

INTERNATIONAL LABOUR OFFICE
INDIA BRANCH

Industrial and Labour Developments in April 1962.

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

<u>Contents.</u>	<u>Pages.</u>
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p style="text-align: center;">- 1 JUN 1962</p> <p style="text-align: center;">File 3-2-25</p> <p style="text-align: center;">With</p> <p style="text-align: center;"><u>CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.</u></p> </div>	
11. <u>Political Situation and Administrative Action:</u>	
(a) New Central Cabinet Formed.	1-3
(b) President's Address to New Parliament.	4-6
(c) Work of Certain Ministries Reallocated.	7
<u>CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.</u>	
28. <u>Employers' Organisations:</u>	
(a) Twenty-Ninth Annual Session of All-India Organisation of Industrial Employers, New Delhi, 28 April 1962.	8-10
(b) 29th Session of Employers' Federation of India, Bombay, 23 April 1962.	11-14
<u>CHAPTER 3. ECONOMIC QUESTIONS.</u>	
31. <u>General Economic Situation:</u>	
Progress of Cotton Textile Industry in India for Year ending 31 August 1961: Annual Statement of Millowners' Association, Bombay.	15-16
32. <u>Public Finance and Fiscal Policy:</u>	
(a) Railway Budget for 1962-63 presented: Passenger Fares and Freight Rates Increased; An Additional Revenue of Rs. 212.6 Million Estimated.	17-18
(b) Central Budget for 1962-63 presented: Revenue deficit of 607.8 Million Rupees Estimated; New Taxes to yield 717 Million Rupees: Tax on Company Income, Personal Income, Tea, Cloth and Cigarettes raised.	19-24
33. <u>Full Employment Policy:</u>	
National Sample Survey: Eleventh and Twelfth Round Reports on Employment and Unemployment.	25-31
37. <u>Salaries:</u>	
Increase in Dearness Allowance for Central Government Employees.	32

29561

<u>Contents.</u>	<u>Pages.</u>
<u>CHAPTER 4. PROBLEMS PECULIAR TO CERTAIN BRANCHES OF THE NATIONAL ECONOMY.</u>	
<u>41. Agriculture:</u>	
(a) Bihar Land Reforms (Fixation of Ceiling Area and Acquisition of Surplus Land) Act, 1961 (Bihar Act 12 of 1962).	33-34
(b) Madras Land Reforms (Fixation of Ceiling on Land) Act, 1961 (Madras Act No. 58 of 1961).	35-36
<u>43. Handicrafts:</u>	
Expert Team for Development of Small Industries Appointed.	37
<u>CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.</u>	
<u>50. General:</u>	
(a) Conditions of Work of Staff on Indian Railways; Railway Board's Annual Report for 1960 - 1961.	38-55
(b) Maharashtra Motor Transport Workers Rules, 1962.	56
<u>CHAPTER 6. GENERAL RIGHTS OF WORKERS.</u>	
<u>63. Individual Contracts of Employment:</u>	
Madhya Pradesh Industrial Employment (Standing Orders) (Amendment) Act, 1961 (Madhya Pradesh Act No. 5 of 1962).	57
<u>CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES OF WORKERS.</u>	
<u>64. Indigenous Labour:</u>	
New Commissioner for Scheduled Castes and Scheduled Tribes Appointed.	58
<u>CHAPTER 8. MANPOWER PROBLEMS.</u>	
<u>81. Employment Situation:</u>	
(a) Employment Exchanges: Working during January 1962.	59-60
(b) Dock Workers (Regulation of Employment) Amendment Act, 1962 (No. 8 of 1962).	61
(c) Working of Aligarh University Employment Bureau: Establishment on permanent footing urged.	62
<u>83. Vocational Training:</u>	
(a) Labour Ministry's Training Schemes: Working during January 1962.	63-64
(b) Central Apprenticeship Council Rules, 1962.	65

<u>Contents.</u>	<u>Pages.</u>
<u>84. Vocational Rehabilitation of Disabled Persons:</u>	
Work Performance of Blind and Able-bodied Workers: Results of a Survey.	66-70
<u>LIST OF PRINCIPAL LAWS PROMULGATED DURING THE PERIOD COVERED BY THE REPORT FOR APRIL, 1962.</u>	71
<u>BIBLIOGRAPHY - INDIA - APRIL 1962.</u>	72-74

* * * * *

CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - APRIL 1962.

11. Political Situation and Administrative Action.

New Central Cabinet Formed.

After the General Elections and the election of a New Parliament, the President of India, on the advice of Shri Jawaharlal Nehru, the Prime Minister, announced the new Council of Ministers which ^{includes} comprises of besides, Shri Jawaharlal Nehru, sixteen Cabinet Ministers and ~~ten~~ 12 Ministers of State. The following are the names of Ministers and the portfolios allotted to them.

CABINET MINISTERS

1. Shri Jawaharlal Nehru - Prime Minister and Minister for External Affairs.
2. Shri Morarji Desai - Minister of Finance.
3. Shri Jagjivan Ram - Minister of Transport and Communications.
- 4. Shri Gulzarilal Nanda - Minister of Planning and Labour and Employment.
5. Shri Lal Bahadur Shastri - Minister of Home Affairs.
6. Shri Sardar Swaran Singh - Minister of Railways.
7. Shri K.C. Reddy - Minister of Commerce and Industry.
8. Shri V.K. Krishna Menon - Minister of Defence.
9. Shri S.K. Patil - Minister of Food and Agriculture.
10. Shri Hafiz Mohammad Ibrahim - Minister of Irrigation and Power.
11. Shri Keshava Deva Malayaya - Minister of Mines and Fuel.
12. Shri Asoke Kumar Sen - Minister of Law.
13. Shri B. Gopala Reddy - Minister of Information and Broadcasting.
14. Shri C. Subramaniam - Minister of Steel and Heavy Industries.
15. Br. K.L. Shrimali - Minister of Education.
16. Shri Humayun Kabir - Minister of Scientific Research and Cultural Affairs.
17. Shri Satya Narain Sinha - Minister of Parliamentary Affairs.

Ministers of State

1. Shri Mehr Chand Khanna - Minister of Works, Housing and Supply.
2. Shri Manubhai Shah - Minister of International Trade in the Ministry of Commerce and Industry.
3. Shri Nityanand Kanungo - Minister of Industry in the Ministry of Commerce and Industry.
4. Shri Raj Bahadur - Minister of Shipping in the Ministry of Transport and Communications.
5. Shri S.K. Dey - Minister of Community Development, Panchayati Raj and Co-operation.
6. Dr. Sushila Nayyar - Minister of Health.
7. Shri B.N. Datar - Minister of State in the Ministry of Home Affairs.
8. Shri Jai Sukh Lal Hathi - Minister of Labour in the Ministry of Labour and Employment.
9. Smt. Lakshmi N. Menon - Minister of State in the Ministry of External Affairs.
10. Shri K. Raghu Ramaiah - Minister of State in the Ministry of Defence.
11. Shri O.V. Alagesan - Minister of State in the Ministry of Irrigation and Power.
12. Dr. Ram Subagh Singh - Minister of State in the Ministry of Food and Agriculture.

Deputy Ministers

1. Shri B.R. Bhagat - Deputy Minister in the Ministry of Finance.
2. Dr. Mono Mohan Das - Deputy Minister in the Ministry of Scientific Research and Cultural Affairs.
3. Shri Shah Nawaz Khan - Deputy Minister in the Ministry of Railways.
4. Shri A.M. Thomas - Deputy Minister in the Ministry of Food.
5. Shri R.M. Hajarnavis - Deputy Minister in the Ministry of Mines and Fuel.
6. Shri S.V. Ramaswamy - Deputy Minister in the Ministry of Railways.
7. Shri Ahmed Mohiuddin - Deputy Minister in the Ministry of Transport and Communications.
8. Smt. Tarkeshwari Sinha - Deputy Minister in the Ministry of Finance.
9. Shri P.S. Nasker - Deputy Minister in the Ministry of Works, Housing and Supply.
10. Shri B.S. Murthy - Deputy Minister in the Ministry of Community Development, Panchayati Raj and Co-operation.
11. Smt. Soundaram Ramachandran - Deputy Minister in the Ministry of Education.
12. Shri D.R. Chavan - Deputy Minister in the Ministry of Defence.
13. Shri C.R. Pattabhiraman - Deputy Minister for Planning.
14. Smt. Maragatham Chandrasekhar - Deputy Minister in the Ministry of Home Affairs.
15. Shri Jagannath Rao - Deputy Minister in the Ministry of Works, Housing and Supply.
16. Shri Sham Nath - Deputy Minister in the Ministry of Information and Broadcasting.
17. Dr. D.S. Raju - Deputy Minister in the Ministry of Health.
18. Shri Dinesh Singh - Deputy Minister in the Ministry of External Affairs.
19. Shri Bibhudendra Mishra - Deputy Minister in the Ministry of Law.

→ // and Labour and Employment

Deputy Ministers (Continued):-

20. Shri B. Bhagwati - Deputy Minister in the Ministry of Transport and Communications.
21. Shri Shyam Dhar Misra - Deputy Minister in the Ministry of Community Development, Panchayat Raj and Co-operation.

Parliamentary Secretaries

1. Shri Annasaheb Shinde - Ministry of Food and Agriculture.
2. Shri D. Ering - Ministry of External Affairs.
3. Shri S.C. Jamir - Ministry of External Affairs.
4. Shri S. Ahmad Mehdi - Ministry of Irrigation and Power.
5. Shri Dodda Thimmaiah - Ministry of Mines and Fuel.
6. Shri M.R. Krishna - Ministry of Education.
7. Shri Ratanlal Kishorilal Malviya - Ministry of Labour and Employment.

The appointment takes effect from the date on which each of them takes the prescribed oaths of office and of secrecy.

(The Statesman 10 April and 15 April 1962).

President's Address to New Parliament.

Dr. Rajendra Prasad, President of the Indian Republic, opened the first session of India's third Parliament on 18 April 1962.

Dr. Rajendra Prasad in his address gave a preview of the legislative business expected to come before Parliament during the current session, listed at some length recent developments in one of the younger industries of India, oil, and in the broadest terms gave a cheerful estimate of the country's economy.

He said: ~~An Agreement~~ "Agricultural production is steadily moving up and the food situation in general is quite satisfactory. Industrial production maintains an upward trend despite power shortages in some areas."

Planned Economy.- Speaking about the plans launched by the Government, Dr. Rajendra Prasad said that planned economy was the basis of material development and of the maintenance of a dynamic, social and economic equilibrium. The third Five Year Plan was envisaged as a large-scale effort to build up the national economy to increase productivity and employment and to ensure the development of society on the basis of justice, social, economic and political, as enjoined by the Constitution of India. The Plan must increasingly bring within its scope of implementation larger numbers of our people as participants in production with both skills and understanding of the national objective.

"Pilot projects for the utilisation of rural manpower were initiated some time ago. This rural works programme is being expanded and now covers 200 development blocks. Pilot projects for the intensive development of village and small industries in selected rural areas are also being taken up, the ultimate aim being to bring about a diversified and balanced economy in all rural areas." Dr. Prasad told the house about the pilot projects which had been taken up by the Government in selected rural areas for the intensive development of village and small industries, the ultimate aim being to bring about a diversified and balanced economy in all rural areas.

5

Labour Research.- In the course of his address, Dr. Prasad told the Parliament how, the Government had also taken steps for setting up an Institute of Applied Manpower Research in Delhi and that a scheme for the establishment of unemployment relief and assistance as set out in the third Five Year Plan had been drawn up. A Central Institute of Labour Research was to be set up at Bombay. He said that a substantial portion of the working force was also expected to be covered during the third Plan period under the scheme of workers' education. With a view to promote the appreciation of national objectives, as well as the understanding of the basic principles and the acquisition of the knowledge and skills which would help workers to organise themselves.

Economic Development.- Reviewing trends in agricultural and industrial production, Dr. Prasad said: "Agricultural production is steadily moving up and the food situation in general is quite satisfactory. Industrial production maintains an upward trend despite power shortages in some areas,

"In the field of atomic energy, the production of radio isotopes for use in agriculture, biology, industry and medicine has registered an increase. Radio cobalt produced at Trombay is now made available to hospitals in the country. Agreements of collaboration and development in the use of atomic ~~energy~~ ^{energy} for peaceful purposes were concluded last year with Hungary, Sweden and the Union of Soviet Socialist Republics.

"Panchayati raj which has caught the imagination of our people, it being so well in accord with our traditions and our way of thinking, is to be implemented in four more States, bringing the total number to 12.

"The work on a second refinery in the public sector at Barauni is in progress. It will process two million tons of crude oil per annum. The first one million ton unit is scheduled to be commissioned within the next 12 months.

"It is proposed to have a chain of pipelines from Nurmatti to Siliguri and from Calcutta to Delhi via Barauni. In the western part of the country, pipelines will link the oilfields with the proposed refinery, and a product pipeline will run from the refinery to Ahmedabad; also small gas lines from oilfields to different power stations for transporting petroleum products in the east and crude oil, gas and finished products in the west. These pipelines are scheduled to be completed within the third Five Year Plan period. They will afford considerable relief to our railway transport system."

6

Proposed legislation.- The President indicated the legislative measures which the Government proposed to introduce during the current session. These included: the Minimum Wages (Amendment) Bill, The Factories (Amendment) Bill, the Payment of Wages (Amendment) Bill, the Workmen's Compensation (Amendment) Bill, the Industrial Disputes (Amendment) Bill, the Working Journalists (Amendment) Bill, and the Employees' Provident Fund (Amendment) Bill, and the Employees' State Insurance (Amendment) Bill.

(The Statesman, 19 April 1962).

Work of Certain Ministries Reallocated.

As a result of an order issued on 10 April 1962, by the President of India, the work among certain Ministries has been reallocated.

The Department of Mines and Fuel has become a full Ministry of Mines and Fuel. The Department of Iron and Steel has been under a new Ministry of Steel and Heavy Industries. The new Department of Heavy Industries has also been placed under this Ministry. The Ministry of Steel, Mines and Fuel as such has ceased to exist.

The Department of Commerce under the Ministry of Commerce and Industry has been abolished and a new Department of International Trade has been created under the Ministry of Commerce and Industry.

The Ministry of Rehabilitation has been abolished. The work of that Ministry has been transferred to a new Department of Rehabilitation under the Ministry of Works, Housing and Supply.

Three appendices to the President's order list the subjects which will be handled by the Department of International Trade, Department of Industry and Department of Heavy Industries.

(The Hindustan Times,
11 April 1962).

'L'

Chapter 2. International and National Organisations

28. Employers' Organisations.

India - April 1962.

Twenty-Ninth Annual Session of All-India Organisation of Industrial Employers, New Delhi, 28 April 1962.

The 29th annual session of the All-India Organisation of Industrial Employers was held at New Delhi, on 28 April 1962. The session was inaugurated by Shri Gulzarilal Nanda, Union Minister for Labour and Employment. Shri Surendra P. Hudeesing presided.

Inaugural address.- Inaugurating the 29th session of the All-India Organisation of Industrial Employers, Shri Gulzarilal Nanda, Union Minister for Labour and Employment, said that although money earnings of labour had risen by 26 per cent. since 1951, real earnings since 1953 had actually shown a slight fall. It would not be correct to say that "we have done too well by labour", added Shri Nanda. Shri Nanda further said that wages were too low in relation to needs. He reiterated the principle of "need-based wages" and said that unless workers were paid sufficient wages to enable them to meet their basic needs, they would not be able to raise productivity by increased efficiency.

Referring to the wage policy, Shri Nanda said that wages should be reasonable. This meant that the wage policy should aim at not making the life of the masses more difficult. The consumer's interest should always be borne in mind and in this both labour and employers should show a sense of responsibility. His view had always been that there should be the minimum of legislation and he reiterated his assurance that the Government would restrict its legislation to amending the existing enactments to make them work better.

Speaking on labour relations, Shri Nanda said that the Government believed in the minimum of intervention. He repeated an offer made previously that he was willing to completely dismantle all processes of adjudication initiated by the Government. He felt that as the new machinery and measures, such as wage boards and codes of discipline, became effective there would be less reliance on tribunals and other Government bodies.

Shri Nanda said there was a lot of unenlightened talk about participation in management in the country. He reminded employers that they could not offer the same material benefits to workers that their counterparts in other countries could. They would have to give something else and consultation of labour was one of them.

Presidential address.- Shri Surottam P. Hutheesingh, in his presidential address called for what he described as a greater element of realism in the policies and programmes pertaining to social betterment to facilitate simultaneous consolidation of the progress achieved and expansion. He pleaded for restricting the enactment of labour laws and simplification and rationalisation of existing ones instead of a spate of new legislation.

On the question of wage policy, Shri Hutheesingh was critical of the decisions of wage boards and tribunals, and said that while consideration was given to social principles and standards, the financial capacity of industry had been touched upon only incidentally. Little thought was given to correlate emoluments to the productivity of labour. Increases were recommended without the aid of work measurement or job evaluation. Shri Hutheesingh complained that certain wage board recommendations could not be implemented as labour had failed to honour its obligations.

Bonus.- On the issue of bonus, he said the economic function of profit was not merely to provide additional emoluments to labour. He thought it would be wrong to have a uniform formula applicable to all industries when conditions and practices varied. The gains of industry, he said, were the result of a number of factors either initiated by management or on account of some extraneous circumstances like excess demand in relation to supply. He stressed the need for linking emoluments in a particular industry could not be very far out of alignment with the prevailing standards of the country even if the profitability of an undertaking or industry so permitted.

Unemployment.- Shri Hutheesingh referred to the backlog of unemployment and underemployment and said in that perspective a clear choice had to be made between greater employment and higher wages, based not only on immediate considerations, but also on its cumulative effect on income and employment in the long run. In other words, it was a problem of apportioning priorities between distribution of a given level of income and better distribution of an increasing income.

Speaking about the measures of social security which had been provided to workers through Employees' State Insurance and Provident Fund Schemes and Maternity Benefit Acts, Shri Hutheesingh was of the view that India was far ahead in social legislation compared to other countries in a similar state of development in past or present. He felt that if social security preceded development incre. it would only retard the growth of industry, increase unemployment and create conditions of cost inflation.

Criticising the working of the Code for Discipline in Industry, Shri Hutheesingh said that a spirit and purpose of the Code had not permeated all sections of industry and it was necessary for every one concerned to continually put fresh efforts in this behalf. Shri Hutheesingh further suggested that the proposed Code of Efficiency and Welfare should first receive attention at the State level rather than at the national level.

Workers' participation in management.- Referring to a statement made by the Union Minister for Commerce and Industry in January 1962 that the operation of the scheme of workers' participation in management had not worked according to plan in Hindustan Machine Tool Factory, Shri Hutheesingh said. "The chief malady appears to be the rigid attitude of the representatives of the workers who refuse to take cognizance of the economic interests of the industry, their place in the industrial set up and the necessity of industrial growth. Workers' participation in management pre-supposes a certain level of understanding of these economic factors. Moreover, is not the concept of worker participation in management in conflict with the kind of independent bargaining by trade unions that is also being promoted? How are the representatives of workers to perform simultaneously the two incompatible roles - sharing responsibility for managerial decisions and leading opposition to management? A more satisfactory arrangement would be to proceed on the assumption that the management must be responsible for the economic performance of the enterprise, and that the worker should be induced to take a share in responsibility for the "community life" of the factory. Self government in this aspect of factory life will help the workers to understand the general functions and difficulties of management."

(The Statesman, 29 April 1962;
The Hindustan Times, 29 April, 1962;
Text of Presidential Address of
Shri Surottam P. Hutheesing, received
in this Office).

11

29th Session of Employers' Federation of India, Bombay,
23 April, 1962.

The 29th session of the Employers' Federation of India was held at Bombay on 23 April 1962.

Presidential address.- Addressing the meeting Shri Naval Tata, President of the Employers' Federation of India emphasised the need for a rational wage policy and the "inextricable" link between wages and productivity. He expressed satisfaction that the National Productivity Council, established under the aegis of the Union Commerce and Industry Ministry, was beginning to make its influence felt and, despite the prejudice and resentment of the worker, the theme of productivity was being high-lighted in a number of studies conducted by this body.

He said: "It has often been stated in our country that the concept of wages has a wider significance and that it should not be related to productivity only. We do not dispute that it should include an element of what has come to be popularly known as "Social Justice". I shall not question the justification for its inclusion, provided this yardstick of social justice is applied equally energetically both to the organised as well as the unorganised non-industrial worker of the country and reasonable parity maintained between the aggregate wages of both the categories. Strangely enough, such philosophy is reduced to sheer mockery when the organised labour of the textile industry is expected to conform to such standards of social justice initiated by Government, and yet, in the power loom sector, this yard-stick is completely ignored. What is more, there is a growing tendency to enlarge this sector in preference to organised sector, as if it is the intention of Government to perpetuate such social injustice. In the ultimate analysis, wages cannot outrun industry's capacity to pay, nor can they be out of tune with productivity. I shall not say anything more at this stage, except to point out that a recent survey has shown that, between 1951 and 1957, the wage index in the organised sector rose by 24 points, but the productivity index rose only by 8.5 points."

Shri Tata further pointed out that in dealing with productivity, one unfortunately was faced with difficulties while determining the sharing of the gains of productivity. It was extremely difficult to measure accurately the respective shares of the employer and the worker in the gains achieved after retaining a part for the benefit of the consumers. Again, in many cases, the gain emanated substantially from replacement of obsolete machinery by labour-saving high-output machines. Unfortunately, no arguments from the employer could convince the worker that due allowance had got to be made for this factor before his share could be computed.

12

Shri Tata said that the productivity of the worker and industry were particularly important in the context of our determination to develop an export economy and due attention must be given to it if we wished to remain within the international parity of prices. At present, the cost of most of our exportable goods was substantially higher than the prices charged by our competitors, even after allowing for the various incentives offered by the Government in order to encourage exports. While such disparity in prices was due to various other factors, such as the cost of our raw materials, interest charges, insurance, freight and management cost, experience in the European Common Market had shown that labour costs, if allowed to rise without a corresponding increase in productivity, would put a country at a great disadvantage, and the export potential would suffer. Shri Tata pointed out "that ours is not a cheap wage-cost economy, as had been made out in some quarters. It may be that individual earnings of the worker in this country compare less favourably with those in the more advanced countries of the West. For that matter, even managerial emoluments in our country are correspondingly lower. It should not, however, be forgotten that, in the sphere of practical economics, it is the wage-cost per unit of production which matters."

Saying that in an era of adjudicated awards the employer has no control over wages, Shri Tata emphasised that "it would be impossible for us to compete in the world markets unless we have a rational wage policy; it is only then that our cost of manufacture can be on a par with that prevailing in the advanced countries."

Joint Management Council.— Shri Naval Tata referred to the statement made some time back by the Union Minister for Commerce and Industry after his visit to the Heavy Electrical Plant at Bhopal, that the experiment of workers' participation in management had been quite disappointing in some public undertakings. Shri Tata ~~felt~~ was therefore of the view that the scheme "should not be introduced in haste, at least not until the workers' representatives have developed a full sense of the new responsibilities they are called upon to shoulder". Shri Tata felt that where conditions were favourable and good industrial relations existed, managements should take an active interest in joint consultation and should be prepared to discuss certain matters with workers' representatives. The latter, on their part, must be knowledgeable enough to participate in such consultations and there should be no impatience in this matter. Shri Tata felt he was firmly of the view, that this was one of these schemes which could not be imposed or introduced by means of pressure tactics from any quarters.

Code of Discipline.- Speaking about the Code of Discipline, Shri Tata invited the attention of the conference to a seminar organised jointly by the Federation and the All India Organisation of Industrial Employers in September 1961. Shri Tata was of the view that the Code had considerable potentialities for bringing about better industrial relations and that its observance by both parties in good faith would prove valuable in ensuring harmonious relations between the employers and the employed.

Recognition of Unions.- Shri Tata felt that there were basic difficulties in encouraging an industry-wise union and bargaining without ensuring healthy trade union practices at the unit level. Shri Tata said "We have now evolved a Code of Discipline on a voluntary basis. Although the central organisations of employers and workers have accepted the Code and promised to give effect to it, the difficulty arises when there is no representative and recognised union at the unit level. We are also endeavouring, on a voluntary basis, to introduce the philosophy of labour participation in management. Such scheme cannot be attempted at the level of the industry and can only be tried at the unit level. Here again, the basic requirement is a good representative union which can deliver the goods. There are other important matters also which can only be dealt with on a unit-wise basis. Experience has clearly shown that, unless and until we have a bargaining agent who can deliver the goods at the unit level, no agreement at the industry, State or national level can be successfully enforced. Thus, we come to the positive conclusion that trade unions should be built up from the bottom upwards and not imposed from the top." He appealed to the State Governments which had legislation covering recognition of industry-wise unions to reconsider their views in the light of past experience and make appropriate changes with a view to building up the trade union movement on a sound and firm basis.

Housing for Workers.- Dwelling on the question of housing for workers and the employers' liability towards it, Shri Tata recalled the decision taken in June last at the forum of the International Labour Conference which affirmed that it was generally not desirable that employers should directly provide housing for their workers.

Labour relations with freedom.- Speaking generally of industrial relations, Shri Tata concluded: "So long as we persist in the philosophy of the State being primarily responsible for ensuring good and healthy industrial relations, we shall never attain standards of industrial peace achieved by other countries by exposing the interests of both employers and workers to the full blast of an organised and well-established system of collective bargaining. Until both the employers and workers are ready to endure, to some extent, the inevitable suffering through a trial of strength upto a point where it does not hurt the national interest, we shall never be in a position to build up healthy and powerful trade union and employers' organisations which are so vitally needed to usher in industrial peace. It would be unfair on my part to single out any one of the three parties concerned for the lack of progress in this direction. It will need a lot of soul-searching by the worker, the employer and the Government to find out the reasons which have prevented us from attaining such industrial peace. More of bipartite agreements and less of adjudicated awards,

more of voluntary codes and less of labour laws, more of self-reliance on the part of the employer and the worker and less eagerness on the part of Government to interfere, may perhaps, in course of time, put us on the path of an enduring industrial peace which we need so badly to make our best contribution to the national economy. Let us hope that, through awareness of such needs, we shall attain our goal in the not too distant future."

(Text of Presidential Address of Shri Naval H. Tata delivered at the 29th Annual General Meeting of the Employers' Federation of India, held at Bombay on 23 April 1962, received in this Office.).

•L•

CHAPTER 3. ECONOMIC QUESTIONS.

INDIA - APRIL 1962.

31. General Economic Situation.

Progress of Cotton Textile Industry in India for Year ending 31 August 1961; Annual Statement of Millowners' Association, Bombay.

The following statistical information relating to the progress of the cotton textile industry in India is taken from the Mill Statement compiled and published by the Millowners' Association, Bombay.

Number of Mills.- The total number of cotton spinning and weaving mills in India as on 31 August 1961 was 523 excluding 24 mills which were in the course of erection. The total number of mills in Bombay City and Island was 63 of which two mills were not working; other mills in Maharashtra numbered 37 of which two mills were not working. The number of mills in the City of Ahmedabad was 72 out of which two mills were not working; other mills in Gujerat numbered 30 of which one mill was not working.

The number of mills in the rest of India was as follows:

Region	No. of Mills	No. of Mills not working
Saurashtra	10	2
Rajasthan	11	2
Punjab	6	-
Delhi	7	-
Uttar Pradesh	29	7
Andhra Pradesh	15	-
Madhya Pradesh	20	1
Bihar	2	-
Orissa	4	-
West Bengal	40	3
Madras	139	-
Kerala	14	1
Mysore	21	3
Pondicherry	3	-

16

Number of Spindles and Looms.- There were 13,984,981 spindles and 206,525 looms in India as on 31 August 1961 as against 13,534,540 spindles and 205,973 looms for the previous year.

The number of spindles and looms in the different regions in India in 1961 and the average number of workers employed are shown in the table below:-

Where situated	No. of spindles installed.	No. of looms installed.	Average No. of workers employed (all shifts)	Remarks
Bombay City and Island (a)	-- 3225441	62880	197404	(a) 2 mills not working
Other Mills in Maharashtra (b)	-- 940312	18902	61836	(b) 2 mills not working
Ahmedabad (c)	-- 2131486	42319	135538	(c) 2 mills not working
Other Mills in Gujerat (d)	-- 676108	11357	36769	(d) 1 mill not working
Mills in Saurashtra (e)	-- 183340	* 3473	10293	(e) 2 mills not working
Rajasthan (f)	-- 178324	3253	9833	(f) 2 mills not working
Punjab	-- 132794	1944	7513	
Delhi	-- 191916	3946	18242	
Uttar Pradesh (g)	-- 874052	13884	52389	(g) 3 mills not working
Andhra Pradesh	-- 220884	1381	12000	
Madhya Pradesh (h)	-- 519432	12699	42753	(h) 1 mill not working
Bihar	-- 29572	757	1329	
Orissa	-- 52848	1264	4861	
West Bengal (i)	-- 623266	10941	44023	(i) 3 mills not working
Madras	-- 3222700	8049	102687	
Kerala (j)	-- 182548	1890	7016	(j) 1 mill not working
Mysore (k)	-- 515474	5470	27396	(k) 3 mills not working
Pondicherry	-- 84484	2116	6419	
Grant Total: INDIA	13984981	206525	778301	

* This number does not include 24 mills which have either been registered and/or in course of erection.

Cotton consumed.- The total consumption of raw cotton by the mills in India during the year under review were 18,716,439 cwts. or 5347554 bales of $3\frac{1}{2}$ cwts.

(Mill Statement for Year ending 31 August 1961, issued by the Millowners' Association, Bombay).

32. Public Finance and Fiscal Policy.

India - April 1962.

Railway Budget for 1962-63 presented; Passenger Fares and Freight Rates Increased; An additional Revenue of Rs. 212.6 Million Estimated.

Sardar Swaran Singh, Union Minister for Railways presented the Railway Budget for 1962-63, in the Lok Sabha on 19 April 1962. (For interim Railway budget see pp. 18-20 of the report of this Office for the month of March 1962). Sardar Swaran Singh placed before the House proposals to raise with effect from 1 July 1962 passenger fares and freight rates bringing an additional yield of 212.6 million rupees during the nine months of the current year.

The Minister proposed enhancing the basic freight rate for all goods traffic - excepting railway materials, postal, military and export manganese ore traffic - by 50 p per tonne carried up to 40 kilometres, and by one rupee per tonne beyond 80 kilometres, with suitable adjustments for intervening distances. For foodgrains, the increase of one rupee per tonne will apply only beyond 160 kilometres. The existing supplementary charge of five per cent would continue to be levied in addition, as before. As a result of these measures goods earnings will increase by 98.0 million rupees during the nine months.

First class passenger fares are proposed to be increased by about 15 per cent and second and third class fares by a little below ten per cent. For air-conditioned third class in de luxe trains, the present surcharge over third class fares will also be increased correspondingly. For season ticket fares, the increase will only be five per cent. These revisions are expected to increase passenger earnings by 114.6 million rupees during the nine months.

The net result of the changes in earnings and working expenses is an increase of the surplus, creditable to the Development Fund, from 131.6 million rupees as anticipated in the earlier tentative estimates of March 1962 to 232.2 million rupees.

The following table gives the main features of the budget and compares the estimates of 1962-63 as presented in the Interim Budget:-

(In Million Rupees)

		Actuals 1960-61.	Revised Estimate 1961-62.	Budget 1962-63 as pre- sented in March 1962.	Budget 1962-63 as now anticipated.
Gross Traffic Receipts *	--	4,568.0	5,012.4	5,241.0	5,453.6
Working expenses net i.e., after taking credits or recoveries	--	3,132.4	3,305.5	3,457.4	3,569.4
Net miscellaneous expenditure (including cost of works charged to revenue)	--	106.9	135.1	163.5	163.5
Appropriation to Depreciation Reserve Fund from Revenue	--	450.0	650.0	670.0	670.0
	TOTAL.	3,689.3	4,090.6	4,290.9	4,402.9
Net Railway Revenue	--	878.7	921.8	950.1	1,050.7
Payment to general revenues:-					
(a) Dividend on Railway Capital- at-charge (@ 4 per cent for 1960-61 and 4.25 per cent for the quinquennium 1961-66)	--	558.6	632.0	693.5	693.5
(b) In lieu of passenger fare tax	--	-	125.0	125.0	125.0
NET SURPLUS		320.1 320.1	164.8	131.6	232.2

* The increased gross traffic receipts from 1961-62 onwards include the element of passenger fare tax merged in railway fares from 1-4-61 against which a payment of 125.0 million rupees is to be made by the Railways annually to the General Exchequer, during the quinquennium 1961-66, for transfer to the States.

(Text of the Speech of the Railway Budget,
received in this Office).

Central Budget for 1962-63 presented: Revenue deficit of 607.8 Million Rupees Estimated: New Taxes to yield 717 Million Rupees: Tax on Company Income, Personal Income, Tea, Cloth and Cigarettes raised .

Shri Morarji Desai, Union Finance Minister presented to the parliament on 23 April 1962, the Central Budget for 1962-63. Presenting the budget the Union Finance Minister proposed taxation measures designed to yield 717 million rupees. An additional revenue of 445 million rupees will be obtained through increase in indirect taxes and 272 million rupees by direct taxes. The budget as presented in March (for details see pp. 14-17 of the report of this Office for March 1962), revealed a revenue deficit of 634.6 million rupees. As a result of the changes that have since been made the revenue deficit is estimated to go down to 607.3 million rupees. The additional revenue now proposed to be raised through new taxation would wipe out the entire revenue deficit.

On the capital account the overall deficit which was estimated at 1470 million rupees last month will now be 1500 million rupees. As a result of the tax proposals there will be a net accretion of 608 million rupees to the centre during the current year. The overall deficit will be consequently reduced from 1500 million rupees to 890 million rupees which will be met by the expansion of Treasury Bills.

The budget estimates of revenue and expenditure are shown in the following table:-

REVENUE

(In Million Rupees)

20

	Budget 1961-62	Revised 1961-62	Budget 1962-63
Customs	1896.4	1996.0	1996.0)
Excise			+ 78.0*)
Union Excise Duties	4326.3	4709.5	4922.8)
			+308.0*)
Corporation Tax	1410.0	1600.0	1680.0)
			+105.0*)
Taxes on Income	5221.1	487.3	583.0)
			+104.0*)
Estate Duty	0.9	1.2	1.2)
Taxes on Wealth	70.0	75.0	70.0)
			+ 20.0*)
Expenditure Tax	8.0	8.0	8.0)
			(-) 7.0*)
Gift Tax	8.0	8.5	8.5)
Other Heads	143.2	154.6	158.3)
Debt Services	138.4	115.8	1675.1)
Administrative Services	9.7	11.1	61.1)
Social and Developmental Services	447.0	455.5	352.9)
Multipurpose River Schemes, etc.	- 0.1	- 0.1	3.6)
Public Works, etc.	37.6	37.4	40.2)
Transport and Communications	24.6	23.8	63.0)
Currency and Mint	606.3	531.5	695.3)
Miscellaneous	209.9	229.2	245.6)
Contributions and Miscellaneous Adjustments	221.2	216.8	244.1)
Extraordinary items.	100.0	130.0	400.0)
TOTAL REVENUE	10,179.5	10,791.1	13,208.7)
			+608.0*)

EXPENDITURE

Collection of Taxes, Duties and other Principal Revenues.	211.4	211.5	225.8
Debt Services	819.0	861.0	2479.0
Administrative Services	583.7	600.0	703.1
Social and Developmental Services	1677.8	1557.2	1632.4
Multipurpose River Schemes, etc.	12.6	12.3	15.7
Public Works, etc.	206.2	219.2	218.8
Transport and Communications	56.8	62.2	87.5
Currency and Mint	119.6	116.2	202.3
Miscellaneous:			
Pensions	104.1	104.9	104.7
Expenditure on Displaced Persons	112.8	112.9	96.0
Other Expenditure	520.7	599.9	893.8
Contributions and Miscellaneous Adjustments:			
Grants to States	2080.9	1997.5	2135.4
States Share of Union Excise Duties	763.3	809.3	1143.6
Other Expenditure	28.4	30.2	30.7
Extraordinary items	108.7	137.9	414.0
Defence Services (Net)	2829.2	3019.3	3433.7
TOTAL EXPENDITURE	10235.2	10451.5	13816.5
Deficit (-)	= 55.7	+339.6	-607.8)
Surplus (+)			+608.0*)
*Effect of budget proposals.			

A brief reievew of Shri Desai's bueget speech is given below:

Reviewing the achievements of the five-year Plans, Shri Desai said that for more than a decade the economic policy in the country had been geared to the implementation of successive five-year Plans of the development. In retrospect, the first Five-Year Plan seemed to have been a modest affair, but it laid the foundation of further effort. A bigger and bolder programme was launched in the Second Plan with its emphasis on the development of basic and heavy industries. Though many difficulties had to be faced - particularly foreign exchange difficulties - in its implementation, there was no doubt that the Indian economy had emerged greatly strengthened by it. Indeed, the success of our efforts seemed to have led to a worldwide recognition of the value of planning as an instrument for the uplift of the less-developed countries.

Need to conserve foreign Exchange.- On the need to conserve foreign exchange the Union Finance Minister pointed out that despite the availability of substantial external assistance and the assurance of aid to cover a large part of our project requirements, the ways and means position in regard to foreign exchange reserves had declined to very low levels and thence for conserving foreign exchange by the strictest watch on imports and by limiting our demands within the resources in sight was greater than ever.

Restraint on domestic consumption necessary to step up investment.- Shri Desai said that increased exports and economy in imports which were necessary in view of India's foreign exchange position must mean a restraint in domestic consumption. He added that all savings strengthened India's Plans, whether they were large or small. Whether they were put in banks, or in insurance policies, or in Government securities, or in small savings schemes, or in provident funds. If the volume of savings were adequate, the task of ensuring that they were allotted allocated between different sectors and fields of development according to the priorities in the Plan should not be too difficult. By controlling non-Plan investment, as well as through proper fiscal and other policies, the flow of savings into the public sector and the private sector, into industry and agriculture, into transport and power, into education and health, according to the priorities and allocations in the Plan. The important thing, however was to raise the level of savings in the country to an adequate level.

Role of Public Sector plants.- Speaking on the role of public sector undertakings in the development of the country's economy, Shri Desai said that the Third Five-Year Plan laid considerable emphasis on realising adequate surpluses from public enterprises and envisaged a contribution of 4,500 million rupees from this source in addition to the sum of 1,000 million rupees to be raised by the Railways. He was of the view that adequate return had to be invested ensured on the vast amount of capital invested in railways, power plants, irrigation works, fertiliser plants, steel plants, and the like which meant not only efficient and economic operation of public sector plants but also a policy of charging a proper fee or price for the services and products supplied by the public sector.

Taxation proposals.- Speaking about the taxation proposals Shri Morarji Desai said that taxation policy did not serve the sole objective of raising resources for the exchequer. "In a planned economy, it must be also serve the wider objectives of augmenting savings, promoting exports, of bringing about a better balance between the supply and demand for individual commodities and indeed of social justice in distributing the rewards and sacrifices implicit in planned progress. Further, all these objectives have to be reconciled with an eye not only to the immediate future, but also to the long-term perspective we have kept before ourselves. No less important a consideration is that the administration of the tax laws should cause the minimum of vexation both to the tax payer and to the tax collector and one thing that should not be taxed is people's patience."

The new taxes imposed by Finance Minister Desai will yield 688.8 million rupees in 1962-63 and 717 million rupees in full year.

Tax on Indian companies raised from 45 per cent. to 50 per cent.; foreign companies will continue to pay 63 per cent. Rate of income tax applicable to all companies being raised from 20 to 25 percent; super tax being suitably adjusted; export-earnings to be excluded from the increase; additional yield will be 102.5 million rupees.

The schedule of admissible entertainment expenses to be tightened as a measure of restraint.

Income tax on individuals, Hindu joint families and unregistered firms revised - the rate at the highest slab will be 72.5 per cent. exclusive of surcharges and that on income below 5,000 rupees to be unchanged; intermediate slabs adjusted to secure an even increase in rates; surcharge on income tax on salaries including pensions reduced from 5 per cent to 2.5 percent; the rate at the highest slab will be 87 per cent., including surcharges; the exemption limit for provident fund contributions and insurance premia raised to 10,000 rupees; additional yield from personal income tax slightly over 150 million rupees.

Capital gains.- Capital gains of assesseees other than companies from assets held over a period of one year to pay income tax at 25 per cent.; long-term gains of companies will continue to be taxed at 30 per cent.; additional yield 5 million rupees half of which will come from companies.

Expenditure tax abolished.- Loss of revenue 7 million rupees in the current year.

Wealth tax rates raised by 0.25 per cent. and 0.5 per cent. on the two highest slabs; exemption on shares held in new companies to be discontinued; additional revenue 20 million rupees.

Excise duty on unmanufactured tobacco and cigarettes revised; additional revenue 52.8 million rupees in full year.

Duty on cotton cloth and yarn revised; additional yield 121 million rupees a year.

Duty on match boxes containing 50 sticks raised to wipe out unfair margin made by retail trade by selling a box at six naye paise; additional yield 19.9 million rupees.

Levy on unprocessed woollen, rayon and art silk yarn and fabrics raised; additional yields 11.6 million rupees.

Duty on certain essential drugs reduced; coal tar burnt in furnaces of plants producing it exempted from levy; duty on aluminium foil raised by 100 rupees per tonne; duty on loose tea raised by 5 to 10 np. per kilogram; rebate of 15 np. per kilogram on tea exports; these changes to yield an additional 207.4 million rupees a year.

Excise levy on nine new items such as jute manufactures, certain iron and steel products, electric cables and wires, certain specific acids and gases, plywood, asbestos cement products, tread rubber and latex foam sponge, gramophones, parts and records and mineral oils; additional revenue 154.2 million rupees.

Customs duty on some iron and steel items and art silk yarn raised by 5 per cent.; a levy of 25 per cent. on stainless steel plates, sheets, rods and bars; rates on copra raised to 25 percent. and 15 per cent; duty on some tools, excluding machine tools and agricultural implements increased from 35 per cent. to 50 per cent.

Import duty on cars raised from 100 to 150 per cent.

Export duty on tea reduced from 44 np. to 25 np. per kilogram; loss of revenue 41 million rupees.

Concluding his speech, Shri Morarji Desai said: "In putting forward my tax proposals, therefore, I have paid greater heed to the overall target of taxation for the Third Plan which as the House is aware is 11,000 million rupees. The additional taxation levied at the Centre last year should yield a total of about 4,500 million rupees over the five-year period. The taxes which I have proposed today will take us yet closer to our goal of raising adequate resources for our Plan. It is a matter of concern to me that progress in regard to additional taxation by the States has been slow in 1961-62. The State budgets provided for additional taxation with a five-year yield of about 1,000 million rupees only as against the target of 6,100 million rupees set in the Plan. I would earnestly request all State Governments to ensure that this shortfall is made up with speed and vigour.

"Higher levels of taxation no doubt impose a burden of sacrifice on our people. The point to remember is that there are only two alternatives to such taxation - inflation or stagnation. Without the requisite tax effort we would have to face either an upsurge of prices which would impose a much bigger and much less equitable burden on the community, or a prolongation of over poverty due to a slowing down of our development. It is against this background that I would ask the House to consider and support my budget proposals."

(The Hindu, 24 April 1962;
The Hindustan Times, 24 April 1962).

'L'

33. Full Employment Policy.

India - April 1962.

National Sample Survey: Eleventh and Twelfth Round Reports
on Employment and Unemployment.

The results of the National Sample Survey 11th and 12th rounds in regard to collection of statistics on employment and unemployment have been published recently.* The 11th and 12th rounds together covered a continuous period of twelve months without any gap beginning in August 1956 and ending in August 1957. The data presented, therefore, reflect the position relating to employment and unemployment in the country during the period August 1956 - August 1957. The survey covered both the rural and urban areas of India excluding the islands. Altogether a sample of 3696 villages and 1168 urban blocks were surveyed during these two rounds. In the rural areas there were 15112 sample households for Schedule 10 and 20634 households for Schedule 10.1, the corresponding figures in urban areas being 10878 and 638 respectively. A summary of some of the more important findings of the survey is given below.

Activity Status.- This term has been used for classifying the population into the categories employed, unemployed and not in the labour force. In the previous rounds the term 'Industrial status' was used for the same purpose. The difference is mainly in terminology and the classification are comparable. The following table gives the percentage distribution of the population by activity status from the ninth to twelfth rounds:-

* The National Sample Survey Eleventh and Twelfth Round August 1956 - August 1957; Number 52; Tables with Notes on Employment and Unemployment: Issued by: The Cabinet Secretariat, Government of India, published by the Manager of Publications, Civil Lines, Delhi-8, pp. iii + 239. The results of the tenth round (NSS Report No.34) were reviewed at Section 33, pp.16-21 of the report of this Office for April 1961.

Activity status/ Industrial status.	Rural				Urban			
	9th	10th	11th and 12th	12th	9th	10th	11th and 12th	12th
1. Employees	--	12.86	9.60	10.59	17.44	17.01	16.15	
2. Employers	--	0.96	0.71	0.72	0.66	0.48	0.45	
3. Own-account workers	--	18.87	18.73	16.31	11.36	11.71	11.25	
4. Unpaid family enterprise workers	--	11.19	10.28	9.41	3.09	3.41	3.42	
5. Gainfully employed (items 1 to 4)	--	43.88	39.32	37.03	32.55	32.61	31.27	
6. Unemployed	--	0.29	0.87	2.35	1.99	2.12	2.48	
7. Persons in labour force (items 5 and 6)	--	44.17	40.19	39.38	34.54	34.73	33.75	
8. Persons not in labour force.		55.77	59.76	60.43	65.41	65.19	65.51	
9. Not recorded	--	0.96	0.05	0.19	0.05	0.08	0.74	
10. Total.	--	100.00	100.00	100.00	100.00	100.00	100.00	
11. Number of sample persons.		40412	49229	170341	85206	51471	52422	

Information on activity status during the reference week was also collected only for non-agricultural labour households. The distribution (percentage) of the rural and urban population by activity status on reference day and activity status during reference week are given below:-

Activity status	Rural		Urban		
	Reference Day	Reference Week	Reference Day	Reference Week	
1. Gainfully employed	--	37.09	37.98	30.94	31.33
2. Unemployed	--	1.21	0.79	2.43	1.83
3. Persons not in labour force plus not recorded	--	61.70	61.23	66.63	66.84
4. Total.	--	100.00	100.00	100.00	100.00
5. Number of Sample Persons	--	79976	79976	50002	50002

The percentage distribution of persons by usual occupation and activity status on reference day shows that 45.85 per cent. of the rural and 32.29 per cent. of the urban population reported as having some usual occupation or other. It would be useful to examine the activity status of these persons on the reference day as it will throw some light on the casual and irregular employment in the rural areas. The percentage distribution of persons with usual occupation by activity status on reference day is, therefore, given below. Among persons with usual occupation it is found that only 80.39 per cent. are employed on an average per day during the survey period. Out of the remainder only 4.57 per cent. reported as unemployed in the sense that they were without job on the reference day and were either seeking work or if not seeking at least available for it. The rest 14.88 per cent. did not report as available for work.

Status on Day		Rural	Urban
1. Employed on day	--	80.39	94.12
2. Unemployed on day	--	4.57	2.59
3. Labour force (Items 1 and 2)	--	84.96	96.71
4. Without work and not available for work on day	--	14.88	3.20
5. Not recorded	--	0.16	0.09
6. Total	--	100.00	100.00
7. Number of sample persons	--	88791	16799

It may be observed that here that though such persons are treated as not in the labour force on the basis of the reference period of one day, there may be some manpower potential in them available for productive work on the assumption that the usual status definition gives a reliable estimate of the available manpower in the country. Looked at from another angle, these figures throw light on the intermittent nature of employment in rural areas.

Intensity of Employment.— Some mention has already been made about the extent of under utilisation of available manpower. There it was observed that on an average every day a substantial proportion of persons who have some usual occupation did not work. Out of them the percentage seeking or available for work was also mentioned. They have been termed unemployed. This, however, does not give a full picture of the extent of under-utilisation of manpower. The number of hours actually worked may be used to study under-employment, but hours worked alone is not a sufficient criterion, because a person may be wilfully working smaller number of hours. He does not want to work more. Usually only involuntary unemployment is subjected to economic analysis.

The NSS has been using the number of hours actually worked by a person, together with the information whether he is available for additional work under the normal terms and conditions appropriate to his qualifications, to classify him as under-employed or not. Thus a person working less than the normal hours of work and reporting availability for additional work is treated as under-employed. In the absence of any specified working hours especially in the unorganised sector of our economy where the problem of under-employment can be expected to be serious, it has not been possible to work out suitable norms for this purpose. Added to this is the fact that such norms should necessarily be worked out for different occupations and in some cases even for different regions. Therefore, arbitrary norms have been used here.

The number of hours actually worked by a person during the week has been used for this purpose. Availability for additional work was also ascertained for the week. Thus in this report persons working less than 28 hours during the week and reporting availability for additional work have been treated as severely under-employed. Similarly the moderately under-employed are those who work 29 to 42 hours a week and report availability for additional work.

It is noticed from the data collected that according to the definitions in the last paragraph, 7.03 per cent. of the gainfully employed in rural and 4.49 per cent. of the gainfully employed in urban areas are severely under-employed. Similarly, the moderately under-employed works out to be 5.10 per cent. and 3.84 per cent. respectively of the employed in rural and urban areas. Thus under-employment is quite serious even in urban areas though the magnitude is more in rural areas.

Intensity of employment as examined on the basis of the number of days employed and the number of days unemployed during the week for non-agricultural labour households is shown below.

Days employed	Rural	Urban
1	0.64	0.52
2	1.10	0.69
3	1.44	1.19
4	1.54	1.59
5	1.44	1.77
6	2.29	2.84
7	91.56	91.40
Total	100.00	100.00
Number of Sample persons	29965	15611

More than 90 per cent. of the gainfully employed both in rural and urban areas are employed on all the seven days of the week. Summing up the products of columns 1 and 2 and dividing the sum by 100, we get the average number of days employed during the week for each gainfully employed person in rural areas. Similar figures for the urban areas can also be obtained. Thus on an average every gainfully employed person is employed for 6.75 days and 6.78 days respectively during a week in rural and urban areas.

In a similar way, it is possible to work out the average number of days unemployed during the week by each gainfully employed person. The number of days unemployed means the number of days on which persons remained idle due to want of work excluding days on which the person was without job and not available for work. Thus for each person one day unemployed means one manday available for productive work is lost due to want of work. Obtaining average, it is found that on an average every gainfully employed person is idle due to want of work for 0.12 and 0.14 days respectively during a week in the rural and urban areas.

Combining the results in the two paragraphs above a summary table may be made showing the average number of days employed, idle due to want of work and idle due to other reasons for each gainfully employed person. The average number of days unemployed may be taken as a measure of under-employment. In rural area 0.12 out of 7 days are unutilised due to want of work. In other words about 1.71 per cent. of the employed are under-employed according to this approach. Similarly in the urban areas, the under-employed form 2 per cent of the employed.

Number of days		Rural	Urban
1. Employed ; at work	--	6.14	5.95
2. Employed; not at work	--	0.61	0.83
3. Idle due to want of work	--	0.12	0.14
4. Idle due to other reasons	--	0.13	0.08
5. Total	--	7.00	7.00

Some characteristics of Unemployed.- The unemployed has been broadly divided into two groups - those with and those without job or enterprise at a future date. This classification helps to distinguish between purely unemployed and persons who are temporarily unemployed though having some job at a future date to fall back upon. Each of these two groups has again been split into three categories as indicated in the table below:-

Detailed category	Rural		Urban	
	As per-centage of popu-lation.	As per-centage of popu- unemployed.	As per-centage of popu-lation.	As per-centage of popu- unemployed.
With job or enterprise at a future date:				
1. Seeking work for the first time ---	0.05	2.55	0.30	12.10
2. Seeking work not for the first time--	0.66	28.09	0.64	25.81
3. Not seeking but available ---	0.47	20.00	0.13	5.24
4. Sub-total(items 1-3) ---	1.19	50.64	1.07	43.15
Without job or enterprise at a future date:				
5. Seeking work for the first time ---	0.09	3.83	0.48	19.35
6. Seeking work not for the first time--	0.63	26.81	0.83	33.47
7. Not seeking but available ---	0.44	18.72	0.10	4.03
8. Sub-total (items 5-7) ---	1.16	49.36	1.41	56.85
9. Total ---	2.55	100.00	2.48	100.00
10. Number of Sample persons ---		6552		1272

If persons seeking work for the first time can be considered as fresh entrants into the labour force, it is found that in the rural areas fresh entrants form only a small fraction of the unemployed, compared with the urban areas. This is possibly due to the fact that in rural areas employment being mainly in agriculture and production being mostly in household enterprises persons enter the labour force and start participating in economic activity, without remaining unemployed.

The extent of unemployment in the various age groups or the various education classes may be studied by comparing the percentage remaining unemployed among persons in the labour force in each age group or education class. This percentage is termed the rate of incidence of unemployment. Thus, the rate of incidence of unemployment in any segment of the population is the ratio expressed as percentage of the number of unemployed to the number of persons in the labour force in that segment. Here the rate of incidence of unemployment will be examined only with respect to the two characteristics, age and general education. Similar study may be done with respect to any other characteristic which is common to the unemployed and the persons in the labour force. The rate of incidence of unemployment in the various age groups for the rural and urban areas is given below:-

Age groups	Rates of Incidence	
	Rural	Urban
1. 0-15	4.91	8.25
2. 16-17	7.26	17.12
3. 18-21	7.75	17.38
4. 22-26	6.47	8.30
5. 27-36	5.63	5.01
6. 37-46	5.90	4.78
7. 47-56	5.16	4.62
8. 57-61	5.00	6.64
9. 16-61	6.10	7.43
10. 62 and above	5.33	2.83
11. Total	5.97	7.35

Higher rates of incidence are found in the age groups 16-17 and 18-21, both in the rural and urban areas, though the urban figures are much higher than the rural figures. While only about 7 per cent. of the labour force in rural areas in these age groups are unemployed, the corresponding figure in the urban areas is as high as 17. Thus in urban areas, about 17 per cent out of every 100 persons in the labour force in these age groups are unemployed. The higher rate in these age groups is due to the fact that a very high proportion of the unemployed persons seeking work for the first time fall in these age groups.

The rate of incidence of unemployment according to general education is given in the table below. It is noticed that among persons who are matriculates or above the rates are high being 13.42 per cent. and 10.55 per cent. respectively in the rural and urban areas. And the rural figure is higher than the urban figure. This indicates that the problem of getting a job for the educated is more serious in the rural areas. But then, at the national level, the rural problem is not more serious than the urban in view of the very small number of educated persons in rural areas.

General Education	Rate of Incidence	
	Rural	Urban
1. Illiterate --	6.19	5.52
2. Literate but below matric--	4.90	8.34
3. Matric and above --	13.42	10.55
4. Total --	5.97	7.35

'L'

37. Salaries.

India - April 1962.

Increase in Dearness Allowance for Central Government
Employees.

As a result of the Government of India's decision to neutralise the higher cost of living as recommended by the Second Pay Commission, nearly 2 million Central Government civilian employees will get a higher dearness allowance with retrospective effect from 1 November 1961. The Second Pay Commission, had recommended that if during a period of 12 months, the working class consumer price index remained on an average 10 points over 115, the Government should consider a suitable increase in the Dearness Allowance. Those drawing a basic pay below Rs.150 p.m. will get Rs.15 from 1 November 1961, as against Rs.10 up to 31 October 1961, between Rs.150 and Rs.299, Rs.30 as against Rs.20, between Rs. 300 and Rs.320, the amount by which the pay falls short of Rs.330 as against the amount falling short of Rs.320, between Rs.321 and Rs.390, Rs.10 as against nil and between Rs.391 and Rs.399 the amount by which the pay falls short of Rs.400 as against nil. It is expected to cost the exchequer Rs.130 million a year.

(The Hindustan Times, 17 April, 1962).

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

INDIA - APRIL 1962.

41. Agriculture.

Bihar Land Reforms (Fixation of Ceiling Area and Acquisition
of Surplus-Land) Act, 1961 (Bihar Act 12 of 1962).

The Government of Bihar gazetted on 19 April 1962 the text of the Bihar Land Reforms (Fixation of Ceiling Area and Acquisition of Surplus Land) Act, 1961, of the Bihar Legislature. The Act which received the assent of the President on 8 March 1962 provides for the fixation of ceiling area, restriction on sub-letting of land and resumption of land by certain rai-yats for personal cultivation of land, acquisition of states of rai-yat by certain under-rai-yats, and acquisition of surplus land by the State in the State of Bihar and for matters connected therewith.

The Act which came into force with immediate effect fixes the following ceiling area of land for purposes of the Act.
(a) Twenty acres of land irrigated by flow irrigation work, constructed by or maintained, improved or controlled by the Central or the State Government or by a body corporate constituted under any law (hereinafter referred to as Class I land).

(b) Thirty acres of land irrigated by lift irrigation or tube-well constructed or maintained by the Central or the State Government or by a body corporate constituted, under any law (hereinafter referred to as Class II land).

(c) Forty acres of land which is orchard or used for any other horticultural purpose or any land other than land referred to in Act (hereinafter referred to as Class III land); or

(d) Fifty acres of Diara land (hereinafter referred to as Class IV land); or,

(e) Sixty acres of hilly, sandy, surplus homestead land or other land none of which yield paddy, rabbi or cash-crop (hereinafter referred to as Class V land).

The Act provides that it is not lawful for any person to hold land in excess of the ceiling area except as otherwise provided in the Act. The State Government is empowered to acquire the surplus land in accordance with prescribed procedure in the Act and the Act prohibits the future acquisition of land by any person by transfer, exchange, etc. which together with land already held by him exceeds in the aggregate the ceiling area. Every person whose right, title or interest in any land is acquired or deemed to be acquired by the State Government under the provisions of this Act shall be paid compensation according to the rate specified in the Schedule. The prescribed rates of compensation for land vary from 50 rupees to 900 rupees per acre for different classes of land.

Subject to the other provisions of this Act, all land acquired or deemed to be acquired by the State Government under this Act may be entrusted to the management of the Gram Panchayat, if any, constituted under the Bihar Panchayat Raj Act, 1947 (Bihar Act VII of 1948), within whose jurisdiction the acquired land is situated and the Gram Panchayat shall (i) manage the land subject to the rules made in this behalf by the State Government; and (ii) get the land cultivated through a co-operative farming society of landless agricultural workers subject to the condition that the society shall pay such amount and be bound by such terms and conditions as may be prescribed. The society shall not be entitled to acquire occupancy right in such land, irrespective of the period for which it remains in occupation of the land and it shall not be entitled to mortgage the land except with the permission of the Collector and only for the purpose of raising a loan from a co-operative society.

Other provisions of the Act deal inter alia with procedure for resumption of land by raiyat from under-raiyat restriction on sub-letting, acquisition of land from land-holders holding more than one acre, exemptions, procedure for appeals from final orders made by the Collector, etc.

(Bihar Gazette, Extraordinary,
19 April 1962, pp. 1-35)

Madras Land Reforms (Fixation of Ceiling on Land) Act, 1961
(Madras Act No. 58 of 1961).

The Government of Madras gazetted on 2 May 1962 the text of the Madras Land Reforms (Fixation of Ceiling on Land) Act of the Madras Legislature. The Act which received the assent of the President on 13 April 1962 provides for the fixation of ceiling on agricultural land holdings and for certain other matters connected therewith in the State of Madras.

The Act provides that subject to the provisions of Chapter VIII of the Act dealing with the ceiling area of cultivating tenants, the ceiling area in the case of every person and, the ceiling area in the case of every family consisting of not more than five members, shall be 30 standard acres. The ceiling area in the case of every family consisting of more than five members shall, subject to the provisions of sub-sections (4) and (5) and of Chapter VIII, be 30 standard acres together with an additional 5 standard acres for every member of the family in excess of five. For the purpose of this section, all the lands held individually by the members of a family or jointly by some or all of the members of such family shall be deemed to be held by the family. On and from the date of the commencement of this Act, no person shall, except as otherwise provided in this Act, but subject to the provisions of Chapter VIII, be entitled to hold land in excess of the ceiling area. Provision is made for the furnishing of returns by persons holding land in excess of 30 standard acres and the publication of a statement declaring the surplus land held by each person. After the publication of the final statement under section 12 or 14, the Government shall, subject to the provisions of sections 16 and 17, publish a notification to the effect that the surplus land is required for a public purpose. The Act also prohibits future acquisition of land by any person in excess of ceiling area.

A Board called the Madras Land Board consisting of officials and non-officials may be constituted by the Government and the Board shall perform such functions as are assigned to it by or under the Act. These relate inter alia to acquisition of land for dairy farming or livestock breeding, acquisition of land interspersed among or contiguous to any plantation, granting permission to such acquisition of land or cancellation of permission granted, etc. Provision is made for the constitution of the Madras Sugar Factory Board to decide applications for acquisition of land for cultivation of sugarcane.

The provisions of Chapter VIII of the Act which shall remain in force for a period of three years from the date of publication of the Act provides that "cultivating tenant's ceiling area" means 5 standard acres held by any person partly as cultivating tenant and partly as owner or wholly as cultivating tenant.

Other provisions of the Act deal inter alia, with determination of compensation for land acquired by the Government, exemptions, land tribunals, appeals and revision, penalties and procedure.

(Fort St. George Gazette, Part IV, Sec.4, 2 May 1962, pp. 201-271).

'L'

43. Handicrafts.

India - April 1962.

Expert Team for Development of Small Industries
Appointed.

At a meeting of the Small-Scale Industries Board held at New Delhi on 2 April 1962, Shri Mamubhai Shah, Union Minister for Industry, who is also the Chairman of the Board announced the appointment of an international perspective planning team for small-scale industries, consisting of six eminent foreign economists and planning experts, and a counterpart team consisting of Government of India officials and economists under the leadership of Dr. P.S. Lokanathan. The team would study and review the existing programme of small-scale industries' development and suggest new direction on a long-term basis.

(The Statesman, 5 April 1962).

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - APRIL 1962.

50. General.

Conditions of Work of Staff on Indian Railways:
Railway Board's Annual Report for 1960 - 1961.

The following information regarding conditions of work of railway employees in India during the year ending 31 March 1961 is taken from the Annual Report of the Railway Board on Indian Railways for 1960-1961*.

Number of Staff.- The total number of employees, permanent and temporary, taking all the railways (including non-government railways), the office of the Railway Board, and other offices subordinate thereto together and, including staff employed on construction works, was 1,166,482** at the end of 1960-61 as compared with 1,160,021** at the end of 1959-60. Of this number the non-government railways accounted for 5,768 employees at the end of 1960-61 as against 5,561 at the end of previous year.

As compared with the previous year, there was a small increase in the total number of staff employed on the Indian Government Railways - 5,511 on the open line and 743 on construction. This increase works out to 0.54 per cent. against 1.92 per cent. increase under train kilometres, 5.72 per cent. increase under passengers originating 5.39 per cent. increase under passenger kilometres, 6.42 per cent. increase under under-tonnes originating and 7.01 per cent. increase under tonne kilometres. The aforesaid co-relation indicates how increase in staff and in staff expenditure was kept down to what was absolutely essential for the increased quantum of work handled by the Railways.

* Government of India: Ministry of Railways (Railway Board):
Report by the Railway Board on Indian Railways for 1960-61: Vol. I.
Published by the Manager of Publications, Delhi, 1962; pp.176.

**These figures exclude all casual labour.

The total cost of staff, including those on loan from the Indian Audit and Accounts Service, increased by 156.2 million rupees during the year over that in the previous year. The increase in cost is chiefly due to the implementation of the decisions of the Government of India on the various recommendations made by the Second Pay Commission.

Recruitment and Promotion.- One hundred appointments, permanent and temporary, were made in the gazetted railway services by direct recruitment during the year. Seventy-nine Class II officers were permanently promoted to Class I Services in the various departments, during the year. This number includes the ex-State Railway Officers promoted against a 16-2/3 per cent. special quota reserved for them. During the year, thirty-one temporary assistant officers were permanently absorbed in Class I Service in the various departments against vacancies specifically reserved for them.

The Railway Service Commissions with headquarters at Allahabad, Bombay, Calcutta and Madras continued to conduct recruitment of Class III staff for the Indian Railways, except the Northeast Frontier Railway which did its recruitment through specially constituted departmental committees. Some of the important statistics relating to the recruitment of staff during the year under review are given below:-

	<u>Technical</u>	<u>Non-technical</u>
(a) Number of posts indented by the railways.	2,152	3,538
(b) Number of applications received.	38,820	149,576
(c) Number of candidates called for test/ interview.	21,105	56,533
(d) Number of candidates recommended.	2,072	3,361

The commissions did not generally experience any dearth of qualified technical staff. However, difficulties were experienced in the recruitment of scheduled castes and scheduled tribes candidates. A rough assessment of class III technical staff required by the Indian Railways, except the North-east Frontier Railway, during 1961-62 which will be available by direct recruitment, or training of apprentices, is as follows:

	Civil engineer- ing.	Mechanical engineer- ing.	Electrical engineer- ing.	Signal and telecommu- nication engineering.
Degree holders --	37	5	27	-
Diploma holders --	141	51	157	65

The amount collected by sale of application forms and the expenditure incurred on the Railway Service Commission during 1960-61 are given below:-

(Figures in Thousands)

	Amount from sale of application forms.	Expenditure.
	Rs.	Rs.
Railway Service Commission, Allahabad.	57	234
Railway Service Commission, Bombay.	24	336
Railway Service Commission, Calcutta.	70	305
Railway Service Commission, Madras.	26	243
TOTAL.	177	1118

The recruitment position of scheduled castes and scheduled tribes on the railways as a whole shows signs of marked improvement as will be borne out by the figures given below:-

Category	Number of posts reserved		Number actually recruited	
	Scheduled Castes.	Scheduled Tribes.	Scheduled Castes.	Scheduled Tribes.
Class III	--	674	1,222	313
Class IV	--	2,271	3,790	1,205

Training.- During the year under review the Railway Staff College at Baroda held twenty-two training courses for officers of various departments in which a total of one hundred seventy-eight probationers and twenty-nine temporary officers were trained. Besides these courses, two refresher courses, which were attended by altogether twenty-six senior officers of the Transportation (Traffic) and Commercial and Civil Engineering Departments respectively, were also conducted. Seventeen officials (11 gazetted and 6 non-gazetted), who were sent for training abroad, were also briefed at the College.

The training courses included case studies and group discussions on personnel management.

One hundred officers from the various railway departments were invited to give lectures on subjects of which they have made a special study. Lectures on general subjects such as general economics, five year plans, international organisations continued to be given by eminent educationists of the local university.

Eighteen instructional tours for the trainee officers were organised.

The Railway Technical Training Schools Committee appointed to survey the facilities provided in training schools on Railways and to recommend measures to be taken to standardise the curriculum and the syllabus of training and later also required to go into the question of surveying such facilities and recommending measures for further improving the training of Gazetted Officers on the Indian Railways submitted their report on 8 March 1961. The recommendations made by the Committee are under examination. The 50 training schools for class III and class IV staff already in existence continued to function satisfactorily. The practical training facilities provided in workshops, sheds and the divisional training centres for class IV staff were also continued.

The Indian Railways School of Signal Engineering and Tele-communication, Secunderabad, which caters to the needs of officers and staff of all railway administrations, was brought under the direct control of the Railway Board.

At the end of the year apprentice 1,467 apprentice mechanics, 6,306 trade apprentices and 458 apprentices train examiners were under training at various Railways and at the Chittaranjan Locomotive Works, the Integral Coach Factory (Perumbur) and at the Locomotive Component Works at Varanasi. The total number of apprentices thus was 8,231 against the total capacity of 12,729.

Relations with Labour.- During the year, the relations between the railway administrations and organised labour generally remained cordial. In June, 1960, however, some sections of the central government employees including a section of railway employees gave notice of a general strike from the midnight of 1-12 July 1960. Their demands related mainly to the recommendations made by the Jagannatha Das Pay Commission. An Ordinance known as the Essential Services Maintenance Ordinance, 1960 was promulgated on 8 July 1960 which, inter alia, classified railway service as an essential service and provided that if the Central Government was satisfied that in the public interest it was necessary or expedient to do so, it might by general order or special order prohibit strikes in any essential service ~~shall go or remain on strike~~ specified in the order. The Ordinance also provided that upon the issue of such an order by Government, no person employed in any essential service shall go or remain on strike and any strike declared or commenced whether before or after the issue of the order by persons employed in such service shall be illegal. On the same date, namely, 8 July 1960, Government issued an order under the aforesaid Ordinance prohibiting strikes in certain essential services, which inter alia, included the railway service. In spite of this some sections of railwaymen joined the strike. The unions affiliated to the All India Railwaymen's Federation were party to this strike while the unions affiliated to the National Federation of Indian Railwaymen opposed the strike and persuaded employees not to join the strike. The strike lasted for five days at the end of which it was withdrawn unconditionally. During this period, most of the railway services were maintained despite partial dislocation of work in certain areas and in certain workshops. Only about 8 per cent. of the operational staff on the Railways on an average abstained from work. On the whole, the average abstention figures during the strike period was nearly 16 per cent.

Subsequent to the strike, the facilities granted to the All India Railwaymen's Federation, which had been a party to the strike, for negotiations and meeting with the Railway Board were withdrawn temporarily. The recognition of some railway unions affiliated to the All India Railwaymen's Federation was also withdrawn temporarily.

In connection with the implementation of the recommendations of the Jagannadha Das Pay Commission, organised labour were given an opportunity to express their view point. The National Federation of Indian Railwaymen availed of this opportunity and a number of meetings were held between them and the Railway Board. The points raised by them were duly taken into consideration by Government in issuing orders relating to the recommendations of the Pay Commission.

Permanent Negotiating Machinery for Settlement of Disputes.- The permanent negotiating machinery set up on railways with a view to maintaining contact with labour and resolving disputes and differences which may arise between them and the administration, continued to function during the year 1960-61. At the first and second tiers of the machinery, periodical meetings were held between the National Federation of Indian Railwaymen and the All India Railwaymen's Federation with the Railway Board and also between the recognised unions affiliated with the two Federations with the respective railway administrations. The meetings with the All India Railwaymen's Federation were, however, discontinued as also the meetings with its affiliated unions in July 1960, after they had participated in the all-India strike of the Central Government employees in July 1960.

At the first tier of the machinery, viz., on the zonal railways 20 meetings were held at headquarters level and 587 meetings were held at district/divisional/workshop level during the year. A total of 11,857 items, were discussed at these meetings and 85 per cent. of these items were finalised during the same year.

At the second tier of the machinery, that is, at the Railway Board's level, two periodical meetings were held with the National Federation of Indian Railwaymen and one with the All India Railwaymen's Federation and in all 88 items were discussed with the two Federations. Besides, a few ad hoc meetings with the representatives of the National Federation of Indian Railwaymen were also held.

The ad hoc tribunal's recommendations which were held over for consideration pending the examination and issue of orders on the Pay Commission's recommendations, received the attention of the Railway Board during the year under review. The tribunal had made nine recommendations in all. In six of these cases, tentative decisions had been taken during the year.

Joint Committees of Management and Staff.- There are present over 350 joint committees on the different railways. Such committees of staff and officers at major yards, stations, running sheds set up by the railways to enlist the ~~major~~ co-operation of the staff in many spheres to inspire in them a sense of common endeavour have been functioning satisfactorily. At these joint committees functioning at various levels, railwaymen can make suggestions for improving efficiency, effecting economies, ensuring safety of travelling public and providing amenities for passengers, etc.

Working of Staff Councils and Advisory Committees for Welfare Works.- Staff councils on railways provided useful in promoting better understanding between the administration and the staff.

Advisory committees for welfare works, through which representatives of labour are associated in the formulation of welfare schemes, functioned satisfactorily.

The number of staff councils and committees and the number of meetings held by them during the year under review are given in the statement below:-

Railway	Staff Councils		Advisory Committees for Welfare Works		
	Number of Councils,	Number of meetings held.	Number of Committees.	Number of meetings held.	
Central	--	36	82	1	1
Eastern	--	66	112	1	-
Northern	--	55	84	1	-
North Eastern	--	13	40	1	1
Northeast Frontier	--	22	22	1	1
Southern	--	57	80	1	1
South Eastern	---	13	15	1	3
Western	--	27	94	1	-
Chittaranjan Locomotive Works	--	1	4	1	1
Integral Coach Factory	--	1	4	-	-
1 RAIL/61	--				17

Implementation of Labour Laws: Hours of Employment Regulations.- The total number of staff governed by the provisions of the Indian Railways Act relating to hours of employment under different classifications during 1960-61 is given below:-

Intensive	2,189
Continuous	958,504
Essentially intermittent	123,006
Excluded -	
(i) Regular staff	45,032
(ii) Casual labour	140,408
Total	1,269,139

Payment of Wages Act, 1936.- The number of regular railway employees and departmental casual labour governed by the Payment of Wages Act on the Railways during 1960-61 was 1,323,664.

Minimum Wages Act, 1948.- The Railways are concerned with the fixation of minimum wages in respect of the following two categories mentioned in items 7 and 8 of Part I of the Minimum Wages Act, 1948:

- (i) employment on the construction or maintenance of roads or in building operations; and
- (ii) employment in stone breaking or stone crushing.

In 1951, 1952 and 1954, the Ministry of Labour fixed minimum rates of wages in respect of these two scheduled employments on railways. In the absence of a specific direction how to fix 'minimum wages' under the Act, minimum wage rates were fixed based on the rates notified by the respective State Governments and where the State Governments had not fixed such rates, the rates fixed in an adjoining State or the rates prevailing in the locality were taken into account. The question of revising the existing notified rates of minimum wages is receiving attention.

Factories Act, 1948.- Factories using power and employing 10 or more persons are registered under the Factories Act, 1948. During the year 1960-61, there were 226 such factories on the railways, which included major workshops, electrical power houses and sub-stations, printing presses, etc.

The number of staff of different categories in these factories was as shown below:-

(i) Supervisory class II staff	8,313
(ii) Artisan staff-	
Skilled	89,408
Semi-skilled	34,914
un-skilled	44,942
(iii) Other staff -	
Class III	5,810
Class IV	6,089

Eighty nine canteens have been provided in these factories.

Overtime payment made to the workers in these factories under the departmental orders and the provisions of the Factories Act amounted to 3,505,956 rupees and 3,825,714 rupees respectively in 1960-61.

Workmen's Compensation Act, 1923.— The claims for compensation on account of injuries and deaths by accidents arising out of and in the course of employment received due attention. All efforts were made to conform to the prescribed time-limit for payment of compensation under the Act.

The following is the position in regard to the number of accidents which took place during the year 1960-61, the number of accidents in which compensation was paid and the amount of compensation paid:—

Nature Kind of accident	No. of accidents which took place during the year 1960-61.	No. of accidents in which compensation was paid.	Amount of compensation paid.
			RS.
Death.	352	248	618,011
Permanent disablement.	501	408	364,757
Temporary disablement.	34,449	24,523	789,323

The following payments were also made in 1960-61 as compensation on account of accidents which had taken place earlier:—

Nature of accident.	Number of accidents in which compensation was paid.	Amount of compensation.
		RS.
Death.	190	553,250
Permanent disablement.	305	199,474
Temporary disablement.	11,399	357,409

Service Conditions of Staff - Pay Commission's Recommendations.—The Jagannadha Das Pay Commission recommended that leave salary may be calculated on the basis of the average of the rates of pay admissible during each of the 10 months in which an employee was on duty immediately prior to the month in which leave commences, but in the case of employees who proceed on leave from posts the maximum pay of which does not exceed 100 rupees per month leave salary may be based on the rate of pay drawn immediately before proceeding on leave. This has been accepted by the Central Government with slight modification and orders have been issued. The acceptance of this has particularly benefited the staff who hold appointments in officiating capacity. Orders liberalising the quantum of leave salary admissible during leave on half average pay and commuted leave have also been issued.

The Government have accepted in principle the general recommendation of the commission that in respect of promotions upto class I level, it should be ensured that an employee gets at least one increment in pay as a result of promotion.

The commission had also referred to the inadequacy of the quantum of conveyance allowances and daily allowances. These have been reviewed and the rates revised.

The Railway Board have accepted the recommendations of the commission regarding overtime allowance generally, and issued orders.

Passes.- It has been decided that privilege passes and privilege ticket orders may be issued to officers and staff of the Railway Audit Department irrespective of their date of joining that department on the same scale as admissible to railway servants under the rules applicable from time to time.

Labour Welfare: Railway Schools.- Railway schools continued to function satisfactorily. In 1960-61, the mixed railway high schools at Bilaspur and Nainpur on the South Eastern Railway and the railway high school at Abu Road on the Western Railway were upgraded to higher secondary schools. The English medium primary school at Bilaspur was upgraded to middle school standard. A new middle school was opened during the year at Garhara on the North Eastern Railway. Sixteen additional single-teacher primary schools (five each on the Northern and the Northeast Frontier Railways and six on the South Eastern Railways) were opened during the year. The four single-teacher primary schools at the Chittaranjan Locomotive Works were converted into junior basic schools.

The total number of schools functioning on the Railways, the number of pupils on rolls and the income from and expenditure on schools are given in the statement on the next page. The total number of primary schools including single-teacher schools increased from 587 in 1959-60 to 602 in 1960-61. Correspondingly, the number of children in the primary schools increased from 45,045 in 1959-60 to 48,878 in 1960-61.

The twelve subsidised hostels set up in the major linguistic areas in the country for providing board and lodging at subsidised rates to the children of railway employees drawing pay up to a specified limit continued to function. The existing capacity of the hostels is 500 while 418 children were admitted during the year as against 372 in the previous year.

Staff Benefit Fund.- With a view to affording greater scope for expansion of the welfare activities within the objectives of the Staff Benefit Fund, the per capita annual contribution from railway revenues to the Staff Benefit Fund of the Zonal Railways was increased from 2 rupees to 4 rupees from 1 April 1958 and the contribution in respect of the smaller units was fixed on ad hoc basis from that date. To enable some of the objectives of the fund to be fulfilled in a greater measure, particularly to provide more relief to the staff suffering from tuberculosis, who often have to remain on leave without pay for long periods and to promote sports activities, the per capita annual contribution of the Zonal Railways has been raised to Rs.4.50n.p. from 1 April 1960. The Staff Benefit Fund Committee at the headquarters/divisional level consisting of representatives of recognised unions, staff and the administration is responsible for the management of the fund.

Canteens.- In addition to the canteens statutorily required to be provided under the Factories Act, 1948, the railways have provided, as a measure of staff welfare, canteens at places where there is concentration of staff. Twelve canteens were added during the year under review and the total number of canteens on railways rose to 234.

Sports Activities.- District, divisional, inter-district and inter-divisional tournaments were held as usual by all the railways, while the Railway Sports Control Board conducted various inter-railway tournaments and meets at different Centres.

Institutes and Clubs.- With a view to extending scope of the facilities provided in the railway institutes to the railway staff posted at way-side stations, mobile libraries, which are stocked with adequate number of books in the regional languages on various subjects, have been set up on four railways and the matter in regard to establishing such libraries on the remaining four railways is under consideration.

Institutes and recreation clubs on the railways functioned satisfactorily during the year.

Holiday Homes.- Holiday homes for class III and class IV staff of various places proved to be popular. Nearly 3,000 employees made use of these holiday homes during the year under review. One more holiday home at Yercaud on the Southern Railway was opened during the year.

Children's Camps.- Twenty children's camps were organised by the different Railways in 1960-61 for the benefit of the children of railway employees. These camps are very popular and a total number of 2,092 children attended these camps. Expenditure on these camps is primarily met from the Staff Benefit Fund and the amount payable by parents is kept low so as to bring the benefit within the reach of the lower paid staff. These camps provide an opportunity for the children to mix together and participate in various activities such as debates, elocution, variety entertainments, sports, etc., and also afford opportunity to the children to see the country outside their normal surroundings.

Scholarships for technical education of children of Railway employees.- Under this scheme nearly 1,000 scholarships ranging from Rs.15 to Rs.50 per month and in special cases up to Rs.70 per month are awarded every year in addition to the scholarship continuing from the preceding years. This scheme is financed from the Staff Benefit Fund and has been of considerable benefit to staff. Nine hundred and ninety-three scholarships were awarded during the year and the total expenditure incurred was 878,539 rupees.

Labour Welfare Organisations.- The Labour Welfare Organisation on the Railways functioned satisfactorily during the year. Besides helping the staff in personal matters such as expeditious payment of settlement dues, attending to complaints in connection with sanction of increments and leave, ~~attending~~ etc., the Welfare Inspectors rendered help to the staff and their families in several other ways. They went round the staff colonies to take note of the complaints and grievances and helped in redressing them by approaching proper authorities. Regular visits were made to the institutes, children's parks, handicraft centres, running rooms, schools and hospitals and help was rendered to the staff who were sick and on long leave without pay in getting maintenance allowance from the Staff Benefit Fund. Help was also rendered to the families of deceased staff in distress. The organisation also arranged cinema shows, children's camps and other cultural activities for the benefit of the staff and their families. The promotion of co-operative societies and small savings schemes received the due share of attention from this organisation.

Vocational Training Centres for Staff.- Training centres for imparting technical training to staff during their off-duty hours and vocational training to children of railway employees set up on the railways functioned satisfactorily. This scheme aims at imparting technical training to unskilled and semi-skilled workers during their off-duty hours ~~such~~ with a view to improving their prospects of promotion to higher grades and it also provides for imparting vocational training to children of railway employees to infuse in them a bias for technical jobs. Expenditure on this scheme is met from the Staff Benefit Fund.

During the year there were twenty-two such training centres on the railways, where training was given to over two hundred employees and over three hundred children of railway employees.

Handicraft Centres.- Handicraft centres set up on the railways for the benefit of the families of railwaymen functioned satisfactorily. This scheme provides for training to women members of railwaymen's families in handicrafts such as weaving, knitting, spinning, tailoring of garments, etc., during their spare time, the idea being to help them in learning some trade to augment the family income. Expenditure on this scheme is met from the Staff Benefit Fund. During the year under review, an ad hoc grant of 40,000 rupees was sanctioned from the railway revenues to the Staff Benefit Fund of the railways for the purchase of sewing machines for these centres. With a view to encouraging these centres, orders were placed at some of the centres by the Railway Administrations for the supply of simple articles such as fabrication of school uniforms, pillow cases, bed-sheets, dusters, ~~napkins~~, napkins, pugrees, caps, blouses, pyjamas, kurtas, envelopes, file boards, etc. The monthly income of the individuals varied from centre to centre ranging from 10 rupees to 51 rupees per month. During the year under review there were 224 such centres on the railways as against 154 in 1959-60.

Railwaymen's Co-operative Credit Societies and Banks.- There were 25 co-operative credit societies of railway employees at the beginning of the year. The Northern Zone Railway Employees' Co-operative Thrift and Credit Society Limited, New Delhi, was registered during the year. The number of registered societies at the end of the year was thus 26. The total membership at the end of the year was 648,087 as against 617,606 at the beginning. The paid-up share capital of these societies rose from 43.087 million rupees to 46.324 million rupees during the year. Nearly 58 per cent. of the railwaymen are members of these societies. The average share capital paid by them amounted to 71 rupees per head.

The total amount of loans issued during the year was about 7.9 million rupees more than that issued in the previous year. A sum of 9.348 million rupees was overdue under member's loans at the end of the year which works out to 3.3 per cent. of the total ~~income~~ amount of loans outstanding. The total liquid resources of the societies including cash and bank balances and investments in Government and other securities amounted to 25.373 million rupees or about 12 per cent. of the total deposits held by them.

All the societies worked at a profit during the year under review, the total net profit earned being 3.694 million rupees. The rate of interest charged on members' loans was generally between five and seven per cent. In four societies, the interest charged exceeded 8 percent.

Eighteen societies declared dividend on shares to members, the rate of dividend ranging from $2\frac{1}{2}$ per cent. to $7\frac{1}{2}$ per cent. The societies had in all employed 1524 staff and their total wages bill amounted to about 3.7 million rupees during the year. Nine societies paid bonus to their employees, to the extent of 73,961 rupees.

Consumer Co-operative Societies.- The number of societies actively functioning on the railways increased from 159 to 167 during the year. The following statement shows the comparative progress made by them in respect of membership, share capital, working capital and business turnover during the last two years.

	<u>1959-60</u>	<u>1960-61</u>
1. Number of Members	74,494	78,179
2. Paid up share capital (Rs. in Million)	1.365	1.464
3. Reserve Fund	0.337	0.386
4. Total working capital	2.458	2.529
5. Purchases	15,040	16,443
6. Sales	15,946	17,469

The membership increased by nearly 3,700 while the share capital recorded an increase of about 0.1 million rupees. The total sales of all the societies increased by 1.523 million rupees.

Of the 167 societies 150 worked at a total gross profit of 1.046 million rupees, which works to an average of 6 per cent. on the turnover. Of these, 123 societies earned a net profit amounting to 0.295 million rupees after meeting their administrative and establishment charges. Fortyfour societies paid dividend on shares amounting to the altogether to 28,005 rupees. Fourteen societies gave in addition, rebate on purchases to the share-holders to the extent of 17,455 rupees. Twentyone societies gave bonus to their employees to the extent of 4,127 rupees. The societies had employed 1055 staff and the total wage bill during the year amounted to 0.691 million rupees as against 0.646 million rupees during the previous year.

The railways gave subsidy to 25 societies during the year to the extent of 29,476 rupees towards the cost of their management.

While most of the societies had operated only one store each, 23 societies had altogether 40 branches.

Till the end of the year, 154 societies were provided with railway buildings on concessional rent while 7 societies had hired private buildings. Six societies had their own buildings.

Co-operative Housing Societies.- There were three Railwaymen's Co-operative Housing Societies at the beginning of the year. The Southern Railway employees co-operative house building society limited, Tiruchirappalli started functioning during the year. Thus, the number of housing societies at the end of the year was four. They had 1015 members with a paid-up share capital of 132,180 rupees; the total working capital of these societies including deposits from individuals and loans from Government and other bodies amounted to 0.335 million rupees at the end of the year. Three Societies disbursed loans to members to the extent of 0.141 million rupees; the total amount of loan outstanding at the end of the year being 0.422 million rupees. Including 23 buildings constructed by the members with the help of the societies during the year was 109. Besides, 63 buildings were constructed by the societies on behalf of members to the value of 0.487 million rupees and five buildings to the value of 30,661 rupees were under construction at the end of the year. Of the four societies, three have invested 0.221 million rupees in purchasing land measuring 20.77 hectares (51.92 acres) for developing into house sites for allotment to members.

Co-operative Labour Contract Societies.- During the year, 13 co-operative labour contract societies undertook railway handling contracts at 17 stations. These societies had 3,269 members with a paid-up share capital of 30,752 rupees at the end of the year as against 2,466 members and 27,806 rupees respectively in the beginning of the year. The annual value of the contracts given to them during the year amounted to 0.989 million rupees as against 0.992 million rupees in the previous year. The railways disbursed a sum of 0.978 million rupees to the societies towards the execution of contracts against their bills during the year.

As a further facility to co-operative societies, railways were directed that co-operative societies of actual workers should be required to furnish only 10 per cent. of the earnest money stipulated in the terms of tender, subject to a minimum of 500 rupees and a maximum of 1,000 rupees.

The experiment of entrusting handling contracts to co-operative societies of actual workers is proving successful and more and more societies are coming forward to take up such contracts. The Railway Board have requested the railways to see that whenever feasible, coal handling work is also entrusted to labour co-operatives.

Provision of Staff Quarters.- In pursuance of the policy of providing quarters for the essential staff who are required to live near the site of their work and for the non-essential staff at places where private accommodation is not readily available, 10,475 quarters were constructed on Indian Railways during the year 1960-61.

Medical Aid.- The medical and health organisations on railways continued to look after the health of and provide medical aid to railway employees and their families. During the year under review, there has been further expansion of the medical facilities and services as indicated below:-

<u>Medical and Health Personnel</u>	<u>No. of Units added during the year.</u>
Medical and Health Personnel.	80
Hospitals.	3
Health Units.	11
Beds in railway hospitals and health units, etc.	780
Tuberculosis beds in railway hospitals and chest clinics.	70
Tuberculosis beds in sanatoria.	109
Equipment:-	
(i) X-ray units.	9
(ii) Mass miniature camera X-ray units.	8
(iii) Diathermy short-wave units.	10
(iv) Surgical diathermy units.	2
(v) Infra-red ray units.	10
(vi) Ultra-violet ray units.	2

As a result of this expansion, the daily average outdoor attendance has gone up from 69,994 to 74,448; the total indoor patients treated from 182,767 to 207,721 and the total number of operations performed from 141,338 to 156,267. It has also resulted in increases in cost of providing the medical services from 33.95 millions to ~~35.88~~ 41.68 millions and health services from 27.21 millions to 30.44 millions.

The medical attendance and treatment rules have been liberalised to the following extent:

- (a) Railway passes and daily allowance have been granted to staff from special diseases like tuberculosis and cancer, sent for periodical medical check-ups after completion of treatment.
- (b) The list of hospitals recognised for the purpose of medical treatment of railway employees and their families suffering from cancer has been expanded.

- (c) The condition of prior approval of the Chief Medical Officer for engagement of special nurses, for referring cases to recognised non-railway institutions, for treatment of cancer, polio and mental diseases has been removed and the certificates of the authorised medical attendant, namely the medical officer-in-charge of the hospital are now considered sufficient for the purpose.

Dental treatment in respect of extraction, scaling and gum treatment and root canal treatment, has been extended free to all railway employees, irrespective of their pay, and to their families.

It has been decided to supply, free of charge, artificial limbs to railway employees injured on duty and in other cases the cost of such limbs has been decided to be met out of the Staff Benefit Fund.

Under the scheme of family planning, railway servants undergoing sterilisation operation (Vasectomy or Salpingectomy) have been allowed special casual leave not exceeding six working days.

The work of implementing the national malaria eradication scheme and observance of a national cleanliness day were carried on all railways as part of the programmes of the Government of India.

With a view to detection and prevention of infectious and/or communicable diseases, it was decided to examine periodically food handling staff on Railways and subject the drinking water to periodical chemical and bacteriological examination.

Preventive measures against infectious diseases normally and during fairs and festivals were undertaken in co-operation with civil authorities as usual. The sanitation of stations and railway colonies remained satisfactory.

The health of the staff and staff their families remained satisfactory during the year.

Accidents.— The following table shows the number of passengers, railway servants and other persons killed and injured in accidents in Indian Railways excluding casualties in railway workshops during 1960-61 as compared with the previous year:—

Classification	Killed		Injured	
	1959-60	1960-61	1959-60	1960-61
A.- Passengers -				
(a) In accidents to trains,rolling-stock, permanent ways,etc.	4	28	539	253
(b) In accidents caused by movement of trains and railway vehicles exclusive of train accidents.	393	411	3,065	3,062
(c) In accidents on railway premises in which the movement of trains,vehicles,etc.,was not concerned.	5	13	76	18
Total.	402	452	3,480	3,333
B.- Railway Servants -				
(a) In accidents to trains,rolling-stock, permanent way,etc.	15	11	260	270
(b) In accidents caused by the movement of trains and railway vehicles exclusive of train accidents.	246	252	6,203	6,006
(c) In accidents on railway premises in which the movement of trains,vehicles, etc., was not concerned.	40	49	22,052	20,401
Total.	301	312	28,515	26,677
C.- Other than passengers and railway servants -				
(a) In accidents to trains,rolling stock, permanent way,etc.	18	36	109	273
(b) In accidents caused by movement of trains and railway vehicles,exclusive of train accidents*.	256	286	79	181
(c) In accidents on railway premises in which movement of trains,vehicles,etc., was not concerned.	58	39	63	44
Total.	332	361	249	498
GRAND TOTAL.	1,035	1,125	32,244	30,508

*Excluding trespassers and suicides,details of which are set out below:

Trespassers.	3,973	4,063	1,964	2,041
Suicides.	385	314	49	57
TOTAL.	4,358	4,377	2,013	2,078

The main causes for the accidents to railway servants caused by the movement of trains and railway vehicles, exclusive of train accidents, are analysed in the following table:-

Cause	Killed		Injured	
	1959-60	1960-61	1959-60	1960-61
(1) Misadventure or accidental.	240	245	6,142	5,970
(2) Want of caution or misconduct on the part of the injured person.	4	3	43	31
(3) Want of caution or breach of rules, etc., on the part of railway servants other than the passeng persons injured.	2	4	9	-
(4) Defective systems of working, dangerous places, dangerous conditions of work or want of rules or systems of working.	-	-	3	1
(5) Defective apparatus appliances, etc., or want of sufficient appliances, safeguards, etc.	-	-	1	1
TOTAL.	246	252	6,198	6,003

Accidents in railway workshops accounted for 7 deaths and injuries to 20,843 railway servants which mean a decrease of 7 in the former and 1,766 in the latter as compared with the previous year.

Maharashtra Motor Transport Workers Rules, 1962.

The Government of Maharashtra published on 10 May 1962 the text of the Maharashtra Motor Transport Workers Rules, 1962, made in exercise of the powers conferred under the Motor Transport Workers Act, 1961 (vide pages 33-36 of the report of this Office for May 1961). The rules deal inter alia with the procedure for registration of motor transport undertakings, qualifications and powers of inspectors and duties of certifying surgeons, provisions relating to canteens and equipment, rest rooms, medical facilities, and first-aid box, hours and limitation of employment, leave with wages, register of workers and forms and returns.

(Notification No. MTW. 1161 Lab-111 dated 30 April 1962, the Maharashtra Government Gazette, Part I-L, 10 May 1962, pp. 1927-1951).

Chapter 6. General Rights of Workers

63. Individual Contracts of Employment.

India - April 1962.

Madhya Pradesh Industrial Employment (Standing Orders)
(Amendment) Act, 1961 (Madhya Pradesh Act No. 5 of 1962).

The Government of Madhya Pradesh published on 5 May 1962 the text of the Madhya Pradesh Industrial Employment (Standing Orders) (Amendment) Act, 1961, of the Madhya Pradesh Legislature. The Act which received the assent of the President on 29 April adds a proviso to sub-section (1) of section 2 of the Madhya Pradesh Industrial Employment (Standing Orders) Act, 1961 (vide pages 44-45 of the report of this Office for July 1961), providing that the Act shall not apply to an undertaking carried on by or under the authority of the Central Government or a railway administration or a mine or an oil field.

(Madhya Pradesh Gazette, Extraordinary,
5 May 1962, page 655)

58

Chapter 7. Problems Peculiar to Certain Categories
of Workers

74. Indigenous Labour.

India - April 1962.

New Commissioner for Scheduled Castes and Scheduled
Tribes Appointed.

Shri Anil K. Chanda, former Union Deputy Minister for Works, Housing and Supply, has taken over as Commissioner for Scheduled Castes and Scheduled Tribes in succession to Shri L.M. Shrikant.

(The Statesman, 27 April 1962)

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - APRIL 1962.

81. Employment Situation.

Employment Exchanges: Working during January 1962.

Employment situation.- According to the Review of the principal activities of the Directorate General of Employment and Training for the month of January 1962, the number of registrations effected during the month by the employment exchanges was 274,564 as against 259,774 during December 1961, showing a rise of 14,790. The number of registrants on the Live Register during the month was 1,865,508 as against 1,832,703 in the month of December 1961, showing a rise of 32,805. The employers using the employment exchanges during the month under review was 11,190 as against 10,513 during the preceding month showing a rise of 677. The number of vacancies notified during the month of January 1962 was 55,804 as against 58,906 during the previous month, thus showing a fall of 3,102. The number of placements effected during the month under review was 36,244 as against 33,844 in the previous month showing a rise of 2,400.

Shortages and surpluses.- Shortage was reported in respect of typists, stenographers, nurses, midwives, compounders, doctors, sanitary inspectors, physical training instructors, trained teachers, engineers, draughtsmen, overseers, skilled turners, electricians and accountants. Surpluses were reported in respect of clerks, untrained teachers, motor drivers, unskilled office workers and unskilled labourers.

Collection of Employment Market Information.- A total of 41 Employment Market Information Reports relating to different areas in different States were issued during the month.

Vocational Guidance and Employment Counselling.- Second Refresher Seminar in Vocational Guidance was held during the month under review. Seventeen employment officers from several States participated in the Seminar.

Central Employment Exchange (Special Cell).- The Central Employment Exchange (Special Cell) rendered employment assistance to retrenched workers in the various projects and establishments during the month of January 1962, as follows:-

		Number Retrenched.	Number Placed.	Number Awaiting Assistance.
Damodar Valley Corporation	--	80	36	927
Bhakra Nangal Project	--	35	-	44
Bhilai Steel Project	--	-	108	3,188
Durgapur Steel Project	--	76	6	713
Special Cell of the Ministry of Home Affairs	--	57	90	Class I & II 162 Class III 339 Class IV 26 Total: 527

Gorakhpur Labour Organisation.- During the month of January 1962, the Gorakhpur Labour Organisation despatched 1,388 workers to various work-sites.

Employment Exchange procedure.- The instructions mentioned below were issued to all employment officers for information and guidance:-

(i) When an applicant claiming to belong to Scheduled Caste and Tribe represents that he cannot produce a certificate to that effect because of some difficulty in obtaining the same from any of the authorities or authorised persons, he should be registered and submitted as such. However, while submitting such registrants, an endorsement to the effect that his caste has not been verified, should be made.

(ii) The Government of India having withdrawn with effect from the 31st December 1961, the age and fees concession allowed to displaced persons from Pakistan and from unliberated areas of Jammu & Kashmir, the employment officer, while making submission against Central Government vacancies, are required to ensure that only such displaced persons as are within the age limit are submitted.

Opening of additional employment exchanges.- Three additional employment exchanges were opened during the month of January 1962 in the States of Madhya Pradesh and Himachal Pradesh, thus bringing the total number of employment exchanges to 336 at the end of January 1962.

(Review of the Principal Activities of the Directorate-General of Employment and Training for the Month of January 1962: Ministry of Labour and Employment, Government of India, New Delhi).

61

Dock Workers (Regulation of Employment) Amendment Act, 1962
(No. 8 of 1962).

The Dock Workers (Regulation of Employment) Amendment Bill (vide page 83 of the report of this Office for November-December 1961) as passed by Parliament received the assent of the President on 30 March 1962 and has been gazetted as Central Act No.8 of 1962. The Amendment Act adds a new section 5A providing for the setting up of autonomous Dock Labour Boards for the administration of schemes framed under the Act for a port or a ^{group} of ports. Other amendments provide inter alia for the audit of accounts of Dock Labour Boards, for the issue of directions by Government to the Boards, for inquiry into the working of the Boards and for their supersession in certain contingencies.

(Gazette of India, Extraordinary, Part II, Sec.1,
31 March 1962, pp. 51-56).

Working of Aligarh University Employment Bureau:
Establishment on permanent footing urged.

Presiding over a meeting of the advisory committee held at Aligarh on 2 April 1962, Col. B.H. Zaidi, the Vice-Chancellor of Aligarh University said that the experiment of the University Employment Bureau could be presumed to have been a success for many such bureaux had since been set up. He urged that the year-to-year extension of its life may be ended, and the Aligarh University Employment Bureau placed on a permanent footing.

The Vice-Chancellor stated that so far at 91 appointments of students had been effected through its efforts, though a few of them did not actually ^{materialise} ~~materialise~~. More important than the actual appointments, however, ^{was} the fact that the cases of 1,585 candidates were brought to the notice of employers on all-India status against their notified demands, and that 586 of them were considered suitable on a preliminary selection and called for interview. Commending the service rendered by the bureau, the Vice-Chancellor of Aligarh University said that the students were not required to submit applications each time a vacancy was brought to their notice, nor forced to scanning the columns of newspapers and looking for jobs. "The bureau notified vacancies, it does the matching of qualifications with the job requirements, and itself furnished details of the qualifications of candidates on its registers to the employers on the basis of which they are called for interview for selection."

In Uttar Pradesh three employment bureaux are in existence at Allahabad, Lucknow and Roorkee and a fourth one will soon be set up at Gorakhpur.

(The Statesman, 4 April 1962).

83. Vocational Training.

India - April 1962.

Labour Ministry's Training Schemes: Working during
January 1962.

According to the Review of the principal activities of the Directorate-General of Employment and Training for the month of January 1962, there were 166 training institutes for the training of craftsmen, 14 work and orientation centres for educated unemployed, 100 undertakings imparting apprenticeship training and 18 centres holding evening classes for industrial workers. The total number of seats in all these centres and undertakings was 52,052 and the total number of persons undergoing training stood at 28,259.

Central Training Institute for Instructors.- Three more experts of the United Nations Special Projects Fund have since joined at the Central Training Institutes at Calcutta bringing the total number to 9.

Admission to the Central Training Institutes.- The second Session of Refresher Course for Supervisors/Foreman at Calcutta and Aundh(Poona) commenced during the month under review. The present admission position in all the institutes is as under:-

	Craft Instructors.	Refresher Course.
Central Training Institute, Calcutta --	213	16
Central Training Institute, Aundh(Poona) --	155	7
Central Training Institute, Kanpur --	153	-
Central Training Institute, Curzon Road, New Delhi. --	36	-

Craftsmen Training Scheme.- During the month under review 1,890 seats under the craftsmen training scheme and 695 seats under the evening classes scheme were sanctioned with seven new industrial training institutes. The progressive total of seats sanctioned for the Third Five Year Plan in respect of each scheme is given as under:-

i) Craftsman Training Scheme	--	35,726 seats
ii) National Apprenticeship Training Scheme--		2,159 seats
iii) Evening Classes Scheme	--	1,195 seats
iv) Number of new Industrial Training Institutes sanctioned during the Third Five Year Plan	--	95

(Review of the Principal Activities of the Directorate-General of Employment and Training for the Month of January 1962: Ministry of Labour and Employment, Government of India, New Delhi).

Central Apprenticeship Council Rules, 1962.

The Central Government published on 28 April 1962 the text of the Central Apprenticeship Council Rules, 1962, made in exercise of the powers conferred under the Apprentices Act, 1961 (vide pages 90-92 of the report of this Office for November-December 1961). The rules deal inter alia with the constitution of the Council, the terms of office of members of the Council, method of filling of vacancies in the membership of the Council, procedure for meetings of the Council, fees and allowances to members attending the meetings of the Council or its committees and the method of authentication of acts and proceedings of the Council.

(Notification GSR 608 dated 19 April 1962, the Gazette of India, Part II, Sec.3, sub-sec.(i), 28 April 1962, pp. 518-519).

84. Vocational Rehabilitation of Disabled Persons.

India - April 1962.

Work Performance of Blind and Able-bodied Workers;
Results of a Survey.

An article by Lakshman Prasad on the work performance of blind and able-bodied workers has been published in the March 1962 issue of the Indian Labour Journal. The author has made a comparative study of the work efficiency and work habits of blind and able-bodied workers performing identical or similar jobs in industry under the same working conditions and thereby ascertains whether work performance of blind workers is comparable to that of non-disabled persons employed in the same type of work. The factual data provided by this survey may be useful in educating the employers, trade unions and the general public regarding the abilities of the blind for industrial employment. In order to secure necessary data for this study, letters and questionnaires were sent out in April 1961 to all the employers employing the blind in their industrial establishments in South India. The questionnaires duly completed received by June 1961 furnished the material for this paper which, therefore, covers 60 blind persons and an equal number of able-bodied persons employed in the same type of work in 15 industrial undertakings.

Blind and Able-bodied Workers in Various Industries.- The distribution of blind and able-bodied persons working in various industries is shown in the following table:-

Industry	Units		Workers under Study			
			Blind		Able-bodied	
	No.	Percent.	No.	Per cent.	No.	Percent.
1. Textile --	5	33.3	12	20.0	12	20.0
2. Cycle --	2	13.3	11	18.3	11	18.3
3. Metal Box --	2	13.2	3	5.0	3	5.0
4. Telephone --	1	6.7	25	41.7	25	41.7
5. Needle --	1	6.7	3	5.0	3	5.0
6. Motor Plugs--	1	6.7	1	1.7	2	3.3
7. Match --	1	6.7	2	3.3	2	3.3
8. Cashew Nut --	1	6.7	2	3.3	1	1.7
9. Confectionery.	1	6.7	1	1.7	1	1.7
Total.	15	100	60	100	60	100

Wages of Blind and Able-bodied Workers.- No difference in wages in fact, in respect of blind and non-disabled workers engaged on time-rate basis at all exists, but the wages of workers paid on piece-rate system vary from individual to individual depending upon their production. The following table shows the range and distribution of wages of blind and non-handicapped workers employed in similar type of work. Median and means wages for these workers are also worked out.

Income Group (Rupees)	Workers under Study				
	Blind		Able-bodied		
	No.	Percent.	No.	Per cent.	
Below 50	---	5	8.3	7	11.7
50 - 75	---	5	8.3	3	5.0
76 - 100	---	23	38.3	27	45.0
101 - 125	---	19	31.8	13	21.6
126 - 150	---	8	13.3	10	16.7
TOTAL.		60	100	60	100
Arithmetic Mean	---	Rs.95.83 per month		Rs.94.17 per month	
Median	---	Rs.97.74 per month		Rs.94.52 per month	

The mean and median wages of blind workers are Rs.95.83 and Rs. 97.74 per month and those of able-bodied workers are Rs.94.17 and Rs.94.52 per month respectively. A comparison of wage figures reveals that able-bodied persons receive a lower wage than blind workers. Blind persons working on piece-rate basis earn higher wages than able-bodied persons. The higher wages of the blind, however, demonstrate their ability to handle suitable operations in industry efficiently in spite of their visual handicaps. This also signifies that suitably trained blind people, if placed carefully in selected jobs in industry, can easily reach the same average of production on identical jobs.

Attendance of Blind and Able-bodied Workers.- The number of sightless persons reported regular and very regular in attendance is 59 or 98.3 per cent and that of the able-bodied is 53 or 88.3 per cent, only. It has been found that blind persons have better attendance records than the able-bodied employees. In other words, the blind have lower absenteeism rates than non-disabled persons.

According to information available in respect of punctuality of blind and able-bodied workers, it is found that sightless people are more punctual at work than able-bodied workers.

State of Concentration in Work.- The following table gives information on the state of concentration of mind of Blind and Able-bodied workers.

Concentration	Workers under Study			
	Blind		Able-bodied	
	No.	Per cent.	No.	Percent.
Greater --	14	23.3	8	13.3
Normal --	46	76.7	52	86.7
Poor ---	-	-	-	-
Total.	60	100	60	100

With regard to the state of concentration of persons under our study groups, the survey disclosed that none of them was reported to have poor concentration of mind at work.

Output and Efficiency.- The following table presents data on output and efficiency of visually handicapped and non-impaired workers engaged in the work of similar nature. Median and mean output of these workers are also given.

Output	Workers under Study			
	Blind		Able-bodied	
	No.	Per cent.	No.	Per cent.
Above 85 per cent. ...	4	6.6	12	20.0
95 - 85 per cent. ---	49	81.7	45	75.0
Below 75 per cent. ...	7	11.7	3	5.0
Total.	60	100.0	60	100.0
Arithmetic mean ...	79.5 per cent.		81.5 per cent.	
Median ...	79.5 per cent.		81.0 per cent.	

The study reveals that the average output of our blind group of workers is 79.5 per cent., and that of non-handicapped workers is 81.5 per cent. The median output of blind persons is 79.7 per cent., and is, therefore, 1.3 per cent., lower than non-disabled workers whose median output is 81.0 per cent. The difference of about one per cent. of output is, however, not very significant. Thus, it can be seen that the blind compare favourably with the able-bodied workers with respect to their output and productive efficiency.

69

Accident Rates.- There is always a great apprehension in the minds of the employers that the blind are more liable to accidents than able-bodied workers. The following table gives data with regard to accident rates:

Particular	Workers under Study			
	Blind		Able-bodied	
	No.	Per cent.	No.	Per cent.
Accidents	2	3.3	9	15.0
No Accidents	58	96.7	51	85.0
Total.	60	100	60	100

A glance at the above table will convince the employers that their apprehensions with regard to accidents by the blind are based on false conviction. If the accident figures are compared, it is found that only 2 or 3.3 per cent., of the blind have met with accidents in course of their work whereas in the case of the non-impaired the accident figures are comparatively very high which stand at 15 per cent. In fact, all of them are exposed to the same job hazards. On examination of data it was noted that both the blind and eight out of nine non-disabled workers who unfortunately met with accidents are working in the same factory. The accident rates can, however, substantially be reduced by introducing necessary safety devices in industry.

Behaviour with Co-workers.- No worker more particularly a blind can be successful in his job without the co-operation of his fellow workers. In the case of blind employees assistance of co-workers is of immense value to them. The analysis of data shows that of the total of blind employees, 58 or 96.7 per cent., have been found quite co-operative with their fellow workers. The position of the able-bodied in this respect is more or less the same, as reported for the blind.

Conclusions.- The main conclusions that can be derived from the survey made on the blind and the non-handicapped are discussed in the following paragraph:

Work Performance and Work Habits of Blind and Able-bodied Workers

Group	Work Performance				Work Habits				
	1 Attend- ance.	2 Punc- tua- lity.	3 Con- cen- tra- tion.	4 Out- put.	5 Accid- ents.	6 Loya- lty.	7 Disci- pline.	8 Beha- viour.	9 Clean- liness.
Blind ---	98.7	100.0	100.0	79.7	3.3	91.7	98.3	96.7	98.3
Able-bodied --	88.3	95.0	100.0	81.0	15.0	91.7	100.0	98.3	98.3

1. Regular and very regular in attendance. 2. Punctual and very punctual at work. 3. Normal and greater concentration. 4. Median output. 5. Met with the accidents. 6. Loyal towards Management. 7. Disciplined and obedient. 8. Co-operative with fellow workers. 9. Standard high and normal.

It can be noted from the above table that the visually handicapped compare favourably with the able-bodied workers with regard to work performance and work habits. A slight difference to the disadvantage of the sightless is found in respect to output (1.3 per cent.), discipline (1.7 per cent.), and behaviour (1.6 per cent.), but the difference is, however, not very significant. The study, thus, demonstrates that the work efficiency of the visually handicapped is comparable to that of non-handicapped people performing identical or similar jobs under the same working conditions in industry.

(Indian Labour Journal, Vol. III, No. 3,
March 1962, pp. 151-160).

LIST OF PRINCIPAL LAWS PROMULGATED DURING THE PERIOD COVERED BY THE REPORT FOR APRIL, 1962.

INDIA - APRIL 1962.

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

- i) Bihar Land Reforms (Fixation of Ceiling Area and Acquisition of Surplus Land) Act, 1961 (Bihar Act 12 of 1962) (Bihar Gazette, Extraordinary, 19 April 1962, pp. 1-35).
- ii) Madras Land Reforms (Fixation of Ceiling on Land) Act, 1961 (Madras Act No. 58 of 1961) (Port St. George Gazette, Part IV, Sec. 4, 2 May 1962, pp. 201-271).

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

Madhya Pradesh Industrial Employment (Standing Orders) (Amendment) Act, 1961 (Madhya Pradesh Act No. 5 of 1962) (Madhya Pradesh Gazette, Extraordinary, 5 May 1962, page 655).

CHAPTER 8. MANPOWER PROBLEMS.

Dock Workers (Regulation of Employment) Amendment Act, 1962 (No. 8 of 1962) (Gazette of India, Extraordinary, Part II, Sec. 1, 31 March 1962, pp. 51-56).

BIBLIOGRAPHY

INDIA - APRIL 1962.

CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

- * (a) "Annual Report on the Working of the Trade Unions Act, 1926 (XVI of 1926) in Uttar Pradesh for the Year ending March 31, 1957"; Allahabad; Superintendent Printing and Stationery Uttar Pradesh, India, 1960; Price Rs. 4.23 NP. pp. 210.
- * (b) "Review of the Working of the Indian Trade Unions Act, 1926 during 1958-59"; Labour Bureau, Ministry of Labour and Employment, Government of India, 1961. pp. 63.
- * (c) "Presidential Address of Shri Surottam P. Hutheesing, 28 April 1962, New Delhi"; 29th Annual Session, All-India Organisation of Industrial Employers. pp. 11.

CHAPTER 3. ECONOMIC QUESTIONS.

- * (a) "Estimate of State Income of Madhya Pradesh 1950-51 to 1959-60"; Directorate of Economics and Statistics, Madhya Pradesh, Bhopal, 1962. pp. 17.
- * (b) "An Economic Classification of the State Government Budget 1961-62"; Government of Madhya Pradesh, Directorate of Economics and Statistics, M.P., Bhopal, 1962. pp. 22.
- * (c) "Report of the Second Incountry Productivity ~~Plan~~ Team (Madras Industrial Region During December 1960);" Delhi Productivity Council, 1962. pp. 45.
- * (d) "Speech of Sardar Swaran Singh Introducing the Railway Budget for 1962-63 on 19 April 1962;" Government of India, Ministry of Railways. pp. 8.
- * (e) "Budget of the Railway Revenue and Expenditure of the Central Government for 1962-63;" Government of India, Ministry of Railways, 19 April 1962. pp. 7.
- * (f) "Supplement to the Explanatory Memorandum on the Railway Budget of the Government of India, 1962-63"; Printed in India by the General Manager, Government of India Press, New Delhi, 1962. pp. 7.
- * (g) "The Demands for Grants for Expenditure of the Central Government ~~for~~ on Railways for 1962-63"; (The recommendation of the President required by Article 113(3) of the Constitution of India has been obtained); Printed in India by the General Manager of Government of India Press, New Delhi (April 1962); pp. 154.

* publications received in this Office.

CHAPTER 3. ECONOMIC QUESTIONS (CONTINUED):-

- * (h) "Appendices to the Supplement to the Explanatory Memorandum on the Railway Budget of the Government of India, 1962-63"; The General Manager, Government of India Press, New Delhi, 1962. pp.57.
- * (i) "Works, Machinery and Rolling Stock Programmes of Railways for 1962-63"; Part I (Summary); Printed in India by the General Manager, Government of India Press, New Delhi, April 1962. pp.123.
- * (j) "Works, Machinery and Rolling Stock Programmes of Railways for 1962-63"; Part II (Detailed Programmes); Printed in India by the General Manager, Government of India Press, New Delhi. (April 1962): pp.848.
- * (k) "Fourth Annual Report (1961-62)"; Bombay Productivity Council, India House Kemp's Corner, Bombay-26. pp.22.

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

- * (a) "Annual Report 1960-61"; The Bombay Dock Labour Board, Bombay; Address: Janambhoomi Chambers, Fort Street, Bombay-1. pp.43.
- * (b) "Some thoughts on Agricultural Extension Methods and Community Development Programmes in India"; Department of Agriculture in Mysore, April 1959: Information Booklet No.6. pp.56.
- * (c) "Evaluation Study of the Vikas Mandals (Citizens' Development Councils)"; Department of Urban Community Development, Municipal Corporation of Delhi, March 1962. pp. 46.

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

- * (a) "Report - Second Common Wealth Education Conference, New Delhi - 11-25 January 1962"; Ministry of Education, Government of India, New Delhi, 1962. pp.111.
- * (b) "Thirteenth Census of Indian Manufacturers 1958"; by S.G.Rao, Joint Director (Industrial Statistics: Government of India, Department of Statistics (Central Statistical Organisation), 1, Council House Street, Calcutta. Price Rs.38 or 58sh. pp.698.

CHAPTER 8. MANPOWER PROBLEMS.

- * (a) "Tables with Notes on Employment and Unemployment"; The National Sample Survey - Eleventh and Twelfth Round August 1956-August 1957-~~November~~ Number 52; Issued by the Cabinet Secretariat, Government of India. Printed by the Eka Press, Calcutta in 1961 and published by the Manager of Publications, Civil Lines, Delhi-8. pp.239.
- * (b) "Educational and Technical Training Requirements of Production Process of Works in Tanneries"; Prepared by the National Employment Service, Directorate General of Employment and Training, Government of India, New Delhi, August 1961. (1962). pp.35.

* Publications received in this Office.

CHAPTER 9. SOCIAL SECURITY.

- * "Annual Report on the Working of the Workmen's Compensation Act, 1923, for the Year 1960 in Maharashtra State": 1961; Printed at the Government Press, Kolhapur. pp.13.

111

'L'

* Publications received in this Office.