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INTERNATIONAL LABOUR OFFICE
INDIA BRANCH

Industrial and Labour Development in October 1954.

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION

INDIA - OCTOBER 1954.

11. Political Situation and Administrative Action.

De Facto Transfer of French Settlements in India to Government of India from 1 November 1954: Agreement reached with France

An agreement between the Governments of France and India was signed at New Delhi on 21 October 1954, transferring de facto control of the four French settlements of Pondicherry, Karaikal, Mahe and Yanam to India from 1 November 1954.

The agreement is a sequel to the decision of congress of municipal councillors and members of the Representative Assembly of the four settlements held at Kizhoor in French India on 18 October 1954, which gave its verdict in favour of merger of these settlements with the Indian Union.

The peaceful transfer of the French settlements to the Indian Union marks the end of the 300-year old French rule in the settlements.

India and France will negotiate a treaty of transfer on the lines of the cession of Chandernagore, a former French settlement in West Bengal, which has already been ceded to West Bengal and Parliaments of both the countries will have to get the legislation enacted before de jure transfer takes place. The transition period is expected to be as short as possible.

The Agreement.- The Agreement provides that "with effect from 1 November 1954, the Government of India shall take over the administration of the French establishments in India. These establishments will keep the benefit of the special administrative status which was in force prior to the de facto transfer. Any constitutional changes in this status which may be made subsequently shall be made after ascertaining the wishes of the people."

The agreement provides that with the exception of laws and regulations relating to customs duties and excise, nationals of France will continue, up to the date of de jure transfer, to be subject to the same taxes and duties.

It also provides for the repatriation of capital and other properties of all persons or organisations who leave or have already left the settlements, for a period of ten years without let or hindrance.

The present municipal regime in the 16 communes and the regime relating to the Representative Assembly will continue. Rights and obligations resulting from such acts of the French administration as are binding on the settlements will pass on to the Government of India. Before de jure transfer, matters relating to citizenship will be fully considered and free choice of nationality will be given to the people in the settlements.

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All existing civil servants, except those belonging to the metropolitan cadre and the general cadre of the French Overseas Ministry, will be taken over by the Government of India with effect from the date of de facto transfer on the same conditions of service as before the transfer. French civil servants and military personnel born in the settlements or maintaining family links therein will be allowed to return there freely on retirement or on leave.

French will continue to be the official language of the territory until elected representatives of the people decide otherwise.

The four French settlements, which will be transferred to India, comprise of an area of 196 sq. miles with a population of 320,000. It may be recalled that Chandernagore which was the fifth ~~sa~~ French Settlement was transferred to India after a referendum in June 1949.

(The Hindustan Times, 20 October 1954).

Mr. N. Kanungo appointed Deputy Minister for Commerce and Industry.

The President appointed on 25 September 1954 Mr. Nityanand Kanungo, M.P., to be a Deputy Minister.

Mr. Kanungo will be attached to the Ministry of Commerce and Industry and will be specially in charge of cottage industries.

(The Hindustan Times, 26 September '54)

25. Wage-Earners' Organisations.

India - October 1954.

* Meeting of I.N.T.U.C. Working Committee:
Suggestions to modify Plan.

The Working Committee of the Indian National Trade Union Congress which met at New Delhi on 17 and 18 October 1954 adopted a number of resolutions on the Second Five-Year Plan, rationalisation, ~~the~~ conditions of work of industrial workers and housing. Mr. S.R. Vasavada presided. Among those who attended the meeting by special invitation were Mr. Khandubhai Desai, Union Minister for Labour, Mr. Abid Ali, Union Deputy Labour Minister, Mr. Shantilal Shah, Labour Minister, Bombay, and Dr. G.S. Melkote, Labour Minister, Hyderabad.

* In its resolution on the Second Five Year Plan the Committee emphasised that measures should be embodied in the Plan leading to "equitable distribution of wealth by progressively eliminating inequality of incomes and concentration of wealth". While preparing the second Five Year Plan the Government should concentrate on the basic needs of the nation and provide for employment to a large section of the population through land reforms, equitable distribution of holdings, provision of ~~press~~ housing in rural and urban areas and establishment and promotion of cottage and small-scale industries.

The Committee urged that to achieve the purpose of securing maximum employment, the Government should undertake a manpower survey in important industrial sectors of the country to determine long-term and short-term man-power requirements and availabilities "as a preliminary measure to the development of employment, information and directive programme for determining and meeting manpower needs on a continuous and systematic basis".

Rationalisation.- The resolution on rationalisation said that the INTUC was not "blindly opposed" to all measures of rationalisation and considered that rationalisation, which helped the consumers and the country, was inevitable and could not be resisted. Rationalisation should, however, be properly pre-planned and cover not merely the labour force but every element of production beginning with the purchase of raw materials to proper marketing of goods.

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The Committee urged that rationalisation of the nature should be limited to replace obsolete machinery and be accompanied with the following safeguards and conditions after securing agreement with the workers: (a) Without creating unemployment; (b) additional work-load shall be within the limits of the workers' capacity; (c) working conditions are properly maintained at an agreed standard; (d) worker is given a proper share in gains of rationalisation; (e) a joint machinery to supervise the functioning of rationalisation is instituted; and (f) workers are given all facilities to check the working of the processes and assess the workload. <

The Committee emphasised that no machinery of automatic character or labour-saving machinery should be permitted to be installed for the next five years, so that the Government may create in the meantime, fresh avenues to provide employment in future.

Conditions of work.- On the question of conditions of work of industrial workers, the Committee suggested that the Government should take immediate steps to examine environmental and other physical conditions relating to work in different industries and determine norms and standards with the help of expert agencies.

Bank workers.- The Committee described as "ill-advised and unnecessary" any move for direct action on the part of bank employees at the present juncture. In a resolution on the subject, the Committee said it was not proper on the part of the Government to have modified the award of the Labour Appellate Tribunal in the Banking industry.

"Now that the Government have appointed Mr. Rajadhyaksha to investigate and report on the matter in response to expressed public opinion and demand of the working classes, it is in the interest of the bank employees to co-operate with the inquiry and place before Mr. Rajadhyaksha facts and data as would enable him to come to a proper decision", the resolution said.

The Committee urged upon the Government "to give all necessary powers to the commission to enable him to hold a comprehensive inquiry and that the report be made available before the modification becomes operative".

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Social Security.- The Committee expressed the view that the Employees' State Insurance Scheme should be extended to the family members at least in respect of outdoor treatment and medicines without any increase in the contributions by the employers, employees and the State.

The Committee favoured the introduction of a social security scheme providing for a combination of insurance pension and/or provident fund benefits to persons covered by the present provident fund scheme. The scheme should also provide for a lump sum and/or instalment payments to dependents in case of death of the worker as also provision for loans or other benefits in case of need.

Housing schemes.- The Committee regretted that even though the Government of India had set apart a large amount of money to provide houses for industrial workers, the State Governments, the employers and co-operative societies had not taken advantage of the loan and subsidy scheme to a large extent. In view of the importance of the housing programme both as a vital need of the country and as a means of securing employment to a large number of people, the Committee requested the Government to extend the scheme to municipalities and local authorities and treat them in the same manner as State Governments in order to enable them to clear slum areas and provide houses to low earning groups and middle classes.

The Committee urged upon the Government to include besides industrial workers, workers in commercial establishments and other middle classes in the scheme with a view to removing the acute shortage of housing accommodation. Steps should also be taken to facilitate acquisition of land sites by enacting a National Housing Act, the Committee said.

In ~~an~~ another resolution the Committee welcomed the recommendations of the Press Commission relating to working journalists and requested the Government of India to take steps to implement them.

The Committee accepted the resignation of Mr. Khandubhai Desai as one of its office-bearers consequent upon his inclusion in the Union Cabinet.

The Committee decided to hold the seventh annual session of the I.N.T.U.C. at Nagpur from 26 December 1954 to 3 January 1955.

(Indian Worker, 23 October 1954).

Bombay: Working of the Indian Trade Unions Act, 1926, during the Year 1952-1953.

One hundred and forty-five new trade unions were registered during the year 1952-53 in the State of Bombay, according to the report on the working of the Trade Unions Act, 1926, for the year 1952-53, published by the Government of Bombay*.

Number of unions.- The report states that the steady increase in the number of unions registered under the Act witnessed in the previous ~~years~~ four years was maintained during the year under report also, mainly due to a greater consciousness among the workers to organise themselves for improving their conditions of living and also due to the efforts made by the central organisations of labour. The following table gives information regarding the growth in the number of registered unions in the State since 1942-43:-

Year ending 31st March	No. of registered unions at the beginning of the year.	No. of unions registered during the year.	No. of unions whose registration was cancelled or withdrawn during the year.	No. of registered unions at the end of the year.
1942-43	81	21	17	85
1943-44	85	12	6	91
1944-45	91	19	9	101
1945-46	101	23	9	115
1946-47	115	80	11	184
1947-48	184	166	21	329
1948-49	329	149	36	442
1949-50	442	221	82	581
1950-51	581	156	101	635
1951-52	635	158	121	672
1952-53	672	145	105**	712

** This includes one union, namely H.E. Factory Kamgar Sangh Poona whose registration was cancelled on 8 December 1952.

Of the 712 registered unions at the end of the year under report, 673 unions ~~were~~ were State unions and 39 Central Unions. These figures include one

* Annual Report on the Working of the Trade Unions Act, 1926, in the State of Bombay, for the Year 1952-53; pp.175, Price Re.1-1-0.

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State federation and two Central federations. The following table shows the variation in the membership of registered unions in the State since 1942-43:-

Year	No. of registered unions.	No. of unions included in the report.	Total membership of unions shown in column(3)			Average membership per union included in the Report.	Percentage of female members to total membership.
			Males	Females	Total		
1	2	3	4	5	6	7	8
1942-43	85	75	155,917	7,283	163,200	2,176	4.46
1943-44	91	77	176,277	8,030	184,307	2,394	4.36
1944-45	101	86	191,935	17,100	209,035	2,431	8.18
1945-46	115	87	210,700	15,684	226,384	2,602	6.93
1946-47	184	140	306,946	25,265	332,211	2,373	7.61
1947-48	329	261	359,283	24,511	383,794	1,470	6.39
1948-49	442	319	493,328	31,090	529,155*	1,659	5.88
1949-50	581	383	484,396	29,924	521,467*	1,361	5.74
1950-51	635	392	421,196	28,523	449,719	1,147	6.34
1951-52	672	408	411,384	26,876	440,507*	1,080	6.10
1952-53	712	448**	510,131	31,123	541,254	1,208	5.75

* Details regarding sex are not available in certain cases.

**This excludes 3 Federations.

It will be seen from the above table that the average membership which had shown a decline during the previous three years, slightly increased during the year under report.

There were 672 registered unions in the State at the end of the year 1951-52. Of these, the registration of 96 unions was cancelled for non-submission of the annual returns for 1951-52, the registration of 7 unions was cancelled for non-submission of the annual returns for 1950-51 and the registration of 2 unions was cancelled on application made by those unions under Section 10(a) of the Act. One hundred and forty-five unions were registered during the year. Thus, there were 712 registered unions at the end of the year under review. The registration of one union, was cancelled for non-submission of the annual return for 1950-51. Out of the 711 unions, 597 unions submitted their annual returns of which only 451 returns were accepted for the purpose of the report. Out of 451 unions ~~xxxx~~ whose returns are accepted for the purpose of the report, 425 unions were State Unions (including one federation) and 26 unions were Central Unions, i.e., unions whose activities are not confined to Bombay State.

The report says that a large number of annual returns were found to be defective for one reason or another in spite of detailed instructions regarding the filling up of the annual return form issued by this office to the unions and a majority of the returns were sent back to the unions for necessary corrections. It deplores the fact that the obligation under the Act to submit the annual returns is still not adequately appreciated by a large number of unions as no annual returns were received from about 48 per cent of the total number of unions by the prescribed date and no improvement was noticed in the quality of the annual returns submitted by the unions. Instances were noticed where even unions of considerable standing failed to discharge their statutory obligations and had, therefore, to be struck off from the Register. Generally speaking unions find it difficult to maintain adequately trained persons on their staff, who can properly assist them at the time of the submission of their annual returns. This applies particularly to small unions in the mofussil. To overcome this difficulty the report suggests that the unions might pool their resources and build up an organisation with an adequate staff to help them in this matter. If sufficient number of unions co-operated in this respect, it would not be beyond their means to finance such an organisation.

Occupation groups.- The distribution of the number and membership of the 412 unions (excluding one federation) by occupation groups is given in the table below:-

Group.	No. of registered unions.	No. of unions whose returns are included in the Report.	Membership at the		Total increase (x) or decrease (-).	Percentage increase (x) or decrease (-).
			Beginning of the year.	End of the year.		
1	2	3	4	5	6	7
Agriculture and Allied activities.	10	6	5,895	6,520	x 625	x 10.62
Mining and Quarrying	1	1	4,169	4,251	x 82	x 1.97
Manufacturing.	306	185	223,493	267,552	x44,059	x 19.71
Construction.	3	2	240	287	x 47	x 19.58
Electricity, Gas, Water and Sanitary Services.	34	22	5,301	6,306	x1,005	x 18.96
Commerce.	90	77	15,693	16,406	x 713	x 4.54
Transport, Storage and Communication.	74	42	65,657	71,456	x5,799	x 8.83
Services.	92	51	12,735	15,031	x2,296	x 18.03
Miscellaneous.	62	38	11,095	13,268	x2,173	x 19.59

Female membership.- As regards female membership, the number of unions reporting female membership increased from 186 having a total membership of 25,769 in 1951-52 to 216 having a total membership of 29,976.

Union finances.- The total income of 424 State unions was 1,544,910 rupees and the total expenditure 1,272,362 rupees with the result that the general fund which stood at 14,28,152 rupees at the beginning of the year increased to 1,700,700 rupees at the end of the year. The following table shows an analysis of the total income from various sources:-

Items of income.	Amount of income.	Percentage to total income.
	Rs.	
Contribution from members.	1,272,558	82.37
Donations.	183,641	11.89
Sale of periodicals, books, rules, etc.	1,479	00.09
Interest on investments.	6,190	00.40
Income from miscellaneous sources.	81,042	5.25
	<u>1,544,910</u>	<u>100.00</u>

The average income of the unions was 3,644 rupees during the year under report as compared with 3,301 rupees during the previous year. As against this the average expenditure was 3,001 rupees for the year under report while it was 2,804 rupees for the year 1951-52. An amount of 817,006 rupees representing 64.21 per cent of the total expenditure was spent on salaries and expenses of officers and establishment. The "other expenses" amounting to 167,700 rupees and representing 13.18 per cent of the total expenditure included meeting expenses, miscellaneous expenses, unpaid subscriptions due which are irrecoverable and depreciation written off. Expenses on account of establishment charges of unions thus covered 77.39 per cent of the total expenditure. An amount of 70,228 rupees or 5.52 per cent of the aggregate expenditure constituted expenses incurred under Section 15(j) of the Act, which generally includes contributions to the organisations to which the unions are affiliated, expenses of delegates to conferences and donations to various other unions. An amount of 49,630 rupees or 3.90 per cent was spent on conducting trade disputes and 65,031 rupees or 5.11 per cent on legal expenses, while an amount of 4,414 rupees or 0.35 per cent of the total expenditure was given by way of compensation to members for loss arising out of trade disputes. An amount of 65,213 rupees or 5.13 per cent of the total expenditure was paid as educational, social and religious benefits while a sum of 12,686 rupees or 1.00 per cent of the total expenditure was paid as funeral, old age, sickness and unemployment benefits.

As regards funds, all the unions except 9 opened the year with credit balances. Two out of these ~~and~~ 9 unions ended the year with credit balances. As against the total assets of 2,136,259 rupees the total amount to the credit of general fund account of all the unions was 1,716,597 rupees and other liabilities amounted to 419,662 rupees.

Unions of agricultural workers.- Nine unions registered under the Act enrolled as their members workers on sugarcane farms adjoining the sugar factories. Information furnished by five out of the nine ~~unions~~ unions shows that 4,634 members out of 7,471 members representing 62 percent of their total members were engaged in agricultural operations on sugar cane farms.

The Textile Labour Association, Ahmedabad, was the only State federation registered under the Act during the year under report. The assets of the Textile Labour Association, Ahmedabad, were made up of cash amounting to 465,162 rupees securities worth 354,307 rupees and miscellaneous assets amounting to 865,409 rupees. The Association had a general fund of 243,090 rupees, a political fund of 8,632 rupees, 'Office Building Fund' of 317,647 rupees, 'Maternity Hospital Building Fund' of 31,509 rupees, 'Famine Relief Fund' of 33,786 rupees, 'Sadar Smarak Fund' of 24,832 rupees etc. and other liabilities amounting to 1,025,322 rupees. Out of an income of 255,652 rupees during the year under report, 225,906 rupees were realised by way of contributions from members, 16,232 rupees by way of donations, 11,884 rupees as interest on investments and the rest from miscellaneous sources. The amount of expenditure of the Association during the year was 260,699 rupees out of which 102,187 rupees were spent on administration. The Association paid 85,925 rupees by way of educational, social and religious benefits. The Association spent 7,681 rupees in conducting trade disputes and 24,979 rupees for publishing periodicals.

Affiliation to all-India Organisation.- The available information regarding the affiliations of the unions to the all-India central organisation of labour is given in the table below:

1 Name of the Central Organisation of Labour.	2 No. of unions reporting affiliation.	3 Total strength on 31 March 1953 of the unions mentioned in Column 2.
Indian National Trade Union Congress.	109	233,335
Hind Mazdoor Sabha.	51	70,097
All India Trade Union Congress.	16	11,897
United Trade Union Congress.	1	1,030
Not affiliated.	187	57,423
Affiliated not known.	60	27,299
	<u>424</u>	<u>401,077</u>

11

Central Unions.- The total number of Central Unions (excluding two federations) registered under the Act was 37 at the end of the year under report but the statistics of only 24 Unions (excluding two federations) which sent in the corrected returns have been included in this report. The following table gives the occupational distribution of the unions and their membership:-

Group	No. of regis-tered Unions.	No. of Unions whose Returns are inclu-ded in the report.	MEMBERSHIP AT THE		Increase (x) or decrease (-).	Percentage Increase (x) or decrease (-).
			Beginning of the year.	End of the year.		
1	2	3	4	5	6	7
Manufacturing.	5	3	3,675	4,255	x 580	x 15.78
Construction.	1	1	278	324	x 46	x 16.55
Commerce.	4	4	2,666	3,491	x 825	x 30.95
Transport Storage and Communication.		14	112,015	131,364	x19,349	x 17.27
Services.	3	2	790	743	- 47	- 5.95
Miscellaneous.	1	-	-	-	-	-

In the year 1951-52 there were 10 unions with 1,107 female members and during the year under report also there were 10 unions with 1,147 female members.

The average income of the 24 unions was 361,435 rupees and the total expenditure during the year was 309,216 rupees with the result that the amount of general fund which was 214,256 rupees at the beginning of the year increased to 266,475 rupees at the end of the year. The average expenditure of the unions during the year was 12,884 rupees as compared with 11,602 rupees for the previous year. An amount of 224,871 rupees representing 72.72 per cent of the total expenditure was spent on the salaries and expenses of officers and establishment. The sum of 60,065 rupees or 19.42 per cent of the total expenditure was spent on other miscellaneous expenses which generally include expenses on items such as meetings, propaganda, gatherings, irrecoverable subscriptions and depreciation written off. Thus the expenditure on administrations amounted to 92.14 per cent and only 7.86 per cent of the total expenditure was incurred on other items. Out of this, an amount of 7,254 representing 2.35 ~~xxxx~~ per cent of the total expenditure was spent on legal expenses and expenses in conducting trade disputes. The compensation and benefits paid to members amount to 3,013 rupees represented 0.96 per cent only of the total expenditure.

The principal liability of all the unions except two was the general fund. The amount at the credit of the general fund account of all the unions was 266,475 rupees and other liabilities amounted to 45,925 rupees as against the total assets amounting to 312,400 rupees including securities valued at 28,760 rupees. Out of this, the Maritime Union of India held securities worth 24,635 rupees. An amount of 106,470 rupees or 34.08 per cent of the total assets represents the amount of unpaid subscriptions due. Out of this amount, Central Railway Mazdoor Panchayat, was responsible for 60,026 rupees. Of the other unions, the Maritime Union of India, which had written off 4,369 rupees during the year as irrecoverable subscription reported 19,542 rupees as unpaid subscriptions due and Western Railway Employees' Union, which had written off 6,054 rupees as irrecoverable subscription during the year showed 6,365 rupees as outstanding subscriptions. An amount of 127,394 rupees from the total assets represents cash either in hand or in banks or deposits with individuals. Of this amount, the Western Railway Workers' Union, the Union of the Staff of the Scindia and Associated Companies, Bombay, Indian Pilots Guild and Jahazi Mazdoor Union, Bombay, accounted for 19,502 rupees, 17,572 rupees, 14,533 rupees and 9,033 rupees respectively. An amount of 49,776 rupees out of the total assets is held by way of miscellaneous assets which includes items such as loans, goods and furniture and other assets.

Only one union, namely, Jahazi Mazdoor Union, Bombay, reported that it had a balance of 817 rupees as political fund at the end of the year. Four unions maintained separate funds for specific purposes. The Maritime Union of India maintained a 'Building Fund' of 21,587 rupees and a 'Reserve Fund' of 3,787 rupees. Air India Employees' Union, Bombay, had a 'Fighting Fund' of 4,523 rupees and Western Railway Employees' Union, maintained an 'Investment Fluctuating Fund' of 1,828 rupees. Jahazi Mazdoor Union, Bombay, had a 'Bonus Fund' of 217 rupees in addition to the political fund mentioned above.

The following table shows the affiliation of the 24 unions to all-India central organisation of labour:-

Name of the Central Organisation of Labour Labour.	No. of affiliated unions.	Membership of the unions as on 31 March 1953.
Indian National Trade Union Congress.	1	46,537
Hind Mazdoor Sabha.	6	72,080
Not affiliated.	13	7,798
Affiliated but not known.	4	13,762
	<u>24</u>	<u>140,177</u>

Important activities of the Union.- The following are some of the more important activities ~~xxxxxx~~ reported by the various unions:

Rawalgaon Rashtriya Sugar Workers' Union ~~xxxx~~ has been organising in-door and out-door games for the last five years and is conducting a library for the benefit of its members.

The Rashtriya Mill Mazdoor Sangh, Bombay, continued to conduct about 100 adult classes for educating its members. The Sangh filed 403 cases under the Workmen's Compensation Act and the Payment of Wages Act and could secure for the workers 837,097 rupees by way of compensation and payment of wages. The Textile Labour Association, Ahmedabad, handled during the year 17,975 complaints of which 12,314 were ~~xxxx~~ successful. The Association conducted 9 educational institutions attended by more than 1,000 students, 75 reading rooms, circulating libraries, cultural and social centres and 9 gymnasias in different labour localities. The Association is maintaining a full-fledged dispensary where medical aid was given to 11,364 patients and a maternity home which attended to 7,808 cases. The Association has taken steps to encourage and assist savings and credit co-operatives of workers. The Majoor Mahajan Mandal, Baroda, and the Majoor Mahajan Sangh, Malol, conducted reading rooms and libraries and adult classes; the latter is also managing a co-operative housing society for workers.

The Imperial Tobacco Co. of India Limited Employees' Union (Bombay) has succeeded in starting a Health Benefit Fund for providing free medicines and hospitalisation expenses for the benefit of its members. The Bombay Tannery Workers' Sangh gave free medical help to its members and their families. The Co-operative Credit Society managed by Wimco Employees' Association, Ambernath, has loaned more than 40,000 rupees to the members. Glaxo Laboratories (India) Limited Employees' Union, Bombay has started Co-operative Credit and Industrial Housing Societies.

The Surat Electricity Company's Staff Union has started a housing society and Baroda State Electric Workers' Union, Baroda, is running a library for the benefit of their members.

Indian Bank Employees' Union, Bombay, is running a sports club under the patronage of the management. Surat Bank Employees' Union has established a Co-operative Society and is publishing a journal called the 'Shramajivi'.

Bombay Taxi Association is managing a Co-operative Credit Society and a Co-operative Consumers' Society and has started a periodical called the "Bombay Taxi News" for the benefit of its members.

(The Annual Report on the Working of the Act for the year 1951-1952 was reviewed at pages 7-14 of the report of this Office for June 1953).

34. Economic Planning, Control and Development.

India - October 1954.

Constitution (Third Amendment) Bill 1954 approved:
Measure to vest the Centre with powers of Control
over Essential Commodities.

The Lok Sabha adopted on 23 September 1954, a Bill amending the Constitution in respect of the Union's powers of control of essential goods under the Concurrent List.

~~Amending~~ According to the Statement of Objects and Reasons while trade and commerce within the State, and production, supply and distribution of goods in general are within the legislative and executive authority of the States, Parliament is competent, by virtue of entry 33 of List III, to legislate in respect of products of industries declared to be under Union control. In addition, Parliament is empowered by article 369, for a period of five years from the commencement of the Constitution, to legislate in respect of certain specified essential commodities. Some of these, like cotton and woollen textiles, paper, coal, iron and steel, being products of industries under Union control, could continue to be regulated by central legislation even after article 369 lapses on the 25 January 1955. Other essential commodities, like foodstuffs, cattle fodder, raw cotton and cotton seed, would after that date be outside the legislative authority of Parliament.

The position in respect of foodstuffs and cattle fodder at present is fairly comfortable, but it will not be advisable for the Centre to be divested of all legal powers to control their production, supply and distribution. Cotton, the basic raw material for one of the largest industries, is in short supply in the sense that the production is not sufficient for India's needs. Since jute goods are the most important item in the export trade it is desirable that the Centre should have the power to control the production, supply and distribution of raw jute.

The Bill accordingly proposes an amplification of entry 33 of List III in the Seventh Schedule to the Constitution. Besides placing four classes of essential commodities in that entry, it is proposed to include also imported goods of the same kind as the products of centralised industries, in order that the Centre may be in a position to exercise full control over the development of such industries.

According to the provisions of the Bill, for the existing entry 23 of List III the following entry is to be substituted. "33. Trade and Commerce in, and the production, supply and distribution of-

(a) the products of any industry the control of which by the Union is declared by Parliament by law to be expedient in the public interest, and imported goods of the same kind as such products;

(b) foodstuffs, including edible oilseeds and oils;

(c) cattle fodder, including oilcakes and other concentrates;

(d) raw cotton, whether ginned or unginned, and cotton seed; and

(e) raw jute."

(Gazette of India, Extraordinary, Part II, Section 2, 6 September 1954, pp.565-566; The Hindustan Times, 24 October 1954).

Industrial Development Corporation and Indian Investment Corporation to be set up: Funds voted by House of the People.

The House of the People passed on 27 September 1954, two supplementary demands relating, among other things, to the setting up of an Industrial Development Corporation (500,000)Rupees and an Indian Industrial Investment Corporation (75,000,000 rupees).

The Industrial Development Corporation, it is explained in the official booklet on supplementary demands for grants, is being set up to quicken the pace of industrial development. The Corporation will be set up entirely with Government capital.

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The Government will nominate a board of directors consisting of officials and non-officials with the Minister of Commerce and Industry as chairman for the time being. All the directors will thus be nominees of the Government and non-officials would be serving in their individual capacity. To begin with, the Corporation will be registered as a company under the Indian ~~Company~~ Companies Act with a share capital of 10 million rupees of which the initial issue will amount ~~to~~ 1 million rupees.

As regards the Indian Industrial Investment Corporation, the booklet says, the discussions have been proceeding for some time for bringing into existence, with the co-operation of private interests, both in this country and outside, a privately owned and managed Corporation to promote the expansion of industry in the private sector. The discussions are now nearing completion and representatives of Indian industrialists sponsoring the Corporation are expected to give final shape to it at Washington where they will meet representatives of prospective investors and the International Bank for Reconstruction and Development. The Government also will be represented at these discussions. As at present planned, the initial capital of the ~~Corporation~~ Corporation will be as follows: Issued share capital of the Corporation equivalent to 50 million rupees of which 35 million rupees will be subscribed in India and the balance by investors from the U.S.A. and the U.K.; an interest-free repayable advance of 75 million rupees to the Corporation by the Government of India and a loan of \$ 10 million from the International Bank for Reconstruction and Development to the Corporation guaranteed by the Government of India.

Speaking during the debate, Mr. T.T. Krishnamachari, Minister for Commerce and Industry, stated that once the proposed Industrial Development Corporation gathered momentum, the Government would bring forward legislation before the House to convert it into a statutory corporation.

(The Hindustan Times, 28 September
1954).

Five-Year Plan Targets being achieved:
Planning Commission reviews Progress
in Three Years.

At the end of the first three years of India's first Five-Year Plan, the Indian economy presents "a picture of added strength and stability which is satisfactory in itself and augurs well for the future". This is the conclusion arrived at by the Planning Commission in its Five-Year Plan progress report for 1953-54 published recently.

The report running into 333 pages deals primarily with the working of the Five-Year Plan during the year 1953-54, but the achievements of the first three years in relation to the targets set for 1953-56 have also been reviewed.

In an introduction to the report Mr. V. T. Krishnamachari, Deputy Chairman, Planning Commission, says: "In these three years, a great deal of work has been initiated and there is now a general appreciation of the need for and advantages of a planned approach to economic and social problems. The Plan is more than a programme of expenditure and it is even more than a statement of physical targets. The ultimate test is: To what extent have the people responded, and on this, evidence shows unmistakably that the approach to development problems indicated in the Plan is being well received. What is needed is how to build more firmly on the basis of the gains already recorded and to press ahead with the further tasks of economic development and social advance".

The report says that the last three years have witnessed a significant and all-round improvement in the country's economy.

End of inflation.- Agricultural production, it says, has increased; industrial production has maintained a steady upward trend; prices have fallen from the abnormally high levels attained in 1950-51 and are somewhat below the pre-Korean levels and the balance of payments position has improved. With the progressive relaxation of controls on foodgrains and the restoration of free market conditions, the consumer has benefited.

The capital market has gained some strength and business confidence has improved. Production, prices and money supply with the public are in better balance now than at any time since the war. The Commission says that the realisation of the first objective of the Plan, namely, the removal of the shortages and disequilibrium caused by the war and partition is now in sight.

Production targets.- In respect of food grains, the target set for 1953-56 has, the report says, already been exceeded substantially. Cotton production is satisfactory so far, about 80 per cent of the Plan target having been realised in 1953-54. In the case of jute, as in that of sugarcane, there have been fluctuations from year to year and the break of the Korean war boom has reached adversely on output. Nevertheless, agricultural production on the whole has gone up by over 18 per cent since 1950-51.

Industrial production has also increased. The index of industrial production (base 1946-100), which stood at 105 in 1950 rose to 117 in 1951, 129 in 1952 and to 135 in 1953. In the first five months of 1954, the index was 140 - that is about 3 per cent higher than the level in 1950. In the case of mill-made cotton cloth, output in 1953-54 was 4,906 million yards, which was about 21 per cent higher than the increase set for 1955-56. Production of handloom cloth has also increased.

Progress in the field of production has been accompanied by "a reassuring over-all stability of prices", the report says and adds, it is significant that in the first three years of the Plan, new investments have been undertaken without inflationary pressure being accentuated in the process. The price level is now below the immediate pre-plan level.

The all-India cost of living index (base 1949) was 101 for 1950, 105 for 1951, 103 for 1952 and 106 for 1953. It rose to a peak of 111 in July-August 1953 but has receded steadily thereafter and is now around 102. External factors like the decline in world prices and the strengthening of disinflationary forces abroad have contributed to this result. But domestic fiscal and monetary policies, coupled with the steady increase in domestic output over the last three years, have also played their part.

At the commencement of the Plan, money supply stood at 19,660 million rupees (on 31 March 1951) and at the end of March 1954, it was 18,450 million rupees, that is 1,210 million rupees less than in March 1951. This clearly shows, the report says, that despite budgetary deficits, no inflationary impact has so far been felt as a result of the operation of the Plan.

Stable economy.- The balance of payments position of the country, has also improved, according to the report, during the past two years. In 1950-51 India had surplus of 556 million rupees in the external payments on current account but this was followed by a large deficit of 1,363 million rupees in 1951-52 owing to heavy imports of food and of industrial raw materials. As against this adverse position, a surplus of 741 million rupees emerged in 1952-53.

The favourable trend has been ~~maintained~~ maintained in 1953-54 also, the provisional figures for the year being a surplus of 484 million rupees. The increase in domestic production made it possible to reduce imports of food grains in 1953 to two million tons from the high levels in the earlier years of the Plan and the imports scheduled this year will enable the country to build up some stocks against an adverse contingency. Thus, the economy has been marked by monetary stability all through and output has more than kept ~~pace~~ pace, which in turn has reacted favourably on the balance of payments.

Sterling balances.- The sterling balances held by the Reserve Bank, the report states, declined by 1,610 million rupees in 1951-52 and the decline continued till about July 1952, when they reached a level of 6,730 million rupees. The position improved thereafter and in the third quarter of 1953, sterling balances were steady around a level of 7,000 million rupees. There was a substantial increase again in the first quarter of 1954, part of which has since been reversed. Sterling balances at present stand at 7,300 million rupees, which is 1,500 million rupees below the pre-Plan level.

The low tempo of the Plan and the bearish tendencies generated in the process of a change-over from a sellers' to a buyers' market have ~~reacted~~ reacted adversely on employment, especially in the urban areas. It was in the light of this circumstance that an increase in the size of the Plan by 1,800 million rupees was decided upon towards the close of the last year. The Planning Commission says that so long as inflation, manifest or latent, was a major problem a cautious attitude towards investment expenditure was unavoidable but since excess money supply has now been completely liquidated and production is making steady strides, an acceleration of the rate of expenditure is not only harmless but also desirable.

Money for Plan.- Of the aggregate development expenditure of 22,490 million rupees planned for the five years, only about 8,850 million rupees, or 40 per cent of the total outlay, has been spent so far.

The Centre's share was 4,449 million rupees, while that of the States was 4,399 million rupees.

The rate of expenditure and budget allocations in the first two years were limited. But the amounts were enlarged in 1953-54 when the "recessionary conditions and the working of employment situation" required increased outlay in the public sector. The Centre budgeted 2,370 million rupees while the States 1,760 million rupees. The revised estimates, however, indicate lower spending - the shortfall in the Centre being 490 million rupees and in the States 90 million rupees.

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According to the Commission "a rapid and substantial stepping up of expenditure both at the Centre and in the States is called for from now on, and indeed this must be regarded as a matter of top-priority".

The expenditure proposed in 1954-55 is 5,720 million rupees - 3,560 million rupees by the Centre and 2,160 million rupees by the States. This is an increase of 2,150 million rupees over the revised estimates of 1953-54. The major heads under which these increases are envisaged are agriculture, community projects, irrigation and power, railways, ports and harbour, large-scale industries, education, health, housing, local works and rehabilitation.

Private sector.- While an increasing scale of expenditure in the public sector is thus necessary, it is emphasised that the overall rate of growth attained will depend in no small degree on the course of developments in the private sector. Although investment in the organised industrial sector in 1952-53 suffered some set back, there are indications that the private sector is gradually gaining in confidence. Domestic production of capital goods has shown an improvement in 1953-54 compared to 1952-53 and considerable new plant constructions are in hand. The capital market is "quite buoyant" and the index of prices of variable dividend securities has moved up from 92 in September 1953 to 121 about the middle of September 1954.

The amount of new capital issued sanctioned in 1953 was 810 million rupees as against 400 million rupees in 1952 and 600 million rupees in 1951. The net increase in paid-up capital of joint stock companies in 1953 was 362 million rupees as compared to 367 million rupees in 1952 but since the increase in the second half was much larger than in the first half, it can safely be concluded that private investment is at last making some headway.

Private investment, the report admits, has its problems, financial as well as organisational. The Shoroff Committee has recently reported on some of the financial aspects. The report of the Taxation Inquiry Commission, due to be published shortly, will also have an important bearing on the financial problems of the private sector. The Government had in hand proposals for a special investment corporation, to promote and assist private industry.

Revised outlay.- Of the revised total outlay of the Plan - 22,490 million rupees - only 8,850 million rupees is the estimated expenditure so far, thus leaving the balance of 13,640 million rupees. The Centre and the States have budgeted 5,720 million rupees this year which leaves 2,200 million rupees over the current year's level for the last year of the Plan.

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The resources available to finance the proposed expenditure of 5,720 million rupees in 1954-55 indicate a shortfall of 2,980 million rupees. Even allowing for more receipts from public loans, about 2,500 million rupees will have to be made good by deficit financing.

The report adds that the resources position in 1953-54 cannot be estimated accurately but it is obvious that unless public revenues look up sharply and or the amount of external assistance available is larger, deficit financing of the order of 4,000 million rupees next year would be required for expenditure to reach the target defined.

This poses the problem of mobilising larger resources for the Plan. Any action taken in this direction will have to await the report of the Taxation Inquiry Commission, says the report.

The economic situation in the country, according to the Planning Commission, has shown the need for quickening the tempo of activity through larger investments. The Commission ~~is~~ of the view that "there is, at the present time no reason to fear that deficit financing, on a larger scale, will cause inflationary pressures, and the foreign exchange position is such as to warrant the confidence that the additional import demands arising in consequence of the increases in money incomes as a result of deficit financing can be taken ~~xxx~~ care of. From all points of view, therefore, the implementation of the Plan to the fullest extent possible has to be the country's first concern.

The following table shows some of the physical ~~xxx~~ targets laid down in the Plan and the progress made so far* :-

* Government of India. Planning Commission. Five-Year Plan. Progress Report for 1953-54. September 1954. Manager of Publications, Delhi, 1954. pp.333.

	1950-51 Base Year	Increase by 1955-56 Plan Target	Increase achieved in 1953-54	Percentage of achievement to Plan tar- get 3 ÷ 2.
I. Agricultural Production				
Foodgrains (Million tons) ^q	54.0 ^l	7.6	11.4	150.0
Cotton (Lakh bales)	29.7	12.6	9.6	76.2
Jute (Lakh bales)	32.8	20.9	- 1.5	--
Gur (Lakh tons)	56.2	7.0	- 10.0	--
II. Electric Energy (Million KW)	2.3	1.2	0.5	41.7
III. Irrigation (Million acres)	50.0	19.7	7.5 [^]	38.1
IV. Industrial Production				
(a) Et Finished steel (Lakh tons)	9.8	6.7 ["]	1.0	14.9
(b) Cement (Lakh tons)	26.9	21.1	13.4	63.5
(c) Ammonium Sulphate (000 tons)	46	404	261	64.6
(d) Locomotives (numbers)	7	143	79	55.2
(e) Jute Manufactures (000 tons)	392	308	- 28	--
(f) Mill Cloth (Million yards)	3718	982	1188	120.9
(g) Bicycles (000's)	101	429	188	43.8
(h) Coastal Shipping (000's G. R. T.)	217	165	102	61.8
V. National Highways (000's miles)	11.9	0.6	0.3	50.0
VI. Education and Health				
(a) Primary schools (000's)	173	38 ^{^^}	16	42.1
(b) Junior Basic Schools (000's)	106.5	10.7	4.8 ^{qq}	44.8
(c) Hospitals (000's beds)	35.0	9.5 ^{^^}	2.2	23.2

q Including gram and pulses.

l Base Year is 1949-50.

^ Of which 2.8 is by way of major works and 5.3 is through minor works.

qq In addition to 4.8 thousand beds have been added in T.B. Hospital by 1953-54.

" Target to be achieved by 1957-58.

^^ Revised Target.

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Phased Programme of Conversion of Handlooms
into Power Units recommended: Textile Enquiry
Committee's Report published.

A phased programme for the conversion of the 1.2 millions active handlooms in the country into semi-automatic looms or power-looms so as to make the handloom technically more efficient has been suggested by the Textile Inquiry Committee, which has submitted its report to the Government of India*.

The Committee which was appointed in November 1952 under the chairmanship of Mr. N. Kanungo, M.P., was asked to undertake a comprehensive enquiry into the various sectors of the cotton textile industry, namely, the mills, the power looms and the handlooms with a view to determining the place of each in the national economy and their inter-relationship. The Committee has said that, under the programme, 300,000 handlooms should be converted into 0.213 million improved handlooms and powerlooms over a period of six years and the conversion of the remaining looms should be carried out in two or three five-years ~~xxx~~ periods, so that in 15 to 20 years time, the entire industry would have been converted into decentralised improved handloom or decentralised domestic powerloom industry.

Pegging Mill Production.- For the mill industry, the committee has suggested the replacement of plain looms with automatic looms at the rate of about 5,000 a year, so that one half of the existing looms in mills may be converted into automatic looms over a period of 20 years.

Mill production, the committee has suggested, should be pegged at 5,000 million yards per year and no expansion should be allowed on the weaving side.

The cost of these conversion programmes is estimated at 500 million rupees spread over 6 years, of which 120 million rupees will be for the handloom sector.

The committee observes that from being an importer of a considerable quantity of cotton textiles, India became during and after the Second World War an important exporter. In view of the desirability of maintaining these exports from the point of view of the stability of the mill industry, the committee recommends the replacement of plain looms in mills with automatic looms at the rate of about 5,000 a year, so that one-half of the existing looms in mills may be so converted over a period of twenty years. This would, according to the committee, ensure Indian mills

* Government of India. Ministry of Commerce and Industry. Report of the Textile Enquiry Committee. Manager of Publications, Delhi, 1954. pp.72.

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producing higher quality cloth at cheaper prices, and thereby enable them to compete better with countries producing plain cloth with automatic looms. For obvious reasons, as far as possible the conversion into automatic looms must be undertaken in consultation and agreement with labour or at least according to the principles which the Government, after a full consideration of the matter, may lay down.

Recognising the need for maintaining the total volume of employment in the industry, without creating social upheavals, the Committee recommends that no expansion of the weaving side of the mill industry should be permitted and that mill production of cloth should be pegged at the current level of about 5,000 million yards ~~per~~ per annum.

Pattern for future production.- The Committee has recommended that an export target of 1,000 million yards a year should be maintained. It is estimated that, by 1960, the cloth consumption would be about 18 yards per head and, with an estimated population of 400 million the consumption of cotton textiles would be about 7,200 million yards. Taking the estimated internal availability of cloth in 1954 at 5,600 million yards, the committee feels that an extra 1,600 million yards would be required to meet the internal demand in 1960.

It has suggested that this extra production should be achieved through the improved type of handloom and powerloom industry, for which purpose, a phased programme has been suggested.

On the question of reservations of the field of production, the committee has expressed the opinion that the existing reservations in favour of handlooms or improved handlooms and domestic powerlooms must continue.

At the same time, the committee says, there should be, up to 1960, no further extension of these reservations and that reservations should be made for the large-scale powerloom also. The large-scale powerloom industry should be warned that, after 1960, it can expect no concessions.

For the Khadi industry, the committee has suggested a special enquiry.

Survey of handloom industry.- The Committee has calculated the number of handlooms in the country, on the basis of a random sample survey. The sample survey showed that there were in India at the time of the census 1951, a total of 2.06 (with a frequency range of 0.13) million handlooms, or roughly 2 million, working on cotton yarn. Out of this, 0.45 million domestic non-commercial looms in Assam will have to be taken out; the effective number of commercial handlooms works out to 1.55 million. The survey also revealed

that out of 25,000 looms found in the areas surveyed, only about ~~82~~ 80 per cent were active. Applying this proportion to the figure of 1.55 million commercial handlooms in the country, the number of active looms would be 1.24 million, which the committee has found, squares well with the figure derived from the consumption of yarn.

As far the employment aspect, the committee has found that on an average there is fulltime employment provided to nearly 1.25 persons per handloom. At this rate the volume of employment provided by the handloom industry at present is of the order of 1.5 million, expressed in terms of whole-time work for 200 days in a year on 1.2 million handlooms. The maximum volume of unemployment, says by the committee, could be of the order of nearly 400,000 assuming that 0.35 million handlooms are more or less inactive from out of the total of 1.55 million handlooms.

Employment aspect of suggested pattern of production.- In the report under the relevant sections, the committee has examined the displacement of labour as a result of its suggestions for the conversion of handlooms into power units and rationalisation in textile mills.

~~In~~The handloom industry, 1.2 million handlooms working for 200 days a year at 6 yards per day are ~~presently~~ producing 1400 million yards at present; the production is steadily going up and it would not be too much to expect a production of 1,600 million yards in a year or two. The committee assumes that for this production, at full employment of 200 days a year, 0.9 million handlooms will be required. This would eliminate 0.3 million from out of the existing 1.2 million active handlooms and would mean unemployment of roughly 400,000 workers in terms of whole-time workers.

As against this, the committee has recommended that the extra 1600 million yards to be produced by 1960 to satisfy the consumer demand at 18 yards per head, is to be produced through the decentralised handloom industry, "in order to maintain employment and in order to save on ~~excess~~ demands for capital". Nevertheless the committee feels that in the interest of general progress and in the interest of the consumer, the efficiency of the decentralised industry must also be raised to as high a level as possible. Therefore, the committee has recommended that the extra 1600 million yards be produced by 213,000 improved handlooms/power looms working one shift a day (and producing an average of 25 yards a day as against 6 yards a day as ordinary handlooms) for 300 days a year. This would mean that against the 300,000 handlooms employing 375,000 workers, which are eliminated by increasing the working days from 200 to 300 days a year, an extra 213,000 improved looms would be

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introduced employing 250,000 workers. The net unemployment in the sector, as a result of these changes, will be, during the course of 6 years, 125,000 workers at the rate of 20,000 a year, which the committee feels, is not such as would create any great social or economic disturbance, especially since "the current and the next Five Year Plan would ensure the development of agriculture, industries and a number of resources which would provide a certain modicum of extra employment more than in proportion to the increase in population".

The committee has recommended the automatising of 100,000 plain looms (half of the existing looms) with automatic looms over a period of 20 years at the rate of 5000 looms a year. The committee has computed that this will result in the unemployment of 4,000 weavers per year assuming that one weaver would operate 16 automatic looms on an average.

Another Steel Plant to be set up in India:
Soviet Officer of Machinery and Technical
Help.

Mr. K.C. Reddy, Union Minister for Production stated in the Lok Sabha on 24 September 1954, that a team of specialists from the Soviet Union will be visiting India in the beginning of November this year for studying the technical and other aspects of the establishment of a new steel plant in collaboration with Indian specialists. This project will be in addition to the Rourekela steel scheme for which the Government of India have already entered into an agreement with the German Combine of Messrs. Krupp and Demag.

Mr. Reddy stated that after a careful assessment of the requirements of steel with the growing industrialisation of the country, the Government had come to the conclusion that there still existed a need for the establishment of another unit after providing for the expansion of the present project. Since then some necessary investigations were taken in hand. In this context, a few weeks ago the Government of India came to know that the Soviet Government would agree to supply machinery and equipment as well as technical assistance for the setting up of a steel plant and, further in this connection they were willing to send at their own expense a team of experts to make a study of the conditions in India and to examine relevant aspects in the matter of establishing a new steel plant.

"Subsequently, we had some discussions with the Soviet authorities and in the light of these discussions a decision has been taken to invite a team of specialists from the Soviet Union to visit India in the beginning of November this year for studying the technical and other aspects of the project in collaboration with our specialists".

Pending the arrival of the Soviet experts, the Planning Commission and the Ministries concerned will examine the question of categories of steel products to be produced to meet the requirements of the country and other allied matters.

Mr. Jawaharlal Nehru, Prime Minister stated in the Rajya Sabha on 28 September 1954 that Soviet Russia had offered "considerable credit at a low rate of interest" for the setting up of a steel plant in India. Russian technicians would set up the plant.

(The Hindustan Times, 25 and 29 September, 1954).

1,255.4 Million Rupees Invested in Industry during 1951-54: Minister's Statement in Parliament.

The total investment during the period of 1951-54 in new industrial units and substantial extension to existing units in the private and public industrial sectors have been tentatively estimated at 1,255.4 million rupees by the Planning Commission. This compares with the aggregate investment in industry of the order of 3,270 million rupees anticipated in the Five-Year Plan for the entire period of the Plan.

Giving this information in the Lok Sabha on 24 September 1954, Mr. S.N. Misra, Deputy Minister for Planning stated that studies on the progress of investments on replacements in the industrial sector were currently being carried out.

The Minister placed the following statement on the table of the House regarding the amounts invested industry-wise.

Tentative estimates (In Millions of Rupees)

Iron and Steel (main producers)	--	116.8
Aluminium	--	14.3
Other metallurgical industries	--	7.5
Bicycles	--	22.1
Diesel engines and pumps	--	4.0
Automobiles	--	11.2
Textile Machinery	--	17.5
Railway Rolling Stock	--	92.2
Ship-building	--	60.1

(continued)

Electric cables and wires	--	19.8
Electric power generators	--	162.9
Other engineering industries	--	88.1
Heavy chemicals, fertilisers and pharmaceuticals	--	140.4
Paints and varnishes	--	4.5
Petroleum refineries	--	170.2
Paper	--	58.8
Rayon	--	48.7
Cement	--	92.8
Sugar	--	7.2
Vegetable oils, vanaspati and soap	--	8.2
Glass	--	19.5
Cotton textiles	--	45.0
Other industries	--	43.6

(The Hindustan Times, 25 September 1954).

Madras Electricity Undertakings (Acquisition) Act, 1954 (XXIX of 1954).

The Government of Madras published on 13 October 1954 the text of the Madras Electricity Undertakings (Acquisition) Act, 1954, which received the assent of the President on 9 October 1954. The Act which provides for the acquisition of undertakings in the State of Madras supplying electricity re-enacts all the provisions of the Madras Electricity Supply Undertakings (Acquisition) Act, 1949 (XLIII of 1949) except certain provisions which were declared invalid by the Madras High Court.

In 1949, the Government considered that, for the proper development of electricity supply over vast rural areas, very large resources were required which the licensees or local authorities could hardly ever command and that, as neither generation nor distribution on a small scale would be efficient or economical, the Government should take over in the interests of the public the business and service of the generation and supply of electricity to the whole of the State of Madras to the complete exclusion of citizens and local authorities. Accordingly, the Madras Electricity Supply Undertakings (Acquisition) Act, 1949 (Madras Act XLIII of 1949), was enacted by the ~~provincial~~ provincial Legislature.

The provisions of the Act were considered by the Madras High Court, which held inter alia that the Act, in so far as it related to local authorities, had provided for differential treatment in the matter of payment of compensation in respect of the undertakings of these authorities which were taken over by the Government and was therefore ultra vires. These cases went on appeal to the

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Supreme Court which decided that the Provincial Legislature had no legislative competence under the Government of India Act, 1935, to enact the impugned law in the absence of a notification by the Governor-General under section 104 of the Act empowering it to pass such a law and that consequently the Act was ultra vires.

The subject "Acquisition or requisitioning of property, except for the purposes of the Union, subject to the provisions of entry 42 of List III" falls under entry 36 of the State List in the Seventh Schedule to the Constitution and the subject "Principles on which compensation for property acquired or requisitioned for the purposes of a State - is to be determined and the form and the manner in which such compensation is to be given" falls under entry 42 of the Concurrent List. The State Legislature is therefore now competent to enact a law for the acquisition of electrical undertakings. The present Act re-enacts as far as possible all the provisions of the Act of 1949, except those which the High Court considered invalid.

(Fort St. George Gazette, Part IVB,
13 October 1954, pp. 153-174).

India - October 1954

Minimum Wages Act, 1948, held valid: Supreme Court's Decision.

The Constitution Bench of the Supreme Court on 14 October 1954 held in a unanimous judgment that the Minimum Wages Act, 1948, which provided for fixing minimum rates of wages in certain employments, was a valid piece of legislation. The judgment said that though the restrictions imposed by the Act interfered, to some extent, with the freedom of trade or business guaranteed under Article 19(1)(G) of the Constitution, they were "reasonable and being imposed in the interest of the general public and are protected by the terms of clause (6) of Article 19 of the Constitution."

The constitutional validity of the Act was challenged by two appeals and two petitions. While the two appeals filed by two textile mills against a decision of the Judicial Commissioner, Ajmer, challenged the applicability of the Act to the textile industry ~~xxx~~ within the State, the two petitions filed by a textile mill and its workers challenged the validity of the Minimum Wages Act, 1948.

The two petitions challenged the validity of the Act on the ground that the Minimum Wages Act put unreasonable restrictions upon the rights of the employer in the sense that he was pre-vented from carrying on trade or business unless he was prepared to pay minimum wages. The rights of the employees were also restricted inasmuch as they were disabled from working in any trade or industry on the terms agreed to between them and their employers. It was stated that the provisions relating to the fixation of minimum wage were unreasonable and arbitrary and thus hit the fundamental right guaranteed under Article 19 (1)(G) of the Constitution.

The judgment dismissed this contention and said that though the restrictions interfered to some extent with the freedom of trade or business guaranteed under the Constitution, they were "reasonable and being imposed in the interest of the general public and are protected by the terms of clause (6) of Article 19 of the Constitution."

All the appeals and petitions were dismissed by the Court.

Mr. Justice B.K. Mukerjee, delivering judgment observed that "it can scarcely be disputed that securing of living wages to labourers which ensure not only bare physical subsistence but also the maintenance of health and decency, is conducive to the general interest of the public. This is one of the directive principles of State policy embodied in Article 43 of our Constitution."

"If the labourers are to be secured in the enjoyment of minimum wages and they are to be protected against exploitation by their employers," he said, "it is absolutely necessary that restraints cannot in any sense be said to be unreasonable. On the other hand, the employers cannot be heard to complain if they are compelled to pay minimum wages to their labourers even though the labourers, on account of their poverty and helplessness are willing to work on lesser wages."

Procedure.- As regards the procedure for the fixing of minimum wages, the judgment said "the appropriate Government" had undoubtedly been given very large powers. "But it has to take into consideration, before fixing wages, the advice of the committee if one is appointed, or the representations on his proposals made by persons who are likely to be affected thereby."

These provisions, in the opinion of the Court, constituted an adequate safeguard against any hasty or capricious decision by the "appropriate Government."

There was no provision undoubtedly for a further review of the decision of the "appropriate Government," but "we do not think that by itself would make the provisions of the Act unreasonable".

In the appeals it was contended that without a delegation of authority by the President under Article 239 of the Constitution, the Chief Commissioner of Ajmer was not competent to function as the "appropriate Government" for the purposes of the Minimum Wages Act. All the steps, therefore, that were taken by the Chief Commissioner under the provisions of the Act, including the issuing of the final notification on October 5, 1952, were illegal and ultra vires.

Legislature's Power.- The judgment said that by the Adaptation of Laws Order, 1950, an order made under Section 94(3) of the Government of India Act should be reckoned now as an order made under Article 239 of the Constitution and hence the Chief Commissioner was competent to act as the "appropriate Government."

The second contention of the appellants was that under Section 27 of the Act the matter was left entirely to the discretion of the "appropriate Government", which could amend the schedule in any way it liked and such delegation of powers virtually amounted to a surrender by the legislature of its essential legislative function and, therefore, invalid.

Dealing with the above contention, the judgment said that there was undoubtedly an element of delegation implied in the provisions of Section 27 of the Act, "for the legislature, in a sense, authorizes another body, specified by it, to do something which it might do itself." But "we do not think that in enacting Section 27 ~~of the Act~~ the legislature had in any way stripped itself of its essential powers or assigned to the administrative authority anything but an accessory or subordinate power which was deemed necessary to carry out the purpose and policy of the Act."

(The Hindustan Times, 15.10.1954).

Madhya Pradesh: Minimum Rates of Wages in Agriculture in Yeotmal District Fixed

In exercise of the powers conferred under the Minimum

Wages Act, 1948, the Government of Madhya Pradesh has fixed with immediate effect the following minimum rates of wages in agriculture in Yeotmal district.

Agricultural operations	Minimum rates of wages per day.								
	Men			Women			Children		
	Rs.	As.	Ps.	Rs.	As.	Ps.	Rs.	As.	Ps.
A. Casual Labour.									
1. Ploughing ..	0	12	0	--			0	8	0
2. Sowing ..	0	12	0	0	8	0	0	8	0
3. Weeding ..	0	10	0	0	8	0	0	6	0
4. Harvesting ..	0	14	0	0	10	0	0	8	0
5. Threshing ..	0	12	0	0	8	0	0	8	0
6. All other agricultural operations. ..	0	10	0	0	8	0	0	6	0

B. Attached Labour.

All agricultural operations .. Rs. 15 per mensem for children.
 Rs. 18 per mensem for adolescents.
 Rs. 20 per mensem for adults.

(Madhya Pradesh Gazette, Part I,
15 October 1954, p.647).

Madhya Pradesh: Draft Minimum Rates of Wages in Agriculture
in Amravati and Raipur Districts.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Madhya Pradesh has notified its intention to fix the following minimum rates of wages in agriculture in specified villages in the districts of Amravati and Raipur in the State. The proposal will be taken

into consideration after 16 December 1954.

Amravati District. (364 villages specified in the schedule).

Agricultural operations	Minimum rates of wages per day								
	Men			Women			Children		
	Rs.	As.	Ps.	Rs.	As.	Ps.	Rs.	As.	P.
A. Casual Labour.									
1. Ploughing	0	13	0	--			0	8	0
2. Sowing	0	13	0	0	10	0	0	8	0
3. Weeding	0	10	0	0	8	0	0	6	0
4. Harvesting	1	0	0	0	12	0	0	8	0
5. Threshing	1	0	0	0	12	0	0	8	0
6. All other agricultural operations	0	11	0	0	9	0	0	7	0

B. Attached Labour.

All agricultural operations . . . Rs.15 per mensem for children
Rs.20 per mensem for adolescents.
Rs.22 per mensem for adults.

Raipur District. (343 villages specified in the schedule).

Agricultural operations.	Minimum rates of wages per day								
	Men			Women			children.		
	Rs.	As.	Ps.	Rs.	As.	Ps.	Rs.	As.	Ps.
A. Casual Labour.									
1. Ploughing	0	12	0	0	10	0	0	8	0
2. Sowing	0	12	0	0	10	0	0	8	0
3. Weeding	0	10	0	0	8	0	0	6	0
4. Harvesting	0	14	0	0	12	0	0	10	0
5. Threshing	0	14	0	0	12	0	0	10	0
6. All other agricultural operations	0	8	0	0	8	0	0	6	0
7. Transplantation	0	10	0	0	10	0	0	8	0

B. Attached Labour.

All agricultural operations . . . Rs.15 per mensem for children.
Rs.18 per mensem for adolescents.
Rs.20 per mensem for adults.

(Madhya Pradesh Gazette, Part I,
15 October 1954, pp.647-649).

Uttar Pradesh: Proposals fixing Minimum Rates of Wages for
Employment in Agriculture.

The Government of Uttar Pradesh, published on 11 September 1954 its proposals fixing the following minimum rates for employment in agriculture in exercise of the powers conferred under the Minimum Wages Act, 1948.

The minimum rates of wages, within the meaning of clause (iii) of sub-section (1) of section 4 of the said Act, in respect of employment in all farms and cultivations in the districts of Sultanpur, Pratapgarh, Azamgarh, Banda, Bara Banki, Jaunpur, Rae Bareilly, Faizabad, Hamirpur, Ballia, Ghazipur and Jalaun, and in all organised farms of 50 acres or over in the remaining districts of the State, except Almora, Naini Tal, Garhwal and Tehri-Garhwal shall be as under:

For an adult	..	Re.1 per day or Rs.26 per mensem.
For a child, i.e., a person below 18 years.	..	Annas 10 per day or Rs.16-4-0 per mensem.

The minimum wage may be in cash or in kind, or partly in cash and partly in kind. But the value of the kind wage shall not be such as to make the wage paid less than the minimum prescribed by the State Government.

In the computation of the minimum wage paid to an employee, the money value of perquisites, if any, shall also count.

The proposals will be taken into consideration by the Government after 5 November 1954.

(Notification No.1573(LL)/XXXVIB-436(LL)-52,
dated 4 September 1954; Uttar Pradesh
Gazette, Part,I, 11 September 1954, page
1105).

38. Housing.

India - October 1954.

Accommodation for Building Workers: Central Government's Scheme.

The Government of India has finalised a scheme to build five labour camps providing living accommodation to about 30,000 workers engaged in building construction at Delhi. In the first stage, one camp will be developed through contractors.

Under the plan the Government will allot plots for residential units to the contractors. The Central Public Works Department would develop the area and recover the development cost from the contractors. The New Delhi Municipal Committee has been asked to take responsibility for maintaining common services.

(The Hindustan Times, 19 September, 1954).

Subsidised Industrial Housing Scheme: Over 31 Million Rupees granted in August.

The Government of India sanctioned 31,435,297 rupees in August for the construction of 10,229 tenements under the Subsidised Industrial Housing Scheme.

Of this 10,746,000 rupees divided equally as subsidy and loan, have been granted to the Bombay Government to put up 2,388 one-room multi-storeyed tenements in Bombay.

The Uttar Pradesh Government has been granted 19,980,000 rupees to build 7,400 one-room double-storeyed tenements.

The Delhi Cloth and General Mills Co.Ltd., will secure 150,125 rupees (subsidy 60,050 rupees and loan 90,075 rupees) to provide 100 one-room double-tenements for their workers in the industrial area on Najafgarh Road, Delhi. A sum of 236,925 rupees (subsidy 78,975 rupees and loan 157,950 rupees) has been placed at the disposal of the Bombay Government for Sri Chandra Prakash Co-operative Housing Society Ltd., Ahmedabad, and Sri New Mahadevnagar Co-operative Housing Society Ltd., Ahmedabad, to construct 88 and 29 one-room single-storeyed tenements respectively.

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A subsidy of 13,500 rupees has been granted to the Hind Lamp Ltd., Shikohabad (Uttar Pradesh) for putting up 24 one-room single-storeyed tenements near their factory premises.

The Ballarpur Paper and Straw Board Mills Ltd., Ballarpur (Madhya Pradesh), gets a subsidy and a loan of 57,125 rupees and 85,687 rupees respectively, for the construction of 100 one-room single-storeyed tenements at their factory at Ballarpur.

The K.C.P. Ltd., Vuyyuru (Krishna District) has been given 165,875 rupees (subidy 66,350 rupees and loan 99,525 rupees) for building 100 one-room single-storeyed tenements at their factory at Vuyyuru.

Besides, the Manikotola Scheme of the Calcutta Improvement Trust for which a subsidy of 1,098,000 rupees was granted for the construction of 488 tenements at Dhappa during March 1954 has now been revised so as to increase the number of tenements from 488 to 556 and the subsidy from 1,098,000 rupees to 1,251,000 rupees.

(The Hindustan Times, 20 September 1954).

39. International Economic Relations.

India - October 1954.

Two Year Trade Agreement concluded with China.

A trade agreement between India and the People's Republic of China was signed at New Delhi on 14 October 1954.

The agreement will remain in force for two years but it can be extended or renewed by negotiation.

The articles listed for export from India to China include rice, pulses, tobacco, metallic ores, vegetable and essential oils, chemicals, drugs and medicines, electrical and other apparatus and appliances machinery, machine tools, ferrous and non-ferrous manufactures, cotton piecegoods, jute manufactures, bicycles, motor vehicles, cement, tyres and tubes, centrifugal pumps, hurricane lanterns, sewing machines, agricultural implements, mica and Indian films.

The schedule of goods available for export from China to India includes rice, soya beans, machine tools, machinery, medical apparatus, antimony, graphite, fluorspar, arsenolite, silk and silk piecegoods, wool, hides and skins, paper and stationery, chemicals, tung oil, cassia, menthol crystals, resins, porcelain, glass and glassware, hosiery and stitching needles, vegetable and vegetable products, canned goods, printed matter and books and Chinese films.

(The Statesman, 15 October 1954).

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

India - October 1954.

41. Agriculture.

Living Conditions of Agricultural Workers in India: Study on All-India Survey

The per capita annual income of an agricultural labourer works out to only 104 rupees as against the per capita national income of 204 rupees, according to the all-India enquiry into the working and living conditions of agricultural labour conducted by the Union Labour Ministry in 800 villages representative of the Indian Union. The main facts and statistics emerging from the enquiry relating to the year 1950-51 have been published as a brochure.

The study is the first and the largest socio-economic enquiry of its kind conducted in Asia along the lines laid down by the I.L.O. and U.N.

The study comprises eight sections devoted to such topics as occupational structure of rural families, cultivated holdings, employment and unemployment, wages and income of agricultural labour families, their cost and level of living and indebtedness. The detailed reports on the enquiry are under various stages of publication.

A brief summary of the brochure is given below.

Nature and Magnitude of Agricultural Labour Problem. India with an area of about 1.3 million square miles is the seventh largest country in the world and judged by its population of about 361 million, ranks second in the world. About 83 per cent. of the population live in villages numbering about 5.6 lakhs. Agriculture is the predominant activity on which depend about 70 per cent. of the total population.

Agricultural labour has been gradually increasing in number. According to the present survey, they accounted for 17.6 million families out of a total of 58 million rural families. The definition of agricultural labour is somewhat wider and includes also the sub-marginal cultivator families with small strips of land. Thus of the agricultural labour families, those who held some land formed about 50 per cent. and the rest were landless.

Population and Land Resources.- Since 1921 there has been a rapid increase in population and there has been a decline in

1. Government of India, Ministry of Labour, Agricultural Labour. How they work and live. Dr. B. Ramamurthy, Joint Director, Central Statistical Organisation, pp.XIV - 137.

the per capita land also. The topographically usable land forms about 62 per cent. of the total land area but this ~~all~~ area is not cultivable. Owing to the increase in population the topographically usable land per capita has been shrinking in size from 2 acres in 1921 to 1.4 acres in 1951. Due to uneven distribution of the population the per capita ~~land~~ available land varies in the various zones. It is highest in Central India and North-West India (3.5 acres) and lowest in North India (1.1 acres). In West India and Central India the available area per capita is quite high but the irrigated area is small. In North-West India the percentage of agricultural population is relatively less and per capita land is quite high. In North, South and East India the per capita land is smaller but the intensity of cultivation as measured by the areas irrigated is quite high.

Cultivators Holdings.— The data on holdings collected during the General Family Survey relate to about 60,000 cultivating families. The average size of the cultivators holding was 7.5 acres for the sample villages. The following table shows the average holding in the various census zones:

Average size of Cultivators Holdings

<u>Zones</u>	<u>Average size (Acre)</u>
North India	5.5
East India	4.5
South India	4.5
West India	12.3
Central India	12.2
North-West India	12.6
<hr style="border-top: 1px dashed black;"/>	
All India	7.5

of
Unequal Distribution/Holdings: From the point of view of wage-paid employment, the variation in the size of individual holdings is of greater significance. The smaller the size of the farm the more it depends on family labour and mutual help and less it calls on hired labour. Taking the Indian Union as a whole, the holdings, one acre and below formed 17 per cent; those between 1 and 2-1/2 acres about 21 per cent and those between 2-1/2 and 5 acres another 21 per cent. About 16 per cent. are in the group 10-15 acres and account for 32.5 per cent. of the area. Another 5.6 per cent. holdings above 25 acres covered about 34 per cent. of the area.

Occupational Structure of Rural Families. According to Agricultural Labour Enquiry, agricultural families formed about 80 per cent. and the agricultural labour families alone 30 per cent. of the total number of rural families. The agricultural families included landless families and sub-marginal cultivators. About 90 per cent. of the families were casual labour families and ten per cent. attached labour families.

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The occupational pattern showed considerable variation from zone to zone. The proportion of agricultural labour population was the highest in South India (50 per cent.) and lowest in North West India (10 per cent.). The proportion was quite low in North (14 per cent.) and relatively high in Eastern and Central zones (33 and 37 per cent. respectively).

Of the total number of 17.6 million agricultural labour families 6.2 millions were located in South Zone, 5 million in East India, 3 million in Central India. North India and West India had only between 1 and 2 million and North West India only half a million.

The rural families had a larger number of mouths to be fed per family as compared to the urban families, the average size of the rural family being 5.01 against 4.71 of the urban family. The agricultural families had on an average a longer size (5.15) than the non-agricultural families (4.88). Among the agricultural families, the size of the agricultural labour family was 4.70 as against 5.45 of the owner families and 5.39 of the tenant families. Amongst the agricultural labour families, the landless were even in smaller in size-4.1.

On the average the total working strength of the family was about 2.6 while in the families of both owners and tenants, earners and helpers were respectively about 1.1 and 1.5, in the family of agricultural labourers, there were more earners (2.4) and less helpers. Working women in the agricultural labour families were more in number (1.0) than in owner and tenant families (about 0.7). The number of tenants was 2.0 in agricultural labour families, as against 2.8 in both the owner and tenant families.

About 26 per cent. of the rural population and 21 per cent. of the agricultural labour families had subsidiary occupations.

Employment and Unemployment and Self-Employment of Agricultural Labourers. The outstanding feature about employment in agriculturam is its seasonal character, its peak and slack seasons.

Wage Employment for Men.- Men formed about 55 per cent. of the hired labour-force and numbered about 19 million out of the estimated total of 35 million. Taking all the agricultural men workers, on an average they were employed for 189 days on wages in agricultural labour and for 29 days in non-agricultural labour. It is estimated that they were totally unemployed for about 100 days and self-employed for about 50 days.

The quantum of employment varied very considerably as between the attached and casual labourer who formed 15 and 85 per cent. respectively of the total labour force. While men casual labourers were employed for about 200 days, 167 days in agricultural labour and 33 days in non-agricultural labour, attached labourers were employed for 315 days in agricultural labour and for 11 days in non-agricultural labour.

There were considerable variations in the employment opportunities in the various zones. On an average the highest employment for men was found in North India. South India

recorded the lowest.

The scope for non-agricultural employment was very much limited. It hardly came to 29 days in a year on an average and it varied from 20 in West India and 42 in East India.

Wage Employment of Women: Women workers numbered about 14 million. Most of them were casual workers and were found suitable only for certain operations like weeding, transplanting and harvesting. On an average they worked for 120 days on agricultural labour and 14 days in non-agricultural labour. The percentage of women workers was near about 50 in Central India, West India and South India, and about 35 in East India and North West India and was the lowest, 14, in North India.

Taking the casual workers alone, while women formed 44 per cent. of the total workers in India, they accounted for 35 per cent. of the total man-days worked, the corresponding figures of men being 52 and 62.

Hired man days per acre: The study estimated the hired mandays per acre at about 5,700 million man days, the percentage share of men, women and children, taking casual and attached workers together, being 66, 30 and 4 respectively. According to 1951 Census the gross sown area was 305 million acres. Hence on an average about 19 man days were put in by hired agricultural workers per acre of gross sown area.

Unemployment of Agricultural Labourers. During the intervening periods of agricultural employment the agricultural labourers was either totally unemployed or was self-employed.

Unemployment may be split up in two components: (1) the number of labourers who did not report wage-employment during the month and (ii) the number of days for which the reporting wage labourers were unemployed.

It will be seen from the statement given below that the extent of self-employment was limited

Employment, Self-Employment and Unemployment of Men Workers.

Census Zones	Employment on wage days	Self-Employment Days	Unemployed days
North India	289	26	50
East India	224	49	92
South India	181	71	113
West India	196	46	123
Central India	245	45	75
North West India	202	64	94
All India	218	49	98

Wages of Agricultural Labourers: Casual workers: The agricultural labour is hired either on time or on piece basis and his wages are paid in cash or in kind or partly in cash or partly in kind. When his wages are paid in kind, the nature and quantum of payment differ from region to region.

Cash payment on time rates was the predominant mode of wage payment. About 95 per cent. of wages days, the agricultural labour was employed on time rates and the prevalence of cash wage was to the extent of 85 per cent. of days. Instead of kind wage which seemed to have greater prevalence in the past, cash wage is now the most important mode in all zones.

The average daily wage of the adult male casual worker in agriculture was As.17.5 for the country as a whole. In North West India, East India, North India and West India wages are slightly higher than the rest of India. In South India and Central India wages were lower. In case of women workers the average all India wage was near about As.11 and as in the case of men the averages were lower than the overall average in South India and Central India.

Perquisites are of importance in as much as 33 per cent. of the man-days worked were paid for with perquisites.

Whereas the adult male worker received as.17.5 on agricultural labour, Of the men workers, about 57 per cent. could secure additional non-agricultural employment. Among the women, about 34 per cent. were employed on wages in non-agricultural labour.

He was paid Rs.17.2
in non-agricultural
labour.

Wage Bill in Agriculture.- From the average agricultural wage income of the agricultural family, their estimated wage bill for hired agricultural labourers in such families works out to about 5000 million rupees. In the total wage income of all casual workers the contribution of adult male workers was 3100 million rupees and that of the women workers was 1060 million and the children had a share of 90 million rupees.

The table given below shows the comparative wage rates in agriculture, factory and plantations:-

States	Daily Wage earnings (in annas) in		
	Agriculture (1950-51)	Plantations (1950-51)	Factory In- dustries (1950)
Assam ..	29.8	18.5 - 20.5	60.8
Bihar ..	20.2	---	68.8
Bombay ..	17.6	---	67.2
Madras ..	15.5	19.5 - 21.8	33.6
Travancore-Cochin	21.4	20.0	---
Madhya Pradesh ..	12.6	---	52.8
Orissa ..	11.5	---	38.4
Punjab ..	28.6	---	44.8
Uttar Pradesh ..	18.8	---	52.8
West Bengal ..	27.0	19.5 - 21.5	49.6
All-India ..	17.5	---	54.4

Child Labour. For purposes of agricultural labour enquiry any person below the age of 15 was considered a child. In India children formed 4.6 per cent. of the total agricultural labourers. The estimated number of child workers in India was about 1.6 million.

The child labourer in India was employed on wages, on an average for 165 days in a year, 150 in agriculture and 15 days in non-agricultural employment. Attached child labourers were usually employed as graziers. The child casual worker in India was paid, on an average 11.1 annas per day in agricultural and 9.9 annas in non-agricultural wage employment.

Income of Agricultural Labour Families. The income of all the earners in the agricultural labour family is pooled together to meet the expenditure of all its members.

Average annual income of the Agricultural Labour Family by Sources in Indian Union.

Census Zones	Average annual income per family in Rs. from						Total income	Income per capita
	Culti- vation of land	Agri- cul- tural labour	Non-agri- cultural labour	Occupa- tions other than farming	Other sources			
North India	62 (11.2)	380 (69.8)	56 (10.2)	41 (7.5)	12 (2.2)	551 (100.0)	131	
East India	54 (10.7)	320 (63.2)	74 (14.6)	49 (9.7)	9 (1.8)	506 (100.0)	118	
South India	73 (19.1)	237 (62.1)	36 (9.4)	27 (7.0)	9 (2.4)	382 (100.0)	91	
West India	25 (6.4)	288 (73.7)	42 (10.7)	30 (7.7)	6 (1.5)	391 (100.0)	91	
Central India	54 (13.0)	274 (65.7)	48 (11.5)	30 (7.2)	11 (2.6)	417 (100.0)	91	
North-West India	88 (13.5)	370 (66.8)	78 (12.0)	62 (9.6)	53 (8.1)	651 (100.0)	139	
All-India	60 (13.4)	287 (64.2)	53 (11.9)	36 (8.0)	11 (2.5)	447 (100.0)	104	

N.B. Figures in brackets indicate percentage to total.

In the absence of family budget data relating to industrial labourers near about the period of the Agricultural Labour Enquiry (1950-51), it is not possible to make any direct comparison. However from available data on the average earnings of industrial workers and the size and earning strength of their families, the average per capita income could be roughly estimated.

The comparative figures are given in the statement below:

Per Capita Income of Agricultural and Industrial Labour Families.

State	Annual income per capita in Rs.		
	Agricultural labour family 1950-51	Industrial family 1950	Percentage of per capita income of agricultural labour to industrial labour
West Bengal ..	160	268	59
Bihar ..	119	332	36
Madhya Pradesh ..	87	262	33
Orissa ..	79	145	54
Punjab ..	121	216	56
Bombay ..	88	568	24

In spite of the limitations of data mentioned above the broad conclusion that the industrial workers were better off than agricultural labourers in respect of the monetary value of income is inescapable.

The total income of all the agricultural labour families in the Indian Union could be estimated at 7900 million rupees.

Cost and Level of Living of Agricultural Labour Families.

The all India average annual income per agricultural labour family was 447 rupees and the average annual expenditure 468 rupees including the average expenditure of 7 rupees incurred on ceremonies. An idea of the poor level of living can be had from the fact that out of 461 rupees spent on recurring items of expenditure as much as 393 rupees was spent in food and 29 rupees on clothing. The average annual expenditure on the rest of his necessities came to only 39 rupees. The following table gives the actual expenditure on consumption groups for the different zones:

Annual Consumption Expenditure per Capita and Per Consumption Unit

Zones	Consumption expenditure in Rs.			
	Per capita	Per consumption unit	Standard deviation of figs. in col. (3)	Coefficient of valuation
(1)	(2)	(3)	(4)	(5)
North India .	130.1	161.5	93.4	55.0
East India .	122.8	154.5	93.7	60.6
South India .	94.5	117.7	72.0	61.2
West India .	91.1	117.4	62.8	53.5
Central India .	93.0	118.1	47.8	40.5
North-West India.	143.4	191.3	91.4	47.8
All-India	107.2	134.9	81.7	60.6

Indebtedness. About 45 per cent. of the agricultural families were indebted. The average debt incurred per family for all India was 47 Rupees. As between the casual and attached families who formed 90 and 10 per cent. respectively the percentage of indebted families was 44 and 51 respectively. Likewise the amount of debt per indebted family was 100 rupees for casual workers and 143 rupees for attached workers.

The percentage of indebted families was the highest in North West Zone being as high as 76. It was also quite high in South India and Central India with 52 and 55 per cent. On the other hand in North India it was only 22 per cent. and in East India 34 per cent.

Among casual workers families 46 per cent. were without land. Whereas the percentage of indebted families was 46 among the former, they formed 41 per cent. among the latter. The average debt per indebted family was higher in the case of families with land than families without land.

The main purpose for which debts were incurred were production, consumption and social purposes.

Of the estimated 17.6 million families 7.8 million were indebted families with an average debt of 105 rupees per family. Thus the total debt of the indebted agricultural labour families may be estimated to be of the order of 800 million rupees.

The main sources of borrowings for agricultural labour families were employers, shopkeepers, cooperative societies, friends and relatives.

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Punjab: Ordinance banning ejectment of tenants promulgated.

The Governor of Punjab promulgated on 20 October 1954 an ordinance banning the ejectment of tenants in the State and providing for the restoration of certain ejected tenants to their tenancies. It comes into force immediately.

The ordinance provides that no tenant shall be liable to ejectment except for one or more of the causes mentioned in Clauses 1 to 6 of sub-section 2 of Section 9 of the Punjab Security of Land Tenure Act, 1953.

Except in the case of displaced landlord who is personally cultivating land not exceeding five standard acres, all tenants ejected after 30 April 1954, for causes other than those referred to in Clause I shall on application in writing to the assistant collector of the first grade having jurisdiction, made within six months of the commencement of this ordinance, be entitled to be restored to their tenancies on the same terms and conditions as applied to them before they were ejected.

No tenant shall be restored to any portion of his tenancy which when computed with all other agricultural land held by him as owner or tenant exceeds five standard acres. Where a tenant was ejected by more than one landowner the tenancy or tenancies to which he is restored shall be at the option of the tenant.

Compensation clause: The ordinance provides that a restored tenant shall be liable to pay compensation as determined by the assistant collector to the landlord or the tenant ejected as the result of the restoration, for any improvement on the land or for any sown crop on the tenancy restored, within six months of the date of restoration and in default of which the restored tenant shall be liable for ejectment.

The causes mentioned for ejectment of tenants in sub-section 2 of Section 9 of the Punjab Security of Land Tenure Act are: non-payment of rent, failure to cultivate land without sufficient cause and wilful damage to land.

(The Hindustan Times, 21.10.1954)

Mysore Tenancy (Amend)^{ment} Bill 1954: Permissible holding for Non-cultivating landlords to be fixed.

Mr. Kadidal Manjappa, Minister for Revenue, Government of Mysore, introduced in the State Assembly on 14 October 1954, a bill to amend the Mysore Tenancy Act, 1952. The Bill defines a standard acre as that area of land dry or wet which has a productive capacity of eight pallas of ragi or paddy. (Ten pallas make one ton).

It fixes the duration of tenancies at ten years instead of five provided in the Act. It also confers "limited rights on the landlord to terminate tenancies even during the period of ten years, if the landlord requires the land to cultivate personally." The Bill confers "special rights" on long-standing

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tenants to acquire ownership of lands cultivated by them and limits the right of the landlord to evict such tenants on the ground that "he requires such land for personal cultivation."

The Bill gives a tenant "the first option" of purchasing surplus land other than the permissible holding at a price agreed upon in writing in the absence of any such agreement, at such prices as may be determined by an Assistant Commissioner of the area.

(The Hindustan Times (16.10.1954); the Mysore Gazette Extraordinary, 29 September 1954, pp.27-46).

42. Co-operation.

India - October 1954.

Labour Co-operative to manage Textile Mills
in Banaras.

The labour and management of the Banaras Cotton Mills, on 10 July 1954, agreed to the running of the mills by a labour co-operative in future.

According to the agreement, labour will form a co-operative and will take over on lease, for running the mills, from the management and will arrange for necessary finance for the purpose. The lease will be for ten years.

Labour will admit a representative of the management on its executive to watch the interests of the company but this representative will, however, have no vote in any matter coming before the executive of the labour co-operative.

The labour co-operative will in no way be responsible for the past liabilities of the Company.

(The Indian Textile Journal,
August 1954, page 713).

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CHAPTER.5. WORKING CONDITIONS AND LIVING
STANDARDS.

INDIA - OCTOBER 1954.

50. General.

Scientific Study of Labour Problems:
Prime Minister lays foundation stone
for Central Labour Institute at Bombay.

On 7 October 1954, Mr. Jawaharlal Nehru, Prime Minister, laid the foundation stone of the proposed Central Labour Institute at Bombay. Among those present on the occasion were Mr. Khandubhai K. Desai, Union Minister for Labour, and Mr. V.K.R. Menon, Director of this Office.

Purpose of the Institute.- The Institute will meet the need for an agency to afford facilities for the scientific study of the various aspects of industrial development relating to the human factor. The scheme envisaged is a composite one, comprising a museum of industrial safety, health and welfare, an industrial hygiene laboratory, a training centre and a library-cum-information centre. It is also proposed to attach to the Institute the productivity-centre and the training-within-industry centre which are being set up with the assistance of the I.L.O.

The Institute will be a centre of demonstration, research and training in all aspects of labour in its broad concept. It will, in effect, function as a socio-economic laboratory or a national institute dealing with the scientific study of the human factor and as a centre for specialised training in labour and allied problems, and would also provide a common platform for all groups concerned with the well-being of labour and industry. In working out this project, the experience of older industrial countries has been freely drawn up.

The museum has been planned on the model of the museum of industrial health, welfare and safety of the U.K. Ministry of Labour and National Service and the Veligheids Museum at Amsterdam. One of the important functions of the museum will be to stimulate improvement in appliances and methods for ensuring safety and health and promoting welfare and, among other things, to carry on research and education in the improvement of all aspects of working conditions in factories.

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It is proposed to obtain the machinery and most of the exhibits on loan or as gifts from the manufacturers as is done in the case of industrial museums in the other older industrial countries. In fact, to ensure that the exhibits do represent the best modern practice, such an arrangement is necessary so that when any improvements are effected in the appliances or machines on display, the manufacturers themselves arrange to replace the obsolete exhibits with newer ones. A number of manufacturers' associations have already been approached in this connection and the response has been very encouraging.

The industrial hygiene laboratory has been planned more or less on the lines of the industrial hygiene laboratories in the U.S.A. - a service which is provided by most of the State Governments and the Federal Government to promote industrial health. The main function of the laboratory is to give professional assistance in the study and solution of industrial health problems and to contribute to the technical advancement of industrial hygiene through research, surveys and allied activities.

The training centre will help to provide facilities for organising specialised short-term courses on labour problems and other allied matters affecting industrial efficiency. The facilities provided by the centre will include an up-to-date library, conference rooms, a small auditorium and residential accommodation for about 25 to 30 people so that short-term residential courses could be arranged.

The ~~training~~ training centre would afford facilities for the training of labour administrators, trade unionists, management groups and other personnel concerned with labour and industry. The centre would more or less function like a "summer school" and thus provide a common meeting ground for Government, management and labour groups for the purpose of discussions relating to their respective roles in an atmosphere free from the usual stress and conflict.

The Library-cum-information centre will provide facilities for study and research, and at the same time supply information on all problems connected with labour.

The productivity centre will assist in the application of modern industrial engineering techniques with a view to raising productivity and workers' earnings and improving conditions of work. It will organise training in productivity techniques, job evaluation and the scientific assessment of work loads.

Another centre will conduct training-within-industry courses in job instructions, job relation, job method and job study.

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The Government of Bombay have made available a 13 acre plot of land on the Kurla hills just behind the Santa Cruz aerodrome for the Institute. A capital grant of 1 million rupees has been sanctioned for the construction of the main Institute building. An operational agreement ~~with the Government~~ has been signed between the U.S. Government and the Government of India under which \$ 100,000 have been made available for the purchase of plant, equipment and technical publications for the Institute.

Importance of manual work.- Speaking on the occasion, Mr. Nehru regretted that people failed to give the importance due to manual labour and often differentiated it from intellectual labour. This difference, he said, should disappear. It was true that the nature and conception of work might be different but to draw lines of difference was a distinct disservice to the people and was completely unjustified.

Mr. Nehru said that brain alone could not work unless the limbs and other parts of the body carried out the orders of the brain and co-operated with it. It was important that people should be taught about the importance of labour and all cries of difference about various categories of labour should be done away with. But the change would be a gradual process. Along with the ending of these differences of intellectual and manual labour, other differences of caste and creed also should be buried.

Labour Minister's address.- Mr. Khandubhai Desai, Labour Minister, Government of India welcoming the Prime Minister said that the Central Labour Institute constituted a great landmark in the progress of industrial labour in the country. The day's function was symbolic of the very great importance that independent India attached to the problems of the working man.

Referring in particular to the productivity centre which will form part of the Institute, Mr. Desai said: "A team of I.L.O. experts, who undertook productivity studies in the textiles and engineering industries last year, demonstrated that with better attention to existing machines and methods of production substantial and occasionally even spectacular improvements in out-put were clearly possible. The ~~staff~~ deficiencies revealed in the course of the studies caused quite a stir in certain quarters and made the concerned interests wake up to the realities of the situation. Productivity does not ^{consist} merely of a worker exerting more and more turning out greater production. There is in any case a limit to human exertion. On the other hand, better maintenance and repair of machines, better raw materials, better organisation of the processes of production, better management, etc., might often produce results far surprising any that could result from greater exertion on the part of the worker. Government felt that such

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studies would do much good to industry and decided to place the Organisation on a permanent footing in the hope that managements and labour would welcome such a move".

(The Hindu, 8 October 1954;
Press Note dated 29 September 1954,
issued by the Government of India;
Text of the Speech by Shri Khandubhai
Desai, Labour Minister, Government of
India, on the occasion, received in
this Office).

Conditions of Labour in the Glass Industry in India.

The information given below regarding labour conditions in the glass industry is taken from an article published on the subject, in the August issue of the Indian Labour Gazette. The information is based on replies to a questionnaire issued by the Labour Bureau, Ministry of Labour, Government of India, to 129 glass factories in the country. There was no response from about half the number of units addressed, while some more units were reported to be closed. Of the remaining units, some did not furnish proper information, with the result that the data received from 38 units only could be used for final tabulation, etc. In order to supplement the data thus received, some of the units located in the States of Bombay and Mysore were also visited.

Employment.- According to the statistics collected under the Factories Act, 1948, the number of glass factories in Parts A and C States in India during 1952 was 221 and the average daily employment was 28,440. In addition to these there were 9 factories with an average daily employment of 2,623 workers in 6 Part B States in 1951. Information for 1952 in respect of these factories is not yet available but assuming that the employment in these 9 factories was the same during 1951 and 1952, the employment in the glass industry during 1952 for the Indian Union as a whole may be estimated at about 31,000 workers.

Of the working factories in 1952, 57.9 per cent were situated in Uttar Pradesh and they accounted for 38.7 per cent of the total employment. The concentration of the industry in Uttar Pradesh was mainly due to well known deposits of glass sands in the State. Next to Uttar Pradesh the employment was fairly high in West Bengal and Bombay which accounted for 22.6 and 20.9 per cent of total employment respectively. The distribution of the

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glass factories in different States and the workers employed during 1952 was as follows:-

State	No. of working factories	No. of factories submitting returns	Total	Adults		Adolescents		Children	
				Men	Women	Male	Female	Boys	Girls
Assam	1	1	294	286	8	-	-	-	-
Bihar	10	10	1,698	1,599	99	-	-	-	-
Bombay	35	28	5,935	5,220	700	15	-	-	-
Madhya Pradesh	5	4	855	774	81	-	-	-	-
Madras	8	5	837	580	257	-	-	-	-
Orissa	1	1	733	531	31	171	-	-	-
Punjab	5	5	634	629	5	-	-	-	-
Uttar Pradesh	128	115	11,010	10,600	336	52	-	22	-
West Bengal	27	24	6,422	5,813	324	158	-	127	-
Delhi	1	1	22	19	3	-	-	-	-
Total	221	194	28,440	26,051	1,844	396	-	149	-

Labour turnover.- According to the Labour Investigation Committee "the problem of excessive turnover of labour is common to almost all centres of glass industry in India and figures as high as 60 per cent have been recorded in some concerns". The present enquiry showed that of the workers leaving the factories during the 12 months ending June 1952, 38.6 per cent were discharged, 60.5 per cent left of their own accord and only 0.8 per cent retired or died.

Though the over-all percentage of labour turnover was of the order of 48.3 per cent, it was higher in the States of Uttar Pradesh and West Bengal, being 53.4 per cent and 96.8 per cent respectively. In Bombay, the turnover was only 42.2 per cent.

Length of service.- The unstable character of the labour force in glass industry is also reflected in the following table which shows the length of service of the workers. It is striking that the length of service of 64 per cent of the workers was below 5 years.

<u>Length of service</u>	<u>Percentage of workers</u>
Below 1 year	25.4
1 year to 5 years	39.0
5 years to 10 years	24.5
Above 10 years	11.1
Total	100.0

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Absenteeism.- Data regarding absenteeism could be obtained from 20 units. While the average absenteeism was of the order of 11.56, there were wide variations as between States. The lowest absenteeism was recorded in one unit in the Punjab, while the highest was in the three units in Uttar Pradesh. The reasons for absenteeism were generally stated to be sickness, private work, etc. A number of units also stated that the workers absented themselves mainly on account of work during agricultural season. A few factories gave attendance bonus or allowance to their employees to encourage regular attendance.

Recruitment and training.- In a number of units recruitment was made by departmental heads directly. Only two units made use of employment exchanges, that too occasionally. One unit in the Punjab sent its agent to other places to recruit skilled labourers.

Facilities for training of workers existed only in six units - one each in Bihar, Punjab, Uttar Pradesh and Mysore and two in Bombay.

Contract labour.- Only 7 units employed contract labour, numbering in all 261. Of these 180 were men and 81 women. Contract labour was generally employed for loading and unloading of wagons, etc. In a few units they were employed in such processes as blowing and wrapping.

Wages and earnings.- The total wage bill of the workers employed in the glass industry in Part A and C States amounted to 14 million rupees. The average annual earnings of a worker in the glass industry in Part A and C States was 665 rupees, the corresponding average for all-industries being 971 rupees. The average annual earning was the highest in Delhi, viz., 1,872 rupees and lowest in Punjab, viz., 281 rupees. The earnings were also high in Bihar, Bombay, Madhya Pradesh and West Bengal.

The total average monthly emoluments of the least skilled worker varied from 26 rupees in Madras to 60 rupees 14 annas in Bihar. The total emoluments varied from 30 rupees to 39 rupees in Mysore and Madhya Pradesh, 40 rupees to 49 rupees in Orissa, Punjab and Travancore-Cochin and from 50 rupees to 59 rupees in Bombay, Uttar Pradesh, West Bengal, Hyderabad and Saurashtra. While the basic wages were high (40 rupees to 49 rupees) in Bihar, Orissa and Punjab, the dearness allowance was high (20 rupees to 29 rupees) in Bombay, Uttar Pradesh, Hyderabad and Saurashtra. In a number of individual cases, the dearness allowance equalled or exceeded the basic wages.

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Bonus.- During the present enquiry, about 63 per cent of the concerns reported that they paid bonus of one kind or the other to their workers. While some paid profit or production bonus, others paid attendance or efficiency bonus. Some were found to give more than one of these bonuses to their workers.

Some factories gave bonus ranging from 1/2 to 3 months' basic wages and one unit linked bonus to dividends. In the latter unit, the quantum of bonus varied from 1/2 months' basic wage when the rate of dividend was 5 per cent to three months' wages when dividend was 10 1/2 per cent and above.

Production bonus was generally linked to gross output and in some units, it was payable only when production exceeded a certain target previously fixed. In two units that gave an approximate quantum of production bonus, it was about 12 1/2 per cent of wages in one unit and between 20 to 30 per cent in the second one.

In one unit attendance bonus varied from 5 rupees to 12 rupees per month depending on the category of workers; in the second unit each worker got one anna extra per day, provided he did not absent himself for more than 2 days in a month. Another concern treated the weekly holidays as paid holidays, if the worker did not absent himself for more than one day in a month. In one factory the worker in furnace section got 2 days extra salary every fortnight for full attendance during the summer season. In the fifth unit workers in production department got 2 days' extra salary per month for regular attendance during the month.

Working conditions.- Almost all the units worked 48 hours a week, especially in general shifts. In the process shifts, however, the weekly hours varied from 42 to 48 in some of the units. While the daily hours of work in almost all the units was 8, in some the hours were 7 or 7 1/2.

While a majority of the factories gave earned leave to their workers, in a number of cases these were supplemented by one or more of the following holidays and leaves viz., festival and weekly holidays, sick or casual leave.

The duration of earned leave was governed by the Factories Act in a large number of units and in a few units it varied between 10 and 18 days in a year.

Health hazards.- The various types of health hazards to which the workers in glass industry are exposed have been briefly referred to the 'Report on Labour Conditions in Glass Industry'. In the absence of statistical and other data it is difficult to state whether there has been any improvement since then.

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In this connection a reference may, however, be made regarding the prevalence of 'cataract' in glass industry. According to a recent enquiry out of 141 workers who were examined 20 or 14.3 per cent had cataract of the eye. One of the important factors that helps in minimising the health hazards in this industry is stated to be the 'open' nature of the factories in India as against the 'closed' type that generally exist in Western countries. A second factor that would reduce the accidents etc., in the industry is the provision of protective equipment and its proper utilisation. During the visits to some of the units, this question was discussed with the managements some of whom appeared to be of the view that the workers were reluctant to use them.

Accidents.- Information regarding accidents has been furnished by 37 units which employed 10,728 workers in July 1952. The total number of accidents that occurred during 12 months ending June 1952 was 1,464 of which 1,458 were minor, 5 serious and one fatal. Out of 1,458 minor accidents one unit in Punjab alone reported as many as 1,405 accidents.

Industrial relations.- With the exception of a few all the factories replied that they had framed standing orders. Trade unions existed in 17 units, most of which were registered under the Trade Unions Act and were recognised by managements. Nineteen units reported the existence of works committees, production committees, etc. Thirteen units stated that the committees were working successfully. Labour officers, welfare officers, etc., had been appointed in four units. In another unit a labour department had been set up.

Welfare.- Housing accommodation was provided by 71 per cent of the factories. While one employer provided housing accommodation for all the workers employed by him in a majority of the cases, the housing schemes covered less than 50 per cent of the workers. While 66 per cent of the factories providing housing accommodation did not charge any rent from workers, the rest charged rents varying from 12 annas to 15 rupees per month. In a number of units, skilled workers and workers whose services were essential got preference over others in the matter of housing.

Out of 38 units, 19 maintained hospitals or dispensaries and 9 had some arrangements or other for the treatment of workers. Six units had only first aid facilities. Some of the large units, however, had made good arrangements for medical treatment of workers. Educational facilities for workers' children were available in seven units and recreational facilities in ten units. Grain shops or ration shops existed in eight units. The number of units having canteens, was fifteen. Only three units, one each in Hyderabad, Mysore and Saurashtra had established creches for workers' children.

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Provision for old age etc.- Of the 38 units only 8 units employing in all 3,092 workers had schemes of Contributory Provident Fund. In one unit the contribution was based on the length of service of the workers, while in another it was linked to profits and dividends. Information regarding membership of provident funds was available in respect of 6 units. In June 1952 out of a total of 2,479 workers employed in these units 1948 or 78 per cent were members of the funds.

(Indian Labour Gazette, Vol. XII, No. 2,
August 1954, pp. 134-144).

Token Strike by Bank Employees: Protest against
Modification of Appellate Tribunal's Award.

Bank Employees throughout India struck work on 23 September 1954, in protest against the Government of India's modification of the Labour Appellate Tribunal's Award relating to bank employees (vide pp. 39-40 of the report of this Office for August 1954). The strike was in response to the call of the Central Committee of the All-India Bank Employees' Union for a one-day token strike (vide page 201 of the report of this Office for September 1954).

(The Statesman, 24 September 1954).

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51. Hours of Work.

India - October 1954

Working of Hours of Employment Regulations in Indian Railways for
the year 1950 - 1951.

Administration.- As in previous years the administration of the Hours of Employment Regulations during 1950-51 continued to be the responsibility of the industrial relations machinery of the Government of India which is under the charge of the Chief Labour Commissioner (Central). In the work of administering the Regulations the Chief Labour Commissioner was assisted by the Welfare Adviser, two Assistant Labour Commissioners and the Regional Labour Commissioners (Central) of the four zones (vis., Bombay, Calcutta, Kanpur and Madras). The actual field work was done by the Regional Labour Commissioners (Central) with the assistance of Conciliation Officers (Central) and Labour Inspectors.

Number of Workers covered.- The Hours of Employment Regulations apply to all workers employed on Indian Government Railways except those specified in Rule 3(2)¹ and prescribe the hours of work, periods of rest and the rate of payment for overtime work. The total number of workers covered by Regulations increased from 656,713 in 1949-50 to 693,973 in 1950-1951.

Inspection.- The officers of the Industrial Relations Machinery inspected 5,050 establishments in 1950-51 as against 5,147 in 1949-50. In the course of these inspections 5,579 irregularities were detected. In 796 cases workers were found to be working during the periods of rest and in 210 cases they were found working outside rostered hours. Other irregularities detected related to classification of workers, display of notices and extracts, maintenance of records, etc. All the irregularities detected were brought to the notice of the Railway Administrations concerned. During the year, 2,404 irregularities were rectified, 156 were objected to by the Railway Administrations and the rest were under the consideration of the Railway Administrations. Of the total number of irregularities which were rectified during the year, 983 were rectified within three months.

For purposes of regulating the hours of work and periods of rest the workers covered by the Regulations are classified into four categories. The hours of work and periods of rest have been fixed according to the nature of work of persons in different categories. The classification of workers, therefore, assumes considerable importance and the officers of the industrial relations machinery always pay considerable attention

1 e.g, running staff, supervisory staff, persons employed in a confidential capacity, those whose work is of an intermittent character or specially light or those who are employed in a factory.

to it. During the year under review all cases of wrong classification were reported by Labour Inspectors to Regional Labour Commissioners who after scrutiny referred them to the Railway Administrations concerned. In all those cases in which the classification seemed to be doubtful the Regional Labour Commissioners requested the Railway Administrations to review the position, but in those cases in which the classification was clearly in contravention of the Regulations they challenged the Administrations and suggested the necessary changes. During the year 1950-51, 20 doubtful cases and 181 cases involving a clear breach of Regulations were referred to the Railway Administrations. The corresponding figures for the previous year were 29 and 368. Most of the cases so referred were settled during the year.

(The Indian Labour Gazette, August 1954, page 147).

Hours of work in Jute Mills increased from 45 to 48 per week.

The Indian Jute Mills Association announced on 2 October 1954, that from 18 October 1954 working hours of member mills will be increased to 48 per week from the present 45. It explained that the decision was taken owing to an improved seasonal demand for Jute goods.

The decision will be reviewed towards the end of January 1955, particularly having regard to the level of demand and stock at that period.

(The Hindustan Times, 4 October 1954).

52. Workers' Welfare and Recreation.

India - October 1954

Social and Educational Welfare of Textile Workers in Bombay;

Better Living Co-operative Society formed.

A co-operative society for promoting the social and educational welfare of Bombay's two lakh textile workers was inaugurated at Bombay on 2 October 1954 by Mr. Vaikunthlal Mehta, Chairman of the All-India Khadi and Village Industries Board.

The society, called the "Better Living Co-operative Society", is sponsored by the various social welfare organisations working in the industrial areas of Bombay. The society's aim, among other things, is to look after the non-economic interests of textile labour and is claimed to be the first of its kind in the country.

Inaugurating the society, Mr. Mehta said that social justice could be achieved only if the principle of co-operation was accepted and worked out in its true spirit. Co-operation should be voluntary and the profit motive should not have any place in it.

Even though there were a hundred co-operatives looking after the interests of textile labour in Bombay, Mr. Mehta added, he very much welcomed the formation of this society, because it was essential to deal with larger issues than merely with the common economic needs of the working class.

Mr. Pururshottam Kenji, Chairman of the Textile Wage Board, said that he hoped such societies would create a social basis for the labour movement and help trade unions to create their own sanctions and strength behind their struggles for higher wages and security for the workers.

Mr. R.G. Gokhale, Labour Officer of the Mill-owners' Association, and Mr. Thakkar, Vice-President of the Bombay I.N.T.U.C., also welcomed the formation of the society which will work on a nonparty basis.

The main objects of the society are to co-ordinate and sponsor textile workers' social and recreational activities, sponsor industrial safety services, make provision for preventive health care and post-care measures like sanatoria and lying-in cottages, etc., and provide educational facilities for textile workers and their children.

The society also proposes to organise handicrafts and ~~hand~~ home industries on a co-operative basis to supplement the income of worker.

(The Hindu, 4 October 1954).

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Chapter 6. General Rights of Workers.

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

India - October 1954.

Working of the Payment of Wages Act, 1936, in Mines during 1951-52.

Inspection machinery.- The responsibility for the administration of the Payment of Wages Act in mines is entrusted to the Industrial Relations Machinery under the Chief Labour Commissioner (Central). The Welfare Adviser and two Assistant Labour Commissioners assist him in his work. The actual field work relating to the administration of the Act is done by the Regional Labour Commissioners at Ajmer, Bombay, Calcutta, Dhanbad, Kanpur, Madras and the Conciliation Officers and the Labour Inspectors under them.

For purposes of enforcement of the Payment of Wages Act, the Labour Inspectors and Junior Labour Inspectors generally pay inspection visits to 4 or 5 mines in a month. Irregularities noted in the course of inspections by Labour Inspectors are referred directly to the employers, while the Junior Labour Inspectors report the irregularities to the Office of the Regional Labour Commissioner, where these are further scrutinised and communicated to the employers. The Coal Mines Provident Fund Inspectors under the administrative control of the Coal Mines Provident Fund Commissioner, Dhanbad, also inspect mines under this Act and submit their inspection reports to the Regional Labour Commissioners, who then take up the matter with the managements. The Regional Labour Commissioners and Conciliation Officers also attend to the inspection work during their visits to mines and refer the irregularities to the employers for rectification.

Number of Inspections and Irregularities found.- The total number of mines to which this Act applied was 3,099. The number of mines under the jurisdiction of the Regional Labour Commissioners at Madras, Calcutta, Nagpur and Dhanbad was 700, 18, 781 and 1,600 respectively. During the year under review 1,386 inspections were made and 5,200 irregularities were detected by the Officers of the Industrial Relations Machinery. The largest number of irregularities was noted in the Dhanbad region. Details regarding the nature of the irregularities etc. may be seen from the following statement:

table at next page.

Nature of irregularities noticed.	Madras	Calcutta	Nagpur	Dhanbad	Total
Non-display of notices of days of Payment and list of sets and omissions and wage rates	54	1	113	880	1,048
Non-maintenance of Registers.	111	2	78	480	671
Improper maintenance of registers.	12	1	92	425	530
Delayed payment of wages.	2	-	29	1,200	1,231
Non-payment of wages.	6	-	27	600	633
Unauthorised deductions.	-	-	13	-	13
Irregularities regarding imposition of fines.	-	-	15	-	15
Irregularities regarding deduction for loss and damages.	-	-	1	-	1
Irregularities regarding recoveries of advances.	-	-	33	300	333
Others	20	-	190	515	725
Total	205	4	591	4,400	5,200

It will be seen that the largest number of irregularities related to delayed payment and non-payment of wages and non-display of notices and non-maintenance of registers.

It was found that the employers were generally slow in rectifying the irregularities pointed out to them and in reporting compliance thereof to the inspecting officers.

Total wages paid.- Under Rule 18 of the Payment of Wages (Mines) Rules, 1949 every employer is required to send a return giving details of total wages paid, etc. to the Chief Labour Commissioner. On the basis of the data contained in the returns so received a consolidated statement showing details of the number of workers employed, and the total wages paid and the average earnings in different types of mines has been prepared and is given below:

table at next page.

Mineral	Centre	Number of Mines sub- mitting returns	Total No. of wor- kers.	Total wages paid			Average annual earnings per worker		
				Rs.	As.	Ps.	Rs.	As.	Ps.
Coal	(1) Assam	10	3,987	2,412,262	7	6	605	0	6
	(2) Bihar	63	54,053	35,358,161	0	0	654	2	3
	(3) Madhya Pradesh	26	115,764	9,385,986	11	0	810	12	7
Iron ore	(1) Madras	10	7,724	2,351,749	4	6	304	7	7
Petroleum	Assam	2	5,173	4,549,192	6	0	879	6	5
Mica	Madras	21	3,173	1,051,356	10	0	331	5	6
Barytes	"	21	1,043	275,862	5	6	264	7	10
Lime Stone and Clay	"	10	2,589	1,449,280	6	0	559	12	7
Gypsum	"	4	608	280,813	10	0	461	13	10
Stone Quarries	"	10	1,709	335,723	7	3	196	7	2

Note: Data relate to year ending 31 March 1952.

(Indian Labour Gazette, August 1954
pp. 145-146).

Madras: Draft Proposal to extend Payment of Wages Act to Dock, Wharf or Jetty services.

In exercise of the powers conferred under the Payment of Wages Act, 1936, the Government of Madras has notified its intention to extend the provisions of the said Act to the payment of wages to all classes of persons employed in the dock, wharf or jetty services. The proposal will be taken into consideration by the Government after 15 January 1955.

(Fort St. George Gazette, Part I,
29 September 1954, page 1286).

Draft Payment of Wages (Mines) Rules, 1954.

The Central Government published on 16 October 1954 the draft of the Payment of Wages (Mines) Rules, 1954, proposed to be made in exercise of the powers conferred under the Payment of Wages Act, 1936. The rules which apply in respect of the payment of wages to persons employed in any mine to which the Mines Act, 1952, applies, prescribe, inter alia, the various registers to be maintained by the pay-master, display of notice of dates of payment, approval of list of acts and omissions, persons authorised to impose fines, procedure in imposing fines and deductions, and grant of advance of wages to persons employed by an employer, and procedure to be followed by the authorities appointed under the Act. The draft rules will be taken into consideration by the Government after 15 June 1955.

(Gazette of India, Part II, Section 3,
16 October, 1954, pp. 2459-2468).

66. Strike and Lockout Rights.

India - October 1954.

Madras: Motor Transport Services, Cotton Textile Industry and Salt Industry declared Public Utility Services.

In exercise of the powers conferred under the Industrial Disputes Act, 1947, the Government of Madras has declared the following industries to be public utility services for the purposes of said Act for the periods noted against them.

Motor Transport Services	For a period of 6 months
	from 15 October 1954.
Cotton Textile Industry	
Salt Industry	- For a period of 6 months
	from 1 October 1954.

(G.O.Ms.No.2632 and No. 2637, Industries, Labour and Co-operation, dated 25 September 1954; the Fort St. George Gazette, Part I, 29 September 1954, page 1331).

67. Conciliation and Arbitration.

India - October 1954

Industrial Relations Legislation: Existing Act to be amended:

Labour Minister's Press Conference

Addressing a Press Conference at Ahmedabad on 4 October 1954, Mr. Khandubhai Desai, Union Labour Minister stated that instead of bringing in a comprehensive Bill, the Government of India intended to make necessary amendments in the existing Industrial Disputes Act.

Mr. Desai said the Labour Ministry was thinking of amending the Act to provide for the setting up of arbitration boards on which both labour and capital would be properly represented to avoid any chance for an appeal. He added that for avoiding dilatoriness, and unnecessary technicalities of industrial disputes, a simpler procedure should be evolved.

(The Hindustan Times, 6 October 1954).

Madhya Bharat: Amendments to Industrial Relations Act: Extension of Provisions to Salaried and Professional workers.

The Madhya Bharat Legislative Assembly adopted on 18 September 1954, an amendment to the State's Industrial Relations Act to bring under the Law's per-view industrial employees engaged in administrative, managerial, supervisory and technical capacities.

The upper limit of the salary of those who will come under the amended Act has been fixed at 300 rupees a month. The amendment also changes the original Act, among other things, to entrust industrial courts with powers to entertain applications after the period prescribed in the original Act has expired.

(The Hindu, 20 September 1954).

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CHAPTER 8. MANPOWER PROBLEMS.

INDIA - OCTOBER 1954.

81. Employment Situation.

Government's Policy on Rationalisation:
Discussion at Meeting of the Congress
Parliamentary Party.

The Congress Party in the Parliament meeting at New Delhi on 28 September 1954, is understood to have postponed till the next session the question of rationalisation in industries in general and in the jute and cotton textile industries in particular.

The meeting was called on a requisition signed by more than 30 members, who sought to raise a discussion on the issue. The members had contended that the amended resolution on rationalisation carried in the Lok Sabha some time back (vide pp.36-42 of the report of this Office for September 1954) ~~was~~ did not represent the view of the party and also was contrary to the assurances given by the Prime Minister to the party in the last session when the issue was discussed. The members were reported to have been of the view that the amendment had been carried on a snap vote and hence the whole issue should be discussed again in the party.

The amended resolution carried by the Lok Sabha said that rationalisation should be encouraged in the textile and jute industries if it was in the country's interest, but the implementation should be so regulated as to cause the least amount of displacement of labour in the industries. Reasonable facilities for the absorption of the displaced labour should also be provided.

At the party meeting, the Prime Minister Mr. Nehru is understood to have expressed the view that it was an important economic issue which ought to be discussed in all its aspects. There were two aspects of rationalisation, namely, production and employment. Neither could be ignored and both should go together. Often one aspect was sought to be stressed and sometimes even Government emphasis appeared to be on this basis. He suggested, therefore, that the party should discuss this in a comprehensive manner in the next session.

The Commerce and Industry Minister, Mr.T.T. Krishnamachary, who also spoke at the meeting, is understood to have assured the members that the resolution did not mean that Government was going to do something new. He is also reported to have told the party that he would shortly visit Ahmedabad and have discussions on the subject with the millowners and labour there.

The Commerce and Industry Minister is understood to have pointed out that the Government was not committed on any economic issue one way or the other.

(The Hindu, 29 September 1954).

Employment Exchanges: Working during August 1954.

According to the review of work done by the Directorate-General of Resettlement and Employment for the month of August 1954, despite a fall of over 30,000 in the number of fresh registrations effected by exchanges during August as compared with those effected during July, the total number of registrants at the exchanges continued to rise by over 10,500. As a result the number of registered unemployed at the end of August was just under 600,000. The rise in the live register, (despite a fall in fresh registrations) was aggravated by falls in both the number of vacancies notified and the number of placements effected. The employment situation in general continued to be unsatisfactory.

A general shortage of efficient stenographers, trained teachers, experienced typists, qualified draughtsmen, overseers and compounders continued to persist in most of the exchange areas. A shortage of skilled fitters, turners and welders was also reported by a considerable number of exchanges. Applicants belonging to the clerical categories, untrained teachers, freshers from schools and colleges, carpenters, unskilled office workers and labourers continued to account for a large bulk of the registered unemployed.

Registrations and placings.- The following table shows the registrations for employment and placings during August 1954 as compared to July 1954.

	August 1954	July 1954
Registrations	127,734	159,578
Placements	12,062	15,320

Registrations recorded a decline of 31,844 as compared to previous month. Employment exchanges in all the States, except Bihar and Himachal Pradesh, showed a fall. Comparatively large falls were however, recorded in Uttar Pradesh (7,496), Madras (5,185), Bombay (4,393) and Punjab (4,254). Employment exchanges in Bihar on the other hand, showed an increase of 1,549 over the previous month's figure.

The decline in placements was comparatively large in the States of Uttar Pradesh (978), Punjab (657), Travancore-Cochin (526), Bombay (426) and Delhi (277). Of the total number of placements effected 3,433 were with private employers and 8,629 in Central and State Government establishments.

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

<u>Wage groups</u>	<u>Number placed</u>
101 rupees and above	1,665
61 rupees to 100 rupees	5,707
30 rupees to 60 rupees	4,335
Below 30 rupees	355

Vacancies notified and submissions.- The number of employers who used the exchanges during the month was 4,315 as against 4,777 during July 1954. The number of vacancies notified by them was 17,933 as against 20,552 during the previous month, i.e., a fall of 2,619. Decrease in the number of vacancies notified was comparatively large at exchanges in the Punjab (824), West Bengal (591), Uttar Pradesh (505), Travancore-Cochin (351), and Delhi (311). On the other hand, the exchanges in Bihar showed an increase of 426 as compared to the previous months' figure. Of the vacancies notified 13,019 were in Central and State Governments and 4,914 were in private establishments. There was a decline of 1,299 in Government vacancies and 1,320 in the private sector.

The number of persons submitted to employers during August 1954 was 70,373 as against 80,396 during the previous month.

Register of unemployed.- The number of persons seeking employment assistance through the exchanges on the last day of August 1954, was 599,360 which was 10,523 more than the corresponding figure at the end of July 1954. Of those on the live register 2,859 were known to be employed persons who desired further employment assistance.

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

<u>Occupations</u>	<u>Number on live register as on 31 August 1954</u>
Industrial supervisory	6,335
Skilled and semi-skilled	53,877
Clerical	175,677
Educational	21,914
Domestic service	20,395
Unskilled	281,625
Others	39,537
Total	<u>599,360</u>

Employment position of special type of Applicants.- The employment position in respect of special types of applicants during August 1954 is shown in the table given below:-

<u>Category</u>	<u>Total No. of regis- trations.</u>	<u>Total No. of place- ments.</u>	<u>Total No. on the live register.</u>
1. Displaced persons	8,423	902	48,769
2. Ex-servicemen	7,140	1,031	29,644
3. Scheduled caste applicants	13,783	1,615	55,794
4. Scheduled tribe applicants	2,046	302	4,816
5. Surplus and discharged applicants	2,067	738	9,921
6. Highly qualified applicants	913	107	5,898
7. Women	4,518	842	22,921

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

83. Vocational Training.

India - October 1954

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

According to the review of work done by the Directorate-General of Resettlement and Employment for the month of August 1954, the new session under the craftsmen training scheme started from 1 August 1954. The number of trainees on the rolls of various training institutes and centres on 31 August 1954 was 6,034. There were 4,423 trainees in the technical trades and the remaining in the vocational trades.

Training of displaced persons.- The session under the Displaced persons Scheme also started from 1 August 1954. The total number of displaced persons on the rolls, at the end of August 1954 was 2,017; of these 1,731 were in technical trades. The others were undergoing training in vocational trades.

Apprenticeship training for displaced persons.- A total of 785 displaced persons were undergoing training as apprentices in industrial undertakings and establishments in West Bengal and Uttar Pradesh against seats sanctioned. They were recruited and posted direct to the undertakings and establishments concerned.

Training of women.- A total number of 513 women were undergoing training at the end of the month at the three women's training institutes in New Delhi, Dehra Dun and Madras. In addition, 19 women at Industrial Training Institute, Kakinada and 65 at Industrial Training Institute, Almora were undergoing training alongside men.

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

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

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85. Migration and Colonisation.

India - October 1954

Speedy Implementation of India-Ceylon Agreement on Citizenship
for Ceylon Indians: Joint Talks at New Delhi.

An India-Ceylon agreement relating to the speedy implementation of the India-Ceylon Agreement concerning persons of Indian origin in Ceylon concluded in January 1954 (vide pp.79-80 of the report of this Office for January 1954) and to certain difficulties in its implementation was signed at New Delhi on 10 October 1954. The text of the agreement is as follows. "A conference was held on 9 and 10 October 1954 in New Delhi to consider certain problems relating to persons of Indian origin resident in Ceylon. The conference was attended by a delegation from Ceylon led by the Prime Minister of Ceylon and a delegation led by the Prime Minister of India. The conference discussed these problems fully and frankly and in a spirit of friendly and co-operative endeavour, to overcome the difficulties that had arisen.

Status of Indians in Ceylon. "There was a basic difference of opinion between the two delegations in regard to the status of people of Indian origin in Ceylon. The Ceylon delegation stated that it had always been the position of Ceylon, as it still is, that such persons continue to be citizens or nationals of India unless and until they are accepted as Ceylon citizens. The Ceylon delegation could not, therefore, accept the position that any of these persons are Stateless.

"The Indian delegation stated that only those persons of Indian origin who are always in possession of Indian passports and passes, or who have been registered at the Indian High Commission under Article 8 of the Constitution of India are Indian citizens. Other persons of Indian origin who are not either Ceylon citizens or Indian citizens are, therefore, at present Stateless. It was further stated that there could be no automatic conferment of Indian Nationality on persons belonging to this category.

The Indo-Ceylon Agreement. "The conference also considered the Indo-Ceylon agreement of 18 January 1954, and the misunderstandings that had arisen in regard to its implementation. In that agreement it was provided that the registration of citizens under the Indian and Pakistani Citizenship Act would be expedited, and every endeavour would be made to complete the disposal of pending applications within two years. It was further stated that in regard to persons not so registered it would be open to them to register themselves as Indian citizens, if they so chose, at the office of the ~~Indian~~ Indian High Commissioner in Ceylon in accordance with the provisions of Article 8 of the Constitution of India. It was further provided that the Government of India would offer administrative and similar facilities to all persons of Indian origin to register themselves as Indian citizens under the Constitution of India if they so chose, and would also give publicity to the availability of such facilities.

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"While these two processes of registration have continued, the pace of such registration has been slow and certain difficulties have arisen. Complaints have been made by both sides about certain procedures which came in the way of full implementation of the Agreement and have created misunderstandings.

"As there appeared to be a basic difference in the approach of persons of Indian ~~or~~ origin resident in Ceylon, it was decided that the practical course was to recognize this difference and to proceed as rapidly as possible with the two processes of registration as Ceylon citizens or as Indian citizens, and thus to reduce the number of ~~these~~ those persons who at present were not accepted either as Ceylon citizens or as Indian citizens. In this way the number of such persons would be progressively reduced and would be more amenable to further consideration at a later stage.

"It was recognised by both Governments that it was undesirable to have a large group of persons who could not be accepted as citizens of either country. It was agreed, therefore, that these processes of registration should be expedited.

"It was agreed that in regard to those persons who are not registered as Ceylon citizens, it would be open to them to register themselves as Indian citizens if they so chose. The Indian High Commissioner will entertain all applications made to him for registration as Indian citizens under Article 8 of the Constitution of India, and will grant every facility for this purpose, subject to satisfying himself that the applicants have the prescribed qualifications under the Indian law. Applications will not be refused on the ground that an applicant had earlier applied to the authorities in Ceylon for registration as a citizen under the law of Ceylon.

"The procedure for registration as citizens of Ceylon will be simplified as far as is possible, within the terms of the law; so as to complete, as far as may be practicable, the disposal of applications within the time mentioned in the Indo-Ceylon Agreement of 1954. The Ceylon Government will examine with a view to their withdrawal, any ~~exclusive~~ instructions of a restrictive nature, issued by the Ceylon authorities, which result in the rejection of such applications on purely technical grounds.

"The Ceylon Government will resume the practice of issuing identity certificates for travel abroad to all persons of Indian origin resident in Ceylon whose applications for Ceylon citizenship are pending. The issue of such certificates will be governed by rules and conditions which apply to Ceylon citizens. Exchange facilities for remittances of money out of Ceylon by such persons will be the same as those available to Ceylon citizens.

"The Indian High Commissioner will issue identity certificates for purposes of travel to persons of Indian origin whose applications for registration as Indian citizens are pending before him.

"The Indian authorities will provide travel facilities to Indian citizens and the Ceylon Government will give such persons remittance facilities, as before.

Periodical review. - "The Government of the two countries

earnestly hoped that the steps mentioned above will in the time contemplated, i.e., two years, resolve to a substantial degree the problem of persons of Indian origin resident in Ceylon by their registration either as Ceylon citizens or as Indian citizens. At the end of this period, and when the registrations under the Indian and Pakistani Citizenship Act are completed, the position will be reviewed with a view to deciding what further steps may be needed to deal with the problem of the residue that may be left.

"The Ceylon Government for its part stated that it will in addition have to consider what steps may be necessary at that stage to safeguard the interests of its own citizens in regard to such matters as employment.

"It was stated on behalf of the Government of India that while every effort should be made to promote employment, as stated by the Ceylon Government, this should not involve, in their opinion, any coercion or victimisation of those persons of Indian origin who may still remain unregistered either as Ceylon citizens or as Indian citizens. The measure of success attained in dealing with this problem will depend largely on a friendly and co-operative approach of all parties and every effort should be made to encourage this friendly approach.

"It was stated on behalf of the Ceylon Government that it intends in the meantime to introduce a scheme enabling persons of Indian origin now in employment in Ceylon who may hereafter acquire Indian citizenship to continue in such employment till the age of 55 years, when they may be required to leave the country, and that it has under consideration a scheme for the payment, under such conditions as may be prescribed, of gratuities to such persons when they leave the country. Such persons will also be given social and medical benefits no less favourable than those which may be provided for workers of the same category who are Ceylon citizens.

"The two Governments will exchange information regarding lists of registration, etc., from time to time to ensure effective co-operation in carrying out these arrangements."

(The Hindustan Times, 12 October 1954).

Statistics about Displaced Persons: Census Survey Published.

The total number enumerated as 'displaced' in the 1951 census was 7.3 million of whom about 4.7 million came from West Pakistan and about 2.6 million from East Pakistan, according to the census paper No.4 of 1954 on displaced persons.

A special question on displaced persons had been included in the 1951 Census at the instance of the Rehabilitation Ministry of the Government of India. The slips of displaced persons were separated from the rest and sorted for a number of characteristics.

The movement of the displaced persons into India has been tabulated by month of arrival. Roughly two-thirds of the movement from West Pakistan took place in August, September and October 1947. As regards East Pakistan a good part of the movement up to the census date took place in 1950 while the movement was less than one-fifth in each of the years 1947 and 1948.

The distribution of the displaced persons in India by States (where the number exceeds 10,000) was as follows (figures in lakhs): U.P. 4.80; West Bengal 20.99; Assam 2.74; Tripura 1.01; Bombay 3.38; Madhya Pradesh 1.12; Rajasthan 2.97; Punjab 23.76; PEPSU 3.56 and Delhi 4.95.

About 54% of the displaced persons were enumerated in towns and the rest in villages. In north-west India the distribution of rural urban displaced persons is almost equal, while in east India the number in villages is somewhat higher than in towns. In other zones displaced persons have settled mostly in towns.

There are 871 females per 1,000 males among displaced persons in India against 946 females out of 1,000 males in the general population of India. The number is 872 among arrivals from West Pakistan. This is distinctly higher than the corresponding number among Hindus and Sikhs of Punjab and Sind in 1941, which was 833. Among the arrivals from East Pakistan the females number 871 ^{per 1,000 males} figures (1950) for that part of Bengal which is now in East Pakistan.

The age structure of displaced persons is substantially the same as of the general population with the exception of a smaller proportion of children aged 0 to 4.

The marital status of the displaced persons is widely different from that of the general population. As many as 71% belong to non-agricultural classes, as against 29% of the general population. The population of displaced persons with commerce as their livelihood is more than four times the population, with "transport" about three times, and with "other services and miscellaneous sources" also about three times the proportion in the general population.

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The percentage of literacy among the displaced persons is more than twice that in the general population in India.

(The Statesman, 12 October 1954).

Displaced Persons (Compensation and Rehabilitation) Act, 1954
(No. 44 of 1954).

The Displaced Persons (Compensation and Rehabilitation) Bill, 1954 (vide pp.77-78 of the report of this Office for May-June 1954) as passed by Parliament received the assent of the President on 9 October 1954 and has been gazetted as Act No.44 of 1954.

The Act provides for the payment of compensation and rehabilitation grants to displaced persons from West Pakistan and for matters connected therewith. Provision is made for the appointment of a Chief Settlement Commissioner, Settlement Commissioners and Settlement Officers who will determine and pay the amount of compensation and rehabilitation grant payable to persons having ~~xx~~ verified claims. Managing officers and managing corporations will be entrusted with the custody, management and disposal of assets in the compensation pool which consist of all evacuee property acquired for rehabilitation of displaced persons, such cash balances lying with the Custodian as may be transferred to the compensation pool, contributions by the Central Government and such other assets as may be prescribed.

Other provisions of the Act deal, inter alia, with form and manner of payment of compensation, procedure for appeals and revisions to the Chief Settlement Commissioner, powers of officers appointed under the Act, special protection from ejection to certain classes of persons, and constitution of an Advisory Board to advise the Central Government on matters of policy arising out of the administration of the Act.

(Gazette of India, Extraordinary, Part II,
Section 1, 11 October 1954, pp.323-340).

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CHAPTER 9. INCOME SECURITY.

INDIA - OCTOBER 1954.

91. Pro-legislation Measures

Delhi: Health Scheme for Government Employees.

A scheme to provide medical aid to all employees of the Delhi State Government and their families is to be introduced some time in October 1954.

This was announced in the State Assembly on 29 September 1954 by Dr. Sushila Nayar, Health Minister, in the course of a debate on a resolution seeking the appointment of a committee to survey the economic, social and health conditions of non-gazetted ministerial staff of the State Government. The motion was talked out.

Dr. Nayar said that under the proposal which was in the nature of a contributory health scheme and will be given effect to next month, doctors will be appointed in different parts of the city who can be contacted by State Government employees for free medical advice, treatment and other facilities. Residents of every area will have a choice of more than one doctor for consultation. The doctors will also be authorised to send patients needing the care of specialists to the nearest Government hospital. The doctors can also be called to their houses by the employees if the need arose.

(The Statesman, 30 September 1954).

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94. Application.

India-October 1954.

Employees' State Insurance Scheme extended to Greater Bombay.

The Employees' State Insurance Scheme, under the Employees' State Insurance Act, 1948, has been extended to Greater Bombay from 2 October 1954, to cover about 400,000 workers working in non-seasonal factories. The formal inauguration of the scheme was performed by Mr. Jawaharlal Nehru, Prime Minister, on 6 October 1954.

Speaking on the occasion, Mr. Nehru said that he "earnestly desired" to introduce a national health scheme to cover India's entire population.

Mr. Khandubhai Desai, Labour Minister, said that he hoped that the Employees' State Insurance scheme would be extended practically to the whole of the insurable population in the country before the end of 1955. Active preparations were afoot for extension of the Scheme to Ahmedabad, Calcutta, Hyderabad, Coimbatore and to certain other places.

Referring to the possibility of inclusion of non-industrial workers within the scope of the scheme, the Labour Minister said it should be the Corporation's object to work steadily towards bringing more categories of wage-earners ^{under} ~~within~~ the Scheme.

The Employees' State Insurance Act was placed on the statute book in 1948, but was amended in 1951 before its implementation in any area. The whole of the Act, except the chapters relating to benefit provisions, was gradually ~~and~~ enforced all over India by February 1952. The benefit provisions were first enforced in the Kanpur area and Delhi State from 24 February 1952, covering about 120,000 employees. They were extended to seven industrial areas of Punjab from 17 May 1953 and to the Nagpur area in Madhya Pradesh from 11 July 1954, in all covering about 180,000 employees.

It is visualised that by the end of the present financial year the scheme may embrace Ahmedabad, Calcutta City and Howrah District, Coimbatore, Hyderabad, Gwalior, Indore, Ujjain, Ratlam and other important towns in different States bringing the total coverage under the scheme to about 1.066 millions of insured employees. If the progress is made according to plans, the scheme is likely to be extended to almost all important industrial centres of the country by the end of 1955.

In Greater Bombay, for the administration of the scheme, 24 local offices are being set up in various localities for the payment of cash benefits. Medical care will be provided by the State Government through panel doctors. Arrangements are also being made for hospitalisation, specialist centres and diagnostic facilities for insurable persons. Costly and special drugs will be available through approved chemists.

(The Statesman, 6 October 1954. Press Notes dated 28 September 1954 and 6 October 1954, issued by the Govern-

ment of India).

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Bombay: Working of the Workmen's Compensation Act, 1923 during
the year 1953.

Number of cases and compensation paid: According to the annual report on the working of the Workmen's Compensation Act, 1923, in Bombay¹, during 1953, the year opened with 530 cases (both applications and agreements) pending from last year and 2,582 were received during the year. Out of these 3,112 cases, 2,586 were disposed of during the year and 526 were pending at the end of the year as against 2,398 and 524 respectively in the previous year.

Of the 2,586 cases disposed of during the year, 346 related to fatal accidents, 2,217 to non-fatal accidents of which 2,056 resulted in permanent disablement and 161 in temporary disablement and the remaining 23 were miscellaneous. The total compensation paid in respect of all the cases was 1,741,680 rupees as against 1,527,329 rupees last year. This amount is exclusive of the compensation paid by employers to injured workmen directly by way of half-monthly payments for injuries resulting in temporary disablement as this kind of compensation need not be paid through the Commissioner. Although the figure of the total amount is not available, compensation of this kind paid by those employers who are covered by the notification issued under section 16 of the Act was 434,640 rupees. Thus, the total of all kinds of compensation paid (except for temporary disablement by non-reporting employers) comes to 2,176,321 rupees.

The table given below shows the number and nature of accidents and the compensation paid, industry-wise during 1953:

table at next page.

1. Annual Report on the Working of the Workmen's Compensation Act, 1923, for the Year 1953 in Bombay State. Obtainable from the Government Book Depot, Charni Road, Gardens, Bombay-4. Price Annas 2 or 3d. pp.18, 1954.

	Average number employed per day	Accidents.						
		Number of cases of in- juries in respect of which final compensa- tion has been paid dur- ing the year.			Amount of compensation paid			
		Death	Per- manent Dis- able- ment.	Temporary Disable- ment.	Death	Perma- nent dis- ablement	Temporary disablement	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
				Rs.	Rs.	As.Ps.	Rs.	As.Ps.
Factories -								
Adults .	6,84,269	59	1,448	10,493	1,71,450	627189	6 0	309070 14 3
Minors .	951	--	--	1	--	--		22 8 0
Mines -								
Adults .	53	--	--	4	--	--		68 11 0
Minors .	--	--	--	--	--	--		--
Tramways -								
Adults .	7,840	--	--	73	--	--		1410 4 0
Minors .	--	--	--	--	--	--		--
Docks and Ports-								
Adults .	13,622	9	72	656	28,300	37956 15 0		25699 15 0
Minors .	--	--	--	--	--	--		--
Buildings and Con- structions includ- ing P.W.D.-								
Adults .	45,141	19	35	107	32,730	22245 6 0		3139 0 6
Minors .	2,524	--	--	2	--	--		18 8 0
Municipalities and District Local Boards -								
Adults .	37,757	6	1	21	12,030	232 0 0		1050 0 9
Minors .	256	--	--	--	--	--		--
Miscellaneous.								
Fire Brigades-								
Adults .	831	1	--	2	1,500	--		2 10 0
Minors .	--	--	--	--	--	--		--
Factories Manufactur- ing Explosives-								
Adults .	237	1	--	2	800	--		260 0 0
Minors .	--	--	--	--	--	--		--
Electric Supply Cos.								
Adults .	8,816	7	8	203	19,900	9159 0 0		5108 2 8
Minors .	--	--	--	--	--	--		--
Cinema Film Manu- facturing Cos.-								
Adults .	1,711	--	--	--	--	--		--
Minors .	--	--	--	--	--	--		--

(c continued at next page)

	(1)	(2)	(3)	(4)	(5)	(6)			(7)		
					Rs.	Rs.	As.	Ps.	Rs.	As.	Ps.
Light Houses -											
Adults .	140	--	--	--	--	--	--	--	--	--	--
Minors .	--	--	--	--	--	--	--	--	--	--	--
Railway Servants -											
Adults .	89,133	29	54	2,849	79,500	51319	10	0	88645	12	4
Minors .	2	--	--	--	--	--	--	--	--	--	--
Post and Tele- graphs Dept- ment -											
Adults .	17,420	7	1	--	15,900	2016	0	0	--	--	--
Minors .	142	--	--	--	--	--	--	--	--	--	--
Total Adults .	9,06,970	138	1,619	14,410	3,62,110	750118	5	0	434455	6	6
Total Minors .	3,875	--	--	3	--	--	--	--	41	0	0

So far as the fatal accidents reports of which employers are obliged to send to the Commissioner for Workmen's Compensation under Section 10 of the Act, during the year under report 262 reports were received, 165 from employers under section 10-B and 97 from other sources. A total of 105 reports were under investigation at the commencement of the year, of which 58 were from employers under section 10-B. Of the total number of 367 reports it was found that 36 were not covered by the Act. In 55 cases deposits were received voluntarily and in 67 after issue of notices under section 10-A. In 54 cases in which liability was denied, applications were received from dependants out of which claims were awarded in 25 cases and 11 were dismissed and 21 cases were transferred to local Commissioners for disposal as the Commissioner of Bombay had no jurisdiction to take action under section 10-A of the Act. The number of reports in which investigation was not complete at the end of the year was 134.

Proceedings before Commissioners.- The total number of cases disposed of during the year was 964 as against 836 last year, of which 494 were cases of award under Section 10, 447 of voluntary deposit under Section 8, and the remaining 23 were miscellaneous. Out of 447 cases of deposits, in 12 cases a sum of 23,417 rupees was refunded to the employers under Section 8(4) as no claimants came forward to claim the amounts deposited. The Court fees recovered in all the applications amounted to 2,348 rupees 6 annas as against 2,150 rupees 15 annas last year.

The total number of cases of agreements disposed of during the year was 1,622 as against 562 last year, of which 1,553 were registered without any modification, and 2 after modification, and in 67 registration was refused, in 29 this being done on account of the inadequacy of compensation and in the remaining 38 for other causes. The total compensation paid in respect of 1,555 agreements registered during the year was 629,451 rupees as against 656,351 rupees paid last year when the number of agreements registered was 1,503.

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Deposits.- The following table shows the deposits received both voluntarily under section 8(1) and 8(2) and under awards in contested cases and amounts disbursed during the year:

	<u>Rs.</u>	<u>As.</u>	<u>Ps.</u>	<u>Rs.</u>	<u>As.</u>	<u>Ps.</u>
Opening Balance-						
Fatal accidents ...	250,141	12	6			
Non-fatal accidents ...	<u>23,976</u>	<u>10</u>	<u>4</u>	274,109	6	10
Receipts-						
Fatal accidents ...	792,835	11	4			
Non-fatal accidents ...	<u>326,671</u>	<u>4</u>	<u>1</u>	1,119,506	15	5
Payments-						
Fatal accidents ...	736,716	4	0			
Non-fatal accidents ...	<u>511,643</u>	<u>3</u>	<u>1</u>	1,048,359	7	1
Closing Balance-						
Fatal accidents ...	306,261	3	10			
Non-fatal accidents ...	<u>38,995</u>	<u>11</u>	<u>4</u>	345,256	15	2

Industrial diseases.- No case of any industrial disease came up for decision before any Commissioner during the year. However, two cases of temporary disablement owing to lead poisoning were reported by factory employers in respect of which a compensation of 146 rupees 8 annas was paid.

General.- The Textile Labour Association of Ahmedabad was responsible for handling 569 claims. The total amount of compensation secured in all the claims was 162,164 rupees 4 annas. This Association handles cases of accidents whether they happen in Mills or outside, and irrespective of whether the workman belongs to that Association or not. The Rashtriya Mill Mazdoor Sangh of Bombay was responsible for handling 191 workmen's compensation claims, including 70 from the previous year. The compensation secured in all these claims amounted to 71,234 rupees.

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CHAPTER 11. INDUSTRIAL SAFETY.

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111. Prevention of Accidents.

Coal Mines (Conservation and Safety) Rules, 1954,
published.

The Central Government published on 2 October 1954 the text of the Coal Mines (Conservation and Safety) Rules, 1954, made in exercise of the powers conferred under the Coal Mines (Conservation and Safety) Act, 1952. The rules provide, inter alia, for the terms and conditions of service of the chairman and other members of the Board and their powers and duties, procedure for the disposal of business by the Board, composition of committees of enquiry and advisory committees, procedure for levy and collection of excise duty, the measures to be taken for the purpose of maintenance of safety in coal mines and the procedure for grant of assistance to owner, agent or manager of coal mine for stowing or other protective measures and the form in which the accounts of the Board shall be kept.

(Notification SRO 314 dated 25 September 1954;
Gazette of India, Part II, Section 3,
2 October 1954, pp. 2346-2361).

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

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Chapter 3. Economic Questions.

Madras Electricity Undertakings (Acquisition) Act,
1954 (XXIX of 1954). (Fort St. George Gazette,
Part IVB, 13 October 1954, pp. 153-174).

Chapter 8. Manpower Problems.

Displaced Persons (Compensation and Rehabilitation)
Act, 1954 (No. 44 of 1954). (Gazette of India,
Part II, Section I, Extraordinary, 11 October 1954,
pp. 323-340).

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Chapter 2. International and National Organisations.

- * Parties and Paradoxes. Plan of a Labour Party. Mrinal Kanti Bose, United Trades Union Congress, 46, Southend Park, Calcutta-29. Price Re.1/-, pp.33.

Chapter 3. Economic Questions.

- * Economic Survey of Small Industries of Calcutta, 1952-53. Prepared by the Government of West Bengal State Statistical Bureau. Price Rs.8/10/-, pp.121.

Chapter 5. Working Conditions and Living Standards.

- *(a) Annual Administration Report of Labour Department for the year 1952. Obtainable from the Government Publications Sales Depot, Fort, Bombay. Price 5 annas. pp.80.
- *(b) Part I - Civil F. Addendum to the Administration Report of the Commissioner of Labour for 1953. (M. Rajanayagam), September 1954. ~~Available~~ Available at the Government Publications Bureau, Colombo. Price 25 cents. Postage 10 cents.
- *(c) Child Labour in India. Ministry of Labour. Labour Bureau. Issued by the Manager of Publications, Delhi, 1954. Price Rs.1/4/-, pp.48. (Two copies ~~sent~~ sent to Geneva on 29 October 1954 vide this Office Minute No.D.1/1502/54 dated 29-10-54).
- *(d) Annual Report on the Working of the Tea Districts Emigrant Labour Act (XXII of 1932) for the year ending the 30 September 1952. Printed at the Assam Government Press, Shillong, 1954. (One copy sent to Geneva on 29-10-1954 vide this Office Minute D.3/1501/54, dated 29-10-1954).

* Publications received in this Office.