ahmedabad	1950	13,123	10,768	10,392	3,112
	1951	7,092	10,156	11,944	4,713
	1952	12,862	25,061	25,235	9,374
	1953	7,516	16,675	19,994	7,968
Sholapur	1950	12,548	1,773	2,356	1,628
	1951	2,830	2,755	3,463	2,633
	1952	2,896	3,243	43,534	2,950
	1953	2,569	2,102	2,877	1,949

In contrast with the experience of the earlier years, there was a fall in the demand for labour even during the peak period March and April 1953.

According to returns received from the mills, 5,333 workers were directly recruited, i.e., 15 per cent of the total recruitment. A considerable number of cases of direct recruitment, which were not shown in the return submitted by the mills, were reported by workers visiting the sectional offices, but the extent of such direct recruitment could not be ascertained. At Ahmedabad also, direct recruitment was reported to be in practice without any hindrance from the Mill Owners' Association. No direct recruitment was, however, reported from Sholapur.

(Labour Gazette, Bombay, October 1954,
pp. 146-147)

83. Vocational Training.

India - December 1954.

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

According to the review of work done by the Directorate-General of Resettlement and Employment for the month of October 1954 the number of trainees on the rolls of various training institutes and centres on 31 October 1954, was 5,959. There were 4,216 trainees in the technical trades and the remaining in the vocational trades.

Training of displaced persons.- The total number of displaced trainees on the rolls, at the end of October 1954 was 2,284; of them 1,883 were in technical trades. The remaining were undergoing training in vocational trades.

Apprenticeship training for displaced persons.- Seven hundred and ninety-five displaced persons were undergoing training as apprentices in industrial undertakings and establishments in West Bengal and Uttar Pradesh against 900 seats sanctioned. They were recruited and posted direct to the ~~the~~ undertakings and establishments concerned.

Training of women.- A total of 487 women were undergoing training at the end of the month under report at the three women's training institutes in New Delhi, Dehra Dun and Madras. In addition, 18 women at industrial training institute, Kakinada, 61 at industrial training institutes, Almora and 28 at industrial training institute, Alambagh, Lucknow were undergoing training.

Training of supervisors and instructors.- In the 13th regular session 108 instructors and supervisors were receiving training at the end of the month under report.

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

CHAPTER 9. INCOME SECURITY.

INDIA - DECEMBER 1954.

92. Legislation.

Draft West Bengal Employees' Insurance Courts Rules, 1954.

The Government of West Bengal published on 11 November 1954 the draft of the West Bengal Employees' Insurance Courts Rules, 1954, proposed to be made in exercise of the powers conferred under the Employees' State Insurance Act, 1948. The draft rules deal inter alia with the constitution of employees' insurance courts, the conditions of service of judges of the courts, the procedure to be followed in proceedings before the courts and the execution of the orders made by such courts, and the fees payable in respect of applications made to the courts and costs incidental to the proceedings. The draft rules will be taken into consideration by the Government after 15 December 1954.

(Calcutta Gazette, Extraordinary, 11 November 1954, pp. 1573-1592).

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CHAPTER 11. INDUSTRIAL SAFETY.

INDIA - DECEMBER 1954.

111. Prevention of Accidents.

65 Workers dead in Serious Mine Accident in Madhya Pradesh: Central Government appoints Court of Inquiry.

Sixty-five miners lost their lives in one of the worst mining disasters which occurred at the Newtonchikhali Colliery No.3 at Parasia, Madhya Pradesh due to sudden flooding on 10 December 1954.

The Union Labour Minister, Mr. Khandubhai K. Desai, making a statement on the accident in the House of the People on 13 December 1954, announced that the Government of India had set up a court of inquiry under Section 24 of the Mines Act, presided over by Mr. Justice V.R. Sen of the Nagpur High Court, Dr. W.S. Barlingay, MP., and Mr. M.L. Shome, Chief Mining Engineer, Coal Board, who is not connected with the administration of the Mines Act which regulates safety in mines, have been appointed assessors. Mr. Desai stated that the Government was greatly distressed over the accident and would arrange for early payment of compensation to the bereaved families in accordance with law.

The Minister said that the information that the Government has so far been able to elicit shows that 112 miners were working in the mine at the time of the accident. A large mass of water from an adjacent abandoned mine seems suddenly to have burst the intervening strata of rock and gushed into the mine, bringing with it a large quantity of gas. Forty-seven miners managed to reach the surface, but the remaining 65 were trapped in the mine. He also stated that in the opinion of the Chief Inspector of Mines on first inspection, the management had not maintained their plans correctly with the result that though the mine was inspected twice in 1954, once in April-May and again in August, the inspecting officers of the Mines Department were not aware of the proximity of old workings. He was also of the view that management had failed to observe the requirements of Regulation 74 of the Regulations under the Mines Act which provides for elaborate

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precautions whenever a working has approached within 100 feet of any place containing or likely to contain, an accumulation of water or other liquid matter or within 100 feet of disused workings. All these matters, however, required further inquiry.

(The Statesman, 14 December 1954).

Draft West Bengal Boilers (Testing of Welding Operators) Rules, 1954.

The Government of West Bengal published on 23 December 1954 the draft of the West Bengal Boilers (Testing of Welding Operators) Rules, 1954, proposed to be made in exercise of the powers conferred under the Indian Boilers Act, 1923. The rules which apply to persons employed on repairs to boilers by the oxy-acetylene or metallic-arc welding process, deals, inter alia, with minimum age and training of candidates for qualified welding operator test, several tests to be prescribed by the testing authority, the validity of qualification under the tests and the forms of application for the test and the certificate to be granted under the rules. The rules prescribe that no person who wishes to qualify as a welding operator shall be below the age of 19 years. The draft rules will be taken ~~with~~ consideration by the Government after 1 March 1955.

(Calcutta Gazette, Part I, 23 December 1954, pp. 4139-4152).

Draft Kutch Boiler Attendants Rules, 1954.

The Chief Commissioner for Kutch published on 16 November 1954 the draft of the Kutch Boiler Attendants Rules, 1954, proposed to be made in exercise of the powers conferred under the Indian Boilers Act, 1923. The rules require inter alia, ^{and} that the owner of a boiler shall not use or ~~persist~~ it to be used, unless it is placed under the charge of a competent person possessing a certificate of competency as an attendant. The rules also prescribe the conditions and mode of examination for granting such certificates. The draft rules will be taken into consideration by the Chief Commissioner after 1 December 1954.

(Kutch Government Gazette, Vol. 81, No. 16, 16 November 1954, pp. 301-309).

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

INDIA - DECEMBER 1954.

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

Andhra Inam Tenants Protection Act 1954 (President's Act No.14 of 1954). (Gazette of India, Extraordinary, Part II, Section 1, 9 December 1954, pp. 367-373).

Chapter 6. General Rights of Workers.

- (a) Payment of Wages (Bombay Amendment) Act, 1954 (No. LXX of 1954). (Bombay Government Gazette, Part IV, 18 November 1954, page 280).
- (b) Industrial Disputes (Appellate Tribunal) (Bombay Amendment) Act 1954 (LXV of 1954). (Bombay Government Gazette, Part IV, 18 November 1954, pp. 270-271).

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RECORD OF PRINCIPAL DECISIONS ON LABOUR AND
ALLIED SUBJECTS.

INDIA - DECEMBER 1954.

CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

India ratifies ILO Convention No. 29 concerning
Forced Labour.

Extract from letter No. LCR-92(11) dated 27 November 1954 from Shri Vishnu Sahay, I.C.S., Secretary to the Government of India, Ministry of Labour to the Director-General, International Labour Office, Geneva.

"I am directed to communicate hereby to you you the ratification by the Government of India of Convention No. 29 concerning Forced Labour adopted by the International Labour Conference at its 14th Session held in 1930".

Extract from the letter No. ACD. 2-33-00 dated 6 December 1954, from the Director-General, I.L.O., to the Secretary to the Government of India, Ministry of Labour, New Delhi.

"This ratification by India was registered by the Director-General of the International Labour Office on 30 November 1954".

CHAPTER 3. ECONOMIC QUESTIONS.

Lok Sabha Resolution on Economic Policy

The Lok Sabha adopted on 21 December 1954, the following motion:—

"That for the original motion, the following be submitted, namely:—

"This House having considered the economic situation in India and the policy of the Government in relation thereto, is of the opinion that —

- (i) the policy of Government is in harmony with the policy statement of the 6 April 1948;
- (ii) the objective of our economic policy should be a socialistic pattern of society; and
- (iii) towards this end the tempo of economic activity in general and industrial development in particular should be stepped up to the maximum possible."¹

¹ Lok Sabha, Bulletin- Part I (Brief Record of Proceedings) 21 December 1954, No. 374.

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Government Decisions on the Report of the
Jute Enquiry Commission.

Extracts from Resolution No.14(3)-Jute/54 dated 4 December 1954.

"The Government of India wish to take this opportunity of making known their decisions on some of the fundamental points discussed in this report. These are set out below:-

Raw Jute Cultivation.- The Commission has recommended that the object of the grow more jute campaign should be a restricted one, namely, the attainment of relative rather than absolute self-sufficiency and the endeavour should be in favour of intensive cultivation and improvement in quality rather than to offer inducements for jute cultivation on a widely dispersed basis.

This view is in accord with the recommendations of the ~~Expert~~ Expert Committee which, under the Chairmanship of Shri K.R. Damle, Vice-Chairman, Indian Council of Agricultural Research, had also examined the subject. Government agree that, in future efforts to produce higher proportion of the country's needs of raw jute, special attention will have to be paid to quality. A mere physical increase in the volume of production in areas which are unsuitable or uneconomic is likely to create additional problems rather than help in reducing the shortage of jute. In the ~~XXXX~~ pursuance of this objective efforts will, as the Commission points out, have to be made to effect improvement through propaganda, research, and demonstration, through the use of manures and improved seeds, through better methods of marketing and improved facilities for transport. ~~As~~ Government also accept the view of the Commission that the export of raw jute even as a measure of price support should not be permitted at present.

Jute Manufactures.- Government accept the recommendation that with so much idle capacity in the country, the erection of new jute mills should not ~~be~~ as a rule be permitted. Instead, the object should be to ensure the fuller utilisation of the existing capacity. For a considerable time now, the industry has been working with 12 1/2 per cent of its looms sealed and with the weekly working hours specially restricted. ~~There~~ has been a recent welcome increase in the working hours and with the general favourable trends now in evidence, it should be possible for the industry to think in terms of increasing its output and expanding its overseas markets rather than in terms of restricting its output in response to a decline in overseas demand.

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Trading and Marketing Practices.— One of the main defects of the marketing system followed in raw jute and more particularly in jute manufactures is that it has lent itself to speculative activity on an enormous scale. Government accept the recommendation of the Commission that a single well-knit and regulated organisation like the East India Cotton Association, Bombay, should be set up. The Forward Markets Commission which has been established for the purpose of regulating forward trading will examine sympathetically any schemes that may be submitted to it with this objective in view. At the same time, the many mal-practices to which the Commission has drawn attention, such as, the practice of issuing P.D.Os in anticipation of production, inducement in overtrading, and other similar activities must be curbed if the reopening of a proper futures market is not to have disastrous results once again.

The problems of Fair Prices.— The Commission has considered the question of providing for a fair return to the producer of raw jute and jute goods. It has come to the conclusion that statutory controls would be inadvisable, and has instead, recommended that a Jute Commissioner should be appointed by Government who, apart from acting as an adviser on all problems relating to jute and jute goods, would indicate fair prices for raw jute having regard to the prevailing jute goods prices in consultation with a Board consisting of mill interests, all sections of trade, banking and finance, representatives of growers and nominees of State Governments.

Government have given careful consideration to these recommendations of the Commission. They agree with the view that statutory price controls would be undesirable for an industry which sells the bulk of its production in overseas markets where it has to face growing competition. Government feel, however, that there would be very limited practical value in ~~in~~ setting up a machinery for indicating fair prices for raw jute in the manner recommended by the Commission. The relationship between raw jute prices and the price of jute manufactures, as the Commission points out, is not a fixed one, and even if the correlation of prices between raw jute and jute goods is fair in the sense that the mills pay to the growers a reasonable price having regard to the prevailing price of jute manufactures and other elements of cost, it would not necessarily mean that either the mill or the grower is getting an economic price. Further, it is doubtful whether the publication by the Jute Commissioner of the fair parity price of raw jute will have ~~any~~ any tangible effect on prices which in the absence of control must be determined by the working of the ordinary market forces. Government, therefore feel that the publication of fair prices by an organisation of the kind recommended by the Commission is not likely to prove to be of any real value in practice.

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The securing of a fair price is essentially a longterm problem. It will be possible only by improving the quality of jute production and the competitive ~~the~~ strength of the industry. The establishment of a well regulated future market, better transport and marketing facilities, and other similar measures recommended by the Commission should also help.

There may conceivably be occasions when emergent action is necessary to meet a crisis. In such conditions if the Government find it necessary to intervene, action will have to be taken with the full authority of the law and not merely in an advisory manner. For this purpose, Government already have the necessary powers to control the price and distribution of jute goods and suitable measures to have a similar reserve of powers in respect of raw jute are under contemplation. Should it become necessary for Government to use any of these powers for fixing statutory prices, the setting up of a Jute Board on the lines recommended by the Commission might be well worth considering. Although for the present, therefore there seems to be no need to set up a Jute Board ~~for~~ to advise on prices, Government propose to review the position at a later stage to see whether the creation of an organisation of this kind would be useful and desirable in dealing with the many other problems confronting Indian jute.

Other recommendations.— The following comments and recommendations of the Commission are brought to the notice of the State Governments concerned:—

(1) The endeavour should be in favour of intensive cultivation and improvement in quality rather than to offer inducements for jute cultivation on a widely dispersed basis.

(2) We support the view of the Expert Committee that in U.P. as well as other States a cautious policy of re-examining the areas under jute cultivation should be pursued, and cultivation restricted only to places where good retting water is freely available and other serious handicaps like transport difficulties are not great.

(3) Indebtedness is still extensive. State Governments should enforce laws against ~~many~~ usurious practices strictly.

(4) We recommend the establishment of regulated market at important centres in the jute growing areas of each State. Warehouses should also be set up at such markets.

(5) For bettering the conditions of the cultivator the organisation of multi-purpose cooperatives is essential and State Governments should give all possible help for this purpose. The scheme should be tried out as an experimental one at important centres.

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(6) As jute is the raw material of an important industry, we consider the State Government should not levy sales tax or ~~xxx~~ similar taxes on raw jute.

(7) The demand for establishment of more research demonstration farms should be given sympathetic consideration.

(8) Use of manures and improved seed should be encouraged with a view to obtaining the Planning Commission's target yield (5.4 million bales) from the minimum acreage.

(9) If steps are taken to accelerate process of compilation and the jute development organisations in the different States are further strengthened so as to enable them both to make these compilations in time and to give sufficient publicity to them, particularly statistics of current prices, the utility of Government statistical publications will be enhanced.

Government take this opportunity of drawing the attention of the Industry to the following observations and suggestions of the Commission:-

(a) A rational utilisation of the storage accommodation available at Calcutta requires that buying agencies and dealers should buy regularly in secondary markets and move their stocks to Calcutta throughout the season.

(b) In its struggle for building up and retaining its market in the future, the jute industry must continue vigorous market research and make a more positive endeavour to diversify its pattern of production.

(c) At present there is no uniform system of cost accounting maintained by mills. The standard cost system although adopted for purposes of cost control by a large section, is not regarded generally by the industry as offering a suitable basis for pricing.

(d) The installed jute manufacturing capacity is greater than the world demand for jute goods, ~~which~~ with the result that market potential for Indian jute goods is to that extent restricted. The effect of the Working Time Agreement is that the fall in output has been spread out uniformly over all sections of the industry ~~xxx~~ irrespective of relative efficiency, resources and costs. If efficient mills work to full production, lower costs would increase their competitive power.

(e) The process of change in working hours can be effected in stages or by sections. As a first step working hours may be raised to 48 or those incurring considerable expenditure for modernisation could be exempted from the working hour restrictions.

(f) Labour displaced from ^{units} which close down should largely be absorbed in mills working longer hours.

(g) The normal arbitration practice should be followed and award should be precise and complete and not leave the door open for any option to be exercised by either party later. The Indian Chamber of Commerce should also be included in the arbitration panel.

(h) The Pucca Delivery Order has been so far regarded as a document of title to goods on the basis of which discounting facilities have been given freely by banks.

(i) The draw-back in the present system of P.D.Os is the absence of a provision regarding the period within which delivery should be effected by the mills.

(j) Standard form of contract of the I.J.M.A. as well as the P.D.Os form ~~xxx~~ should refer to the period of delivery in the case of P.D.O. and bear an endorsement or declaration that the goods are ready and will be available for inspection or delivery within a specific period.

(k) A system of verifying goods against uncashed P.D.Os is desirable.

(l) The need for the mills themselves to finance rehabilitation and development from their own resources necessitates keeping down dividends.²

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² The Gazette of India, Part I - Section 1, dated 4 December 1954, pp. 292-293 .

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