

INTERNATIONAL LABOUR OFFICE  
INDIA BRANCH

Industrial and Labour Developments in October 1960.

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

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## CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

### INDIA - OCTOBER 1960.

#### 12. Activities of External Services.

##### Meetings

- (a) The Director attended a conference on 'Labour Research' on 22nd September 1960. The conference held under the chairmanship of the Union Minister of Labour and Employment, was convened by the Ministry of Labour and Employment in collaboration with the Ministries of Finance and Commerce and Industry, the Cabinet Secretariat and the Planning Commission. The object of the meeting was to consider the desirability of sponsoring independent research on some topical labour problems which could help the Labour Ministry in framing policies and programmes on the basis of empirical data.
- (b) On 24 and 26 September 1960, the Director attended the 18th session of the Indian Labour Conference, held at New Delhi under the chairmanship of the Union Labour Minister. Industrial relations in the public sector was one of the items on the agenda.
- (c) On 26 September 1960, the Director attended the second meeting of the Central Committee on Employment held at New Delhi.
- (d) On 5 October 1960, the Director attended a meeting of the Steering Group of the National Productivity Council held at New Delhi under the auspices of the Ministry of Labour and Employment.

##### Lectures

- (a) On 13 October 1960 the Director accepted an invitation to address the trainees attending the Sixth Course for training of Factory Inspectors organised by the Chief Inspector of Factories.
- (b) On 14 October 1960 the Director accepted an invitation to address the participants attending a training course for Employment Officers under the auspices of the Directorate General of Employment and Training.

Tour

The Director was on tour at Bombay from 6 to 13 October 1960. Besides meeting State Labour Minister the Director visited the Central Training Institute at Poona.

Visitors

Among visitors to the Office during the period under review was Mr. G. Rohrllich from Headquarters.

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## Chapter 3. Economic Questions

### 34. Economic Planning, Control and Development.

India - October 1960.

#### Reserve Bank of India's Survey of the Indian Economy for the Period July 1959-June 1960.

According to the report of the Central Board of Directors of the Reserve Bank of India for the year 1 July 1959 to 30 June 1960, the principal features during the year had been a substantial increase in the rate of growth of industrial production, some decline in agricultural output, a modest increase in aggregate investment, a further and marked rise in the general price level, a rise in the rate of expansion of the money supply and bank credit, an intensification of the stock market boom and a further, though small, fall in the foreign exchange reserves (which was accounted for by special payments to the I.M.F.).

It is against this background that the Reserve Bank adopted further measures of credit restraint consistently with the policy of ensuring an adequate flow of credit for productive purposes, particularly to sectors which need special assistance. The Bank continued to operate, with suitable modifications, the existing selective controls in respect of foodgrains, sugar and groundnuts and brought within their purview all other oilseeds (except cotton seed). During the latter half of the year, resort was had, for the first time, to the instrument of variable reserve ratios, alongside other measures including a ban on direct financing by banks of budla transactions, imposition of minimum margins in respect of bank advances against ordinary shares and the prescription of a ceiling for clean advances. Action was also taken further to restrict banks' borrowings under the Bill Market Scheme. The Bank's open market operations continued to be employed during the year to siphon off the excess liquidity in the economy. Further progress was made during the year in regard to the expansion and strengthening of the institutional framework for the provision of industrial and agricultural finance as well as the expansion of commercial banking on sound lines.

Production trends.- Overall agricultural production, which had declined sharply during 1957-58, recorded a substantial rise of 14.3 per cent in 1958-59. The general index of agricultural production (base: 1949-50 = 100), which had fallen from 123.6 in 1956-57 to 114.6 in 1957-58, rose to 131.0 in 1958-59. The foodgrains index increased by 18.7 per cent, while the rise in the case of non-foodgrains was comparatively small at 6.9 per cent. The production of foodgrains during 1958-59 reached a record level of 73.5 million tons, ~~xxx~~ which represents a rise of 11.0 million tons over 1957-58 and 4.8 million tons over 1956-57. For 1959-60 however, overall agricultural production, according to available estimates, shows some decline, mainly under cotton and jute and partly under foodgrains.

The rate of growth of industrial production, which had slowed down in 1957 and 1958, recorded a marked rise during 1959. The average general index (base: 1951 = 100) for 1959 worked out to 151.1 ~~xxx~~ or an increase of 8.2 per cent as compared to 1.7 per cent in 1958 and 3.5 per cent in 1957. The figure for the first quarter of 1960 was 13.7 per cent higher than during the corresponding period of 1959. The improvement in industrial production in 1959 is attributable to a number of factors including larger supplies of imported raw materials, revival of domestic demand which enabled a fuller utilisation of existing capacity and the commencement of production by some of the new units.

Industry, however, is faced with the problem of rising raw material prices and the growing pressure for wages and salary increases which may seriously affect costs and thereby its competitive capacity in export market. The scope for rationalisation and modernisation of industry needs to be thoroughly explored and implemented. It is also important to ensure that wage increases are commensurate with productivity and that, at the same time, the cost of living is held down.

Price trends.- The price situation continued to cause concern during the year under review. The general index of wholesale prices (base: 1952-53 = 100) recorded an almost continuous rise from 115.6 in the last week of June 1959 to touch a peak of 120.0 for the week ended October 10, 1959, thereby surpassing the previous peak of 116.9 touched during the week ended 13 September 1958. This was followed by a temporary decline, with the index coming down to 117.5 on 19 December 1959; thereafter, the index moved up again to 120.0 on 13 February 1960 and, after declining to 118.6 by the end of March, rose almost continuously to touch a new high of 123.5 for the week ended 14 May 1960 before closing for the year ended June at 122.9. Thus, over the year there was a net rise of 6.3 per cent as compared to a rise of 2.0 per cent in 1958-59. The average general index for the year was higher than that of the previous year by 4.5 per cent, as compared to a rise of 5.1 per cent in the previous year.

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A feature of the price rise in 1959-60 was that, for the first time since 1951, 'industrial raw materials' and 'manufacturers' have emerged as the most important contributory groups while the part played by 'food articles' was comparatively unimportant. Thus, while the indices of 'industrial raw materials' and 'manufacturers' increased by 15.5 per cent and 9.8 per cent, respectively, as compared to a rise of 3.8 per cent and 1.0 per cent, respectively, in 1958-59, 'food articles', which had risen by 2.1 per cent in 1958-59, showed a rise of only 1.5 per cent in 1959-60. The rise in the 'industrial raw materials' group was largely under raw jute, groundnuts and raw cotton, whereas the increase in 'manufacturers' was mainly under the textiles sub-group. The comparatively small rise in 'food articles', specially cereals, may be attributed to the record output of foodgrains in 1958-59 as well as larger imports of foodgrains at 4.22 million tons as compared to 3.70 million tons in the previous year. The rise in 'food articles' occurred mainly under tea, edible oils, sugar and cereals; in the cereals sub-group, rice recorded a rise of 9.6 per cent in contrast to a decline of 7.1 per cent in 1958-59, while wheat recorded a decline of 4.5 per cent.

The all-India working class consumer price index (base: 1949 = 100) moved up from 122 in June 1959 to 126 by November; it declined to 122 in December and further to 121 in March 1960, but moved up to 123 by June 1960; the average for the year was 3.2 per cent higher than that for 1958-59.

Monetary situation.— During the year, there was a rise in the rate of expansion in money supply and bank credit. Money supply with the public moved up by 1720 million rupees or 6.8 per cent (to 27020 million rupees) during the Bank's accounting year 1959-60, as compared to 1,510 million rupees or 6.4 per cent in 1958-59, the bulk of the rise occurring under currency with the public. The rise in bank credit to Government, although considerably smaller than in the preceding year, continued to be the major expansionist factor, while the rise in bank credit (covering non-scheduled and State co-operative banks also) to the private sector was significantly larger than in 1958-59.

Scheduled bank credit recorded a sharp expansion of 1,390 million rupees (from 9,850 million rupees to 11,240 million rupees), or by 14.1 per cent as compared to a rise of 820 million rupees or 9.1 per cent in the previous accounting year, although the expansion in deposits (2,270 million rupees) was somewhat lower than in 1958-59 (2,340 million rupees).



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Government Finances.- Owing to mainly to substantial external assistance and improved tax receipts the strain on Government finances has tended to ease in the last two years or so despite continued rise in Plan outlay. This outlay rose sharply from 6,340 million rupees in 1956-57 to 8,820 million rupees in 1957-58 and further to 9,980 million rupees in 1958-59 and is estimated at 10,060 million rupees in 1959-60, but the overall budgetary deficit of the Centre and States has declined progressively from 4,960 million rupees in 1957-58 to 1,390 million rupees in 1958-59 and further to 1,130 million rupees in 1959-60. For 1960-61, the Plan outlay is estimated at 10,800 million rupees and the overall budgetary deficit at 1,600 million rupees.

Net market borrowings of Central and State Governments during 1959-60 (April-March) amounted to 1,750 million rupees as compared to 2,270 million rupees in 1958-59. Net absorption of Government securities by the public, i.e. excluding the Reserve Bank and Governments, at 1,430 million rupees was also smaller by about 500 million rupees than in 1958-59, but, in both the years, the investment of P.L. 480 counterpart funds contributed materially to Government borrowings. Net borrowings of the Central Government in 1959-60 amounted to 1,070 million rupees as compared to 1,810 million rupees in 1958-59. Reference was made in the last year's Report to the two cash-cum-conversion Central Government loans floated in July 1959, total subscriptions to which amounted to 1,840 million rupees, of which 900 million rupees were on account of conversion. In October 1959, the Central Government created two further issues, namely, the  $3\frac{1}{2}$  per cent Bonds 1969 and the  $3\frac{1}{2}$  per cent Loan 1974 for 250 million rupees and 200 million rupees, respectively, both of which were initially taken up by the Reserve Bank of India for subsequent sale to the market. Also, Treasury bills amounting to 1,500 million rupees held by the Reserve Bank of India in the Issue Department were funded in December 1959 into further issues of  $3\frac{1}{2}$  per cent Bonds 1962,  $3\frac{1}{2}$  per cent National Plan Bonds 1965 (Second Series),  $3\frac{1}{2}$  per cent National Plan Bonds 1967 (Third Series),  $3\frac{1}{2}$  per cent Loan Bonds 1968 and  $3\frac{1}{2}$  per cent Bonds 1969.

All State Governments except Jammu and Kashmir entered the market during 1959-60, for an aggregate borrowing of 635 million rupees including a further issue of 20 million rupees in January 1960 by the Madhya Pradesh Government. Most of the loans were over-subscribed, the total subscriptions amounting to 1025.8 million rupees, of which 690 million rupees (including conversions amounting to 5.7 million rupees) were accepted. Net market borrowings of State Governments during 1959-60, taking into account cash repayments of 10 million rupees, amounted to 680 million rupees as compared to 460 million rupees in 1958-59. Sales of Central Government Treasury bills (including 'intermediates') to the public brought in only 7 million rupees.

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Capital Market.- The capital market not only maintained its buoyant tone noticed since last year but also developed an unusual ebullience judging from the behaviour of share prices, the rise in turnover and the amount of new issues as well as the large premia on some of them even before allotment. While the prevailing conditions reflected in part a growing optimism in regard to prospects of industries and a broadening of investment interest in shares, a part of the rise in share values was also due to unhealthy speculative activity reflecting excess liquidity in the economy. The upswing ~~xxxxxx~~ in share prices, noticed since January 1958, generally continued during the year under review. The Reserve Bank's index of variable dividend industrial securities (base: 1952-53 = 100), which rose from 151.0 at the end of June 1959 to 168.8 prior to the imposition of credit curbs in March 1960, dropped temporarily to 161.7 on March 26, but moved up thereafter to touch an all-time peak of 175.9 on 4 June and stood at 175.4 on 25 June 1960. Over the year, the index showed a rise of 15.8 per cent on top of a rise of 13.4 per cent in the preceding year.

Balance ~~xxxxxx~~ of payments.- The improvement in India's balance of payments position noticed last year was generally sustained during the year under review, with a loss in foreign exchange reserves of only 300 million rupees, which, although somewhat larger than in 1958-59 (150 million rupees), was appreciably smaller than the very heavy drafts of 2,350 million rupees in 1957-58 and 2,300 million rupees in 1956-57 (July-June). Between July 1959 and December 1959, the foreign exchange reserves, in fact, rose from 3,560 million rupees to 3,880 million rupees but since then, however, they tended to decline, touching a low of 3,260 million rupees by 30 June 1960. But for the special payments during the year of 520 million rupees to the I.M.F. partly in gold on account of our increased subscription and partly in dollars for the repurchase of rupees held by that institutions, the reserves would have shown a moderate gain of 220 million rupees.

The deficit on current account during the first ~~five~~ months of the year, for which details are available, was 1,040 million rupees as compared to 2,180 million rupees in the corresponding period of the previous year, due mainly to a fall in imports (790 million rupees) entirely on government account, and partly to a rise in export earnings. The fall in imports affected all groups except raw materials which rose from 900 million rupees to 1,230 million rupees. The rise in raw material imports reflected the expanding character of maintenance imports required to sustain domestic production. Export earnings improved by 380 million rupees (to 4,870 million rupees) during the period, aided mainly by the economic recovery abroad as well as the abatement of Chinese competition in respect of cotton textiles. Among the exports which recorded noticeable rises were cotton manufactures, vegetable oils and oil-cakes and tanned hides and skins.

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A number of measures were taken during the year to further intensify the export promotion drive. Export incentive schemes on the lines of the Cotton Textile Export Incentive Scheme, were extended to cover woollen goods, textile fabrics containing more than one fibre, and vanaspati, whereby exporters were granted import licences for raw materials and accessories required by them upto a specified percentage of the f.o.b. value of their exports. These, as well as the various schemes introduced earlier, were also modified to permit import of additional items, and a larger number of exporters was brought within their ambit. The quantitative restrictions on exports of silver ores and concentrates, woollen yarn, wool waste, pullthrough cloth were abolished and those on certain non-essential vegetable oils, oilseeds and oil cakes were suspended. Exporters of manganese ore, bicycles and parts, and certain engineering items were granted rebates on railway freight, and the tea industry was accorded concessions in respect of fertilisers transport.

The volume of external assistance has been considerably stepped up following the meetings convened by the I.B.R.D. in August 1958 and March 1959 of five nations, namely, the U.K., U.S.A., Japan, Canada and West Germany, referred to in last year's Report. The total external aid available during the Second Plan period upto June 1960, including a carry-over of about 1,910 million rupees from the First Plan, amounted to 22,060 million rupees, out of which about 10,350 million rupees was estimated to have been utilised upto March 1960. The utilisation of aid during the nine months ended March 1960 (2,160 million rupees) was lower than in the corresponding period of 1958-59 (2,770 million rupees).

The I.B.R.D. sponsored the visit in February 1960 of three eminent bankers, Sir Oliver Franks, Mr. Hermann J. Abs and Mr. Allan Sproul. Their report recommended, among other things, that external assistance must consist substantially of grants or loans not based on strictly commercial terms. The Finance Minister's tour of European countries also contributed to the creation of a favourable climate for foreign aid. Among the significant developments in the field of external assistance were the conclusion of a Four-Year Agreement by the Government of India with the Government of the U.S.A. for import of 17 million tons of foodgrains under P.L.480, a credit of 30 million dollars by the Government of West Germany, a line of credit amounting to 89.2 million dollars from the U.S. Development Loan Fund, and the announcement by the Government of the United Kingdom of a loan of 10 million pounds. The investment climate for foreign investors would also appear to have improved judging by the fact that approvals granted for foreign investments in 1959 amounted to 330 million rupees (190 million rupees exclusive of approvals merely involving transfer of existing non-resident investment from one unit to another) as against 130 million rupees each in 1957 and 1958. This has been due, in no small measure, to Governmental measures which included the conclusion of double taxation avoidance agreements with capital-exporting countries like the U.S.A., West Germany and Japan, participation in the U.S. Government scheme for insurance cover against risks of expropriation, nationalisation, etc. of American investments in India and simplification of industrial licensing procedures, etc. Mention may also be made here of the conclusion of an Agreement on 20 June 1960 between the Governments of India and the U.S.A. for establishing an Indian Investment Centre with headquarters in New Delhi, with a view to promoting foreign private investment in India and providing a medium for collaboration of foreign and Indian business through provision of advice, information, etc.

The Prospect.- Fiscal and general economic policies are, in our context, even more crucial to the successful implementation of planned development. The Third Five Year Plan, the draft outline of which has been published recently, calls for a significant increase of national effort to attain higher investment targets. A substantial increase in the rate of savings to national income (from ~~Six~~ 8 to 11 per cent) to match the increased rate of investment to national income (from 11 to ~~12~~ 14 per cent) will be necessary. The Plan would, no doubt, depend vitally on the availability of a significantly larger volume of foreign assistance than in the Second Plan, especially in view of the comparatively low level of our foreign exchange ~~earnings~~ reserves and the inadequacy of our foreign exchange earnings even to finance the level of maintenance imports. It is necessary to emphasise, however, the critical importance of securing much larger internal resources for successful implementation of a bigger Plan. This problem poses a challenge to the nation, especially as it is manifest that the volume of deficit financing has to be restricted; the figure envisaged in the Plan is 5,500 million rupees as compared to the likely actual of 11,750 million rupees in the Second Plan. A bold investment plan required an equally bold and determined savings effort which, in concrete terms, means sacrifice by the community through postponement and curtailment of consumption. The precise manner in which this sacrifice is brought forth is a matter for careful consideration but clearly it will involve a much larger tax effort as also larger investment in securities and savings instruments issued by Government as well as the private sector. The necessary corollary of this is economy and austerity in both public and private spending. The stabilisation of the cost of living is also imperative both for domestic reasons as well as for ensuring a cost price structure which will enable exports to be maintained at a level necessary for the Plan. All this has wide implications for general economic policies which will require to be assiduously worked out.

The institutional machinery for maximum mobilisation and canalising of savings into productive channels also needs to be continually strengthened. The Reserve Bank is aware of the immensity and urgency of the problem. The Bank has initiated action in this sphere in the past, but further steps will be necessary to adapt the machinery to the larger tasks ahead.

(Reserve Bank of India Bulletin,  
Vol. XIV, No. 8, August 1960, pp.  
1108-1130).

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35. Productivity.

India - October 1960.

Seminar on Productivity, New Delhi, 6-7 October 1960:  
15-point Programme Recommended.

A two-day Seminar on Productivity was held at New Delhi on 6 and 7 October 1960, under the auspices of the National Productivity Council. Shri G.L. Nanda, Union Minister for Labour and Employment and Planning inaugurated the Seminar and Shri Manubhai Shah, Union Minister for Industry presided.

Shri Nanda's inaugural address.- Shri Nanda, inaugurating the Seminar, stated that the interests of the community should come first in any scheme of sharing the benefits of increased productivity in the country. The investor and the labour, no doubt, had their contribution to make to increased productivity and should, therefore, be entitled to their share in the benefits. At the same time, the community also had a certain contribution to the increase which ought not to be ignored.

Shri Nanda said that just as behind the modern machines which had resulted in an increased productivity lay the work of scores of research and scientific workers and other people who remained obscure in the laboratories, similarly behind the efforts of the workers was the facilities provided by the community like improved skills, educational and training facilities, and, above all, conditions of peace for the industry to function. There were also the basic overheads and other services provided by the community, he pointed out.

Shri Nanda pleaded for speeding the process of securing workers' participation in the management of ~~industries~~ industries and establishment of mutual trust between employers and labour. Workers' participation was an essential element in any scheme for raising productivity. The employers who were in a superior position should realize the larger interests involved and take the initiative in this direction and not merely do something in response to appeals from Government.

Shri Nanda also stressed the need for promoting workers' education. This, he said, could be best done by securing their participation. It was not enough merely to provide them with some information.

Shri Nanda said that workers' co-operation was essential for increasing productivity. There could not be co-operation in one sphere while there was conflict in another. There must be genuine co-operation in all directions. For this there were certain pre-conditions.

First of all, the workers should not feel that any of their vital interests would be affected by any scheme of modernisation. There should be security of employment and strong mutual trust and confidence should be created among the parties by scrupulously adhering to the code of discipline.

The Minister said the workers had a very big stake in raising productivity. Theirs was, perhaps, the biggest stake. They could achieve their economic goals only by getting a greater share through increased productivity, and not by demanding a greater share in the existing profits.

Often, it was found that higher profits arose not because anybody had made an effort for it. They were made at the expense of the community because of conditions of scarcity. In normal conditions, the profit element could not be so high as it obtained sometimes.

Shri Nanda said that even with a larger share in the excessive profits that were made sometimes, the workers' ~~participation~~ aspirations could not be fully satisfied. One reason for this was that the wages in the total profits were rather high. Therefore, to ensure any substantial increase in the workers' share, it was necessary to think in terms of something more than profit margins; large or small. They would have to chiefly look to gains from increased productivity to attain their economic goals.

Shri Nanda added that the most important aspect of productivity was to achieve better results with the resources available. There was the need for improving the investment output ratios in different sectors. The industry was, no doubt, important, but it was relatively a smaller sector in the economy. Other sectors like agriculture, small-scale and cottage industries deserved greater attention as far as application of improved production techniques were concerned, because the increase in production in the organised sector by itself would not contribute to raising the national income.

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He felt that if better means of production and better techniques could be provided in these sectors, the anticipated increase in national income could be 50 per cent spread over five years instead of the 25 per cent envisaged in the third Plan.

Shri Nanda suggested that the workers' share in the benefits of increased productivity should be utilised for capital formation on their behalf and invested for the expansion of the units concerned or other ventures.

While satisfying the workers, this would check inflationary pressure and also help capital formation in the country for development purposes, he observed.

Shri Nanda stressed the need for improving the workers' conditions and providing them a better leadership. Those in charge of industry should not give the impression that they were engaged in selfish pursuits. They must set an example by their conduct which would inspire the workers.

Shri Nanda urged the Council to give thought to the norms regarding the quantum of share in the benefits. This was a complex matter, but a beginning could be made in this direction. The task would become easier if the parties did not dispute facts once they were scientifically ascertained.

Shri Nanda also urged the trade unions to organise research units to examine facts relating to the commercial working of industries, economic processes etc. Whatever technical assistance that would be necessary for this purpose would be provided by the Government. Once this was done, the task would become easier he remarked.

Shri Shah's address.— Shri Manubhai Shah, in the course of his address said that the productivity drive had reached a stage when all the parties interested in it must make a conjoint endeavour to explore means and measures to ensure the active participation and association of everybody in it. Conditions had to be created wherein the worker, technician, employer and Government could mutually co-operate for attaining the goals of higher productivity. This co-operation had to come about at the national, local and plant levels.

Shri Shah suggested the linking of wage structure in the industries with productivity in a scientific way so as to subserve the main social purpose of adequately built-in incentive return to labour, on the one hand, and generation of higher wealth incomes to the nation for unit of investment and for unit of man-hour spent, on the other.

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Shri Shah called for evolution of some concrete principles which should underline the efforts of employers and workers towards attaining higher productivity.

The employer must recognize the workers as humans entitled to the fullest consideration in their own right and not merely to treat them as instruments of production. They must continuously improve the working conditions of labour, their environment and welfare measures.

The workers, on their part, should make a positive effort in the generation of a proper atmosphere of mutual confidence and co-operation.

Shri Shah said that some broad uniform pattern would have to be evolved for determining the share of the consumers, workers, employers and Government of the benefits of increased productivity. This question would be examined at the seminar. The position would, no doubt, differ from plant to plant and industry to industry, but even so some norms and criteria will have to be evolved.

One of the most important questions involved in the subject was that of measuring the gains from productivity and by isolating those gains from the general profits of the enterprise.

One thing was, however, clear and certain to him. That was that till the working class as a whole was enabled to earn a living and fair wage, the gains would have to be shared comparatively more by them than other interests without affecting the incentive to the latter.

Programme for Productivity- The Seminar placed before the country a 15-point programme embodying the responsibilities of the Government, employers and workers with a view to attaining higher productivity.

The programme urges that the Government should streamline the organisational set-up of their agencies dealing with matters relating to industrial development.

It also suggests that positive measures should be adopted to ensure that public sector enterprises develop into models of productivity administration.

The Seminar agreed that the Government, employers and workers should bring about conditions for maximum utilisation of the installed capacity in the country and enable the running of three shifts in industries, where possible.

According to the Seminar, the Government should consider ways and means of incorporating the essential fundamentals of productivity subjects in the curricula of technical courses.



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Another recommendation is that the Government and employers should make a positive declaration that no worker will be thrown out of employment merely on account of the introduction of productivity processes and that any worker rendered redundant in a section of an industrial unit will be absorbed in another without loss of earning or loss of status.

Referring to the employers' role the Seminar has recommended that they should continuously strive to improve the working conditions, environments and welfare measures, for bringing about conditions which enable the workers to give of their best.

The programme lays down that employers must make positive efforts to generate an atmosphere of mutual trust and co-operation and ~~will~~ dispel doubts and fears of workers in regard to productivity. The workers must be assured that the productivity drive does not involve any undue intensification of their effort, nor greater speed-up, and be assured that they will receive their full share of the gains resulting from the increase of productivity.

Another recommendation of the Seminar is that the employers, in consultation with the workers, should establish an effective machinery for communication and joint consultation. This would enable the workers to become correctly informed of the management objectives and policies, and facilitate their doubts and questions to be properly answered, their constructive suggestions duly considered and acted upon, and workers being taken into confidence in every project involving changes.

Representatives of labour organisations have accepted the principle that they must make a positive effort for creating a proper atmosphere of mutual trust and co-operation, so that employers shed any doubts about full participation of workers in the productivity drive.

The workers representatives have also agreed to actively associate themselves with the efforts to set up joint consultative machinery in the enterprises and ensure, in co-operation with management, successful functioning of the machinery.

The need to build up specialists and research workers in labour organisations has been accepted to enable objective evaluation of and active participation in the productivity measures emanating from the managements, while safeguarding the rights of the workers. The objective of maximum participation in the programme of workers' education has been accepted by the labour organisations.

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The Seminar considered in great detail the principles which should govern the question of sharing the gains of productivity and reaffirmed the principle of sharing the gains of increased productivity embodied in the charter of the National Productivity Council.

It was agreed that the gains of productivity should be shared between the community, the investors and the workers. The community will benefit by the lowering of prices, increase in variety and quality of goods, increased yields from taxation and savings from development projects, and welfare measures. The investors ~~and~~ will benefit by increased returns and opportunities for expansion and re-investment. The workers will benefit by securing higher wages, shorter working hours, improved working conditions and increased employment opportunities.

In regard to the distribution of gains of productivity, it was felt that appropriate consideration should be given to the requirement of raising the current wages to the minimum level, where they are below the need-based minimum.

The Seminar reiterated that there was considerable scope for the use of incentive schemes as a means of giving direct reward to workers responsible for specific increase in productivity.

The Seminar recognised the difficulties involved in the measurement of increase of productivity and determination of specific shares of the gains, which would require technical appraisal. It was decided that an expert committee, consisting of representatives of the employers, workers and experts, should be constituted by the National Productivity Council for recommending the indices which should be used, the methods which should be adopted in measuring productivity gains, and also recommend the principles and methods of distributing the gains in the context of conditions prevailing in Indian industries now and during the next 10 years.

(The Hindustan Times, 7 and 8 October 1960).

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36. Wages.

India - October 1960.

The Minimum Wages (U.P. Amendment) Act, 1960  
(U.P. Act No. XX of 1960).

The Minimum Wages (Uttar Pradesh Amendment) Bill (vide page 27 of the report of this Office for July-August 1960) as passed by the Uttar Pradesh Legislature received the assent of the President on 26 September 1960 and has been gazetted as U.P. Act No. XX of 1960. The Act which is deemed to have come into force on 1 January 1960 substitutes the figure "1960" for the figure "1959" wherever it occurs in sub-clause (i) and (ii) of clause (a) of sub-section (1) of section 3 of the Minimum Wages Act, 1948, in its application to Uttar Pradesh.

(Government Gazette of the Uttar Pradesh,  
Extraordinary, 3 October 1960, pp.1-2).

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The Minimum Wages (Bihar Amendment) Bill, 1960.

The Government of Bihar published on 9 November 1960 the text of the Minimum Wages (Bihar Amendment) Bill, introduced in the Legislative Assembly of the State on 7 November 1960. According to the Statement of Objects and Reasons of the Bill, under sub-clause (i) of clause(a) of sub-section (1) of section 3 of the Minimum Wages Act, 1948(XI of 1948), the appropriate Government was required to fix minimum rates of wages in the employments specified in the Schedule to the Act before the 31st December 1959. But this could not be done within the date limit in respect of a few categories of employees employed in some employments, such as, public motor transport, mica works, etc. According to the decision taken at the 16th Session of the Labour Ministers' Conference held in January 1960, the State Government have been advised by the Central Government to take recourse to State legislation to extend the date limit to complete the initial fixation work in such cases. It is, therefore, proposed to extend the period of fixation of minimum rates of wages of the employments specified in the Schedule to the Act up 31 December 1961.

The Bill seeks to achieve this object.

(The Bihar Gazette, Extraordinary,  
9 November 1960, pp. 1-2 )

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Madras: Minimum Rates of Wages fixed for Employment  
in Cotton Ginning and Pressing.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Madras has, with effect from 12 October 1960, fixed the following minimum rates of wages payable to employees employed in cotton ginning and pressing.

Class of employees.	All inclusive minimum daily rates of wages.	
	Rs. <del>MP</del> Rs. <del>MR</del>	Rs. Pp.
1. Blacksmith	-----	3. 00
2. Mason	-----	3. 00
3. Carpenters	-----	2. 50
4. Electrician	-----	2. 50
5. Press fitters	-----	2. 50
6. Mechanic	-----	2. 50
7. Willow driver	-----	2. 50
8. Boxman	-----	2. 00
9. Bag carrier	-----	2. 00
10. Borah fillers	-----	1. 75
11. Drivers	-----	2. 00
12. Fitters	-----	2. 00
13. Gin fitters	-----	2. 00
14. Lasher	-----	2. 00
15. Maistry	-----	2. 00
16. Marker	-----	1. 87
17. Valvemen	-----	1. 75
18. Bale stitcher	-----	1. 50
19. Borah roller	-----	1. 50
20. Oiler	-----	1. 50
21. Fireman	-----	1. 50
22. Rivetter	-----	1. 50
23. Weighers	-----	1. 50
24. Gin expellers - Grade I*---	-----	1. 37
Gin expellers - Grade II*---	-----	1. 25
25. Ginning - Grade I*	-----	1. 37
Ginning - Grade II*	-----	1. 12
26. Press Coolies - Grade I*---	-----	1. 37
Press Coolies - Grade II*---	-----	1. 25
27. Bundlers	-----	1. 25
28. Cutters	-----	1. 25
29. Cotton picking	-----	1. 12
30. Cotton carriers	-----	1. 12

\* Classification of employees into Grades I and II is based on physical capacity, skill, efficiency and outturn of work.

(P.T.O.)

(Table continued)

Class of employees.	All inclusive minimum daily rates of wages.	Rs. NP.
31. Cotton cleaning beaters	-----	1 25
32. Front of picking coolies	-----	1 25
33. Bin feeders	-----	1 12
34. Kalasis	-----	1 25
35. Kapas picking	-----	1 00
36. Lint cleaners	-----	1 12
37. Opener cooly	-----	1 25
38. Stitchers (other than bale stitchers).	-----	1 25
39. Sweepers	-----	1 2 5
40. Seed removers of carriers	-----	1 25
41. Clerk	-----	50 00(per mensem)
42. Office-boy	-----	40 00(per mensem)
43. Roller Grover	-----	40 00(per mensem)
44. Watchman	-----	40 00(per mensem)

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

(2) Where the wage period is fixed as a week, the daily rates fixed above shall be multiplied by six, where the wage period is fixed as a fortnight, the daily rates shall be multiplied by 12 and where the wage period is fixed as a month, the daily rates shall be multiplied by 26.

(3) Wherever the wages are to be fixed by the day in respect of categories for which monthly rates have been fixed, minimum rates of weages per day shall be calculated by deviding the monthly rates by 26.

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

(G.O. Ms.No.4601 Industries, Labour and Co-operation (Labour) dated 5 October 1960, the Fort St. George Gazette, Part II, Sec.I, 12 October 1960, page 549 )

Madras: Minimum Rates of Wages fixed for Employment in Bricks and Tiles Manufactory.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Madras has with effect from 25 October 1960 fixed the following minimum rates of wages for employees employed in the bricks and tiles manufactory in the State of Madras.

Class of employees.	All inclusive minimum daily rates of wages.	
		Rs. NP.
1. Supervisors	-----	2 50
2. Blacksmiths	-----	2 50
3. Carpenters	-----	2 50
4. Dice turners or wheel turners	-----	2 50
5. Fitters	-----	2 50
6. Electricians	-----	2 50
7. Mould operators	-----	2 50
8. Foremen	-----	2 25
9. Engine Drivers	-----	2 25
10. Maistry or Head Cooly	-----	2 00
11. Brick makers and/or tile makers, Grade I and II*.		5 00 per 1000 bricks or tiles subject to a guaranteed minimum of <del>Rs.1.75</del> Rs.1.75 per day for Grade I and Rs.1 for Grade II respectively.
12. Fireman	-----	1 75
13. Die puller	-----	1 75
14. Masan	-----	1 75
15. Caveslicers and trampers	-----	1 50
16. Watchman	-----	1 50
17. Tile receiver	-----	1 50
18. Kila Loaders and Unloaders - Grade I*	---	1 50
- Do -                                   Grade II*	---	1 00
19. Burnt goods sorters and packers (including stacking).		1 37
20. Loading, unloading and <del>packing</del> miscellaneous work other than kiln. Loading and Unloading-Grade I*---		1 50
-DO-                                   Grade II* -----		1 00
21. Clat transtectors and carriers	-----	1 25
22. Slab cutters and slud carriers	-----	1 50
23. Clay feeders	-----	1 25
24. General Coolies	-----	1 25
25. Slab placers	-----	1 50

(Table continued)

Class of employees.	All inclusive minimum daily rates of wages.	
		Rs. Pp.
26. Tile trimmers and driers	-----	1 50
27. Sweepers - Grade I*	-----	1 50
Sweepers - Grade II*	-----	1 00
28. Artificial drying fire tenders, Grade I*	-----	1 25
-Do- Grade II*	-----	1 00
29. Raw tile removers from frame	-----	1 00
30. Raw bricks and tilo carriers	-----	1 00
31. Pallot suppliers	-----	1 00
32. Pallot collectors	-----	1 00
33. Wager carriers	-----	1 00
34. Clerks	-----	50 00per mensem
Special categories applicable to cement, tile, section.		
35. Planning man	-----	2 00
36. Cement tile pressers	-----	1 50
37. Sand suppliers	-----	1 25
38. Tile plasterers	-----	1 25
39. Boxer movers	-----	1 25
40. Colour mixers	-----	1 25
41. Chips screamers	-----	1 25

\* Classification of employees into Grade I and II is based on physical capacity, skill, efficiency and outturn of work.

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

(2) Where the wage period is fixed as a week, the daily rates fixed above shall be multiplied by six, where the wage period is fixed as fortnight, the daily rates shall be multiplied by 12 and where the wage period is fixed as a month, the daily rates shall be multiplied by 26.

(3) Wherever the wages are to be fixed by the day in respect of categories for which monthly rates have been fixed, the minimum rates of wage per day shall be calculated by dividing the monthly rates by 26.

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

(G.O.Ms.No. 4781 Industries, Labour and Co-operation(Labour) dated 14 September 1960, the Fort St. George Gazette, Part II, Sec.I, 19 October 1960, pp. 591-592 )



Madras: Minimum Rates of Wages fixed for Employment  
in Coir Manufactory.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Madras has with effect from 26 October 1960 fixed the following minimum rates of wages payable to employees employed in any coir manufactory.

Class of employees.	Minimum rates of wages.	
	Rs.	NP.
1. Splitting, transporting of husks to retting yard and putting it into pits or soaking. -----	5	00 per 1,000 husks.
2. Counting of husks -----	0	50 per 1,000 husks.
3. Removal of seers (splitted husks) from the pits. -----	1	00 per 1,000 husks of 8,000 seers.
4. Beating of retted husks -----	1	12 per 100 retted husks or 800 seers.
5. Muppuri coir (twisting):		
(a) 10 bagams-one bundle of 100 husks coir each. -----	5	00
(b) 12 bagams-one bundle of 100 coir each. -----	5	00
(c) 16 bagams-one bundle of 100 coir each. -----	7	00
(d) 20 bagams-one bundle of 100 coir each. -----	8	50
(e) 24 bagams-one bundle of 100 coir each. -----	10	00
Note:- Bagam represents the stretch of both the hands.		
6. Rope-making -		
For converting 72lbs. or 32.66 kilograms of fibre into-		
1 1/2" ropes -----	5	00
2" ropes -----	5	00
4" ropes -----	4	00
1 1/2" ropes -----	6	00
7. Mat-making Grade I* -----	1	75 per day.
-Do- Grade II* -----	1	25 per day.
8. Bundling -----	1	50 per day.

Provided that the daily minimum wages payable for the piece rate workers shall not be less than Rs. 1.50 for Grade I workers and Rs. 1 for Grade II workers per day of eight hours.

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

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1. Where any category of employees are actually in receipt of higher ~~wages~~ rates of wages than the statutory minimum rates of wages fixed, they shall continue to get the benefit of the higher rates of wages.

2. Adolescents and women employees shall be paid the same rates of wages fixed above. Children whenever employed shall be paid half of the rates fixed above.

(G.O. Ms. No. 4843, Industries, Labour and Co-operation (Labour) dated 21 October 1960, the Fort St. George Gazette, Part II, Sec. II, 26 October 1960, page 632 ).

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Madras: Minimum Rates of Wages fixed for Employment  
in Hosiery Manufactory.

In ~~the~~ exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Madras has with effect from 26 October 1960 fixed the following minimum rates of wages payable to different classes of employees employed in hosiery manufactory.

Class of employees.	All inclusive minimum rates of WAGES.		
Class I	----	Rs. 1	per day.
Class II	----	Rs. 1.50	per day.
Class III	----	Rs. 2.00	per day.
Class IV	----	Rs. 2.50	per day.
Warping (piece-rate)	----	Rs. 1.50	per roll.
Supervisor/Foreman/Mechanic	----	Rs. 100	per mensem.
Clerks	-----	Rs. 75	per mensem.
Watchmen/Peons	-----	Rs. 40	per mensem.

~~Given~~ Categories of employees under the classes mentioned above and employed in any hosiery manufactory:-

**Class I-**

Labelling boys.  
Cutting Department helpers.  
Damage and pruning.  
Tailoring Departments helpers.  
Finishing Department helpers.  
Mending.

**Class II-**

Machineman or machine attendant, Grade II.  
Finishing.  
Pressing.  
Ironing.  
Packing.  
Warping (piece-rate).

**Class III-**

Machineman or machine attendant, Grade I (after one year of service).  
Khalasis.  
Boilerman.  
Cutting.  
Chain and Chainlock tailors.

**Class IV-**

Overlook tailors.  
Flatlock tailors.

1. Wherever wage periods fixed vary, the wages shall be calculated for wage period so fixed and paid, that is, where the wage period is fixed as a week, fortnight, or month, the daily rates of wages fixed shall be multiplied by six, twelve or twenty-six, respectively.

2. Adolescents and women employees wherever employed shall be paid the same rates of wages fixed above.

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

(G.O. Ms.No. 4844 Industries, Labour and Co-operation (Labour) dated 21 October 1960, the Port St. George Gazette, Part II, Sec.I, 26 October 1960, pages 632-633 )

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Wages in the Textile Industry: Award to be implemented in Madras and Uttar Pradesh.

Agreement was reached on 30 June 1960, between management and labour in the textile industry in the matter of implementation of the recommendations of the Textile Wage Board. This agreement is expected to benefit over 105,000 workers in the textile industry.

It has been roughly computed that the immediate liability to the textile industry in Madras State as a result of the agreement reached would be an expenditure of 4.8 million rupees towards arrears of basic wages and a recurring additional monthly liability of 1 million rupees.

Terms of Settlement.- The terms of settlement will be in full discharge of the liabilities and obligations arising out of the recommendations of the Wage Board. The parties have agreed that the flat increase of 8 rupees in respect of basic wage recommended by the Wage Board should be implemented in full effect from 1 January 1960.

At least three-fourths of the arrears will be paid before Dewali in October.

The other flat increase of 2 rupees recommended by the Wage Board will be paid by 1 January 1962.

As regards dearness allowance the parties have agreed that there will be a "merger" of three-fourths of the dearness allowance, which amounts to about 45 rupees, and that future Dearness Allowance will be regulated for the excess points over 540 at the following rates: 21 nP. per point from 1 June 1960; 23 nP. per point from 1 June 1961; 24 nP. per point from 1 June 1962; 26 nP. per point from January 1, 1963. (The present Dearness Allowance is 19 nP. per point).

The new mills will also be paying these increases on the same scale both in respect of basic wage and dearness allowance, over and above the existing wages and dearness allowance as awarded by the Coimbatore New Mills Award.

The staff will get a flat increase of 10 rupees. Their wages will be finally adjusted according to the recommendations of the Wage Board.

Implementation in Uttar Pradesh.- A tripartite conference was held at Nainital on 3 July 1960, under the chairmanship of the Chief Minister, Dr. Sampurnanand, to discuss all recommendations of the Central Wage Board on Cotton Textile Industry. The Conference was attended by all principal mill-owners in the State as well as representatives of all leading labour organisations.

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The Conference took up the question of mills in Kanpur. It was unanimously decided to give a wage increase of 6 rupees per month in terms of the recommendations of the Wage Board. It was also decided that the increased wages would be paid with effect from 1 January 1960, the wages from January to June being paid in monthly instalments spread over the remaining six months.

An important question that came up for discussion was whether personal wages being paid to a number of workers in Kanpur mills should be absorbed in the proposed wage increments or not. Divergent opinions were expressed on this point, and finally both parties agreed to leave this question to the Chief Minister.

Rationalisation is an integral part of the recommendations of the Wage Board, and both parties agreed to the desirability of introducing it if the Kanpur industry is to expand and prosper. Principles that should underlie any scheme of rationalisation had already been exhaustively discussed by the committee appointed some years ago under the chairmanship of Shri Justice Bindbasini Prasad.

As a few questions still awaited decision, It was agreed by both parties, after some discussion, to leave the decision of this important question also to the Chief Minister.

The Chief Minister would decide principles on which rationalisation was to be carried out and would also take the necessary steps to implement his decision as early as possible.

Other Mills.— As regards mills outside Kanpur, mills in Modinagar and Saharanpur are completely rationalised units. The former has been placed by the Wage Board in Category "A". Besides these two, there are a number of units in other towns whose economic condition appears not to be very sound.

The proprietors of Modinagar and Saharanpur mills agreed to the request of the Chairman to grant increments of 8 rupees and 6 rupees per month, respectively, to their workers.

All other questions in connection with these and other mills outside Kanpur were left for decision by the Chief Minister.

In pursuance of the decisions of this Conference, the U.P. Government issued an order on 18 July 1960, directing the cotton textile mills in Kanpur and Saharanpur to give their workmen a wage increase of 6 rupees and those in Modinagar 8 rupees per mensem with retrospective effect from 1 January 1960.

(For earlier developments, please see Section 36, page 60 of the report of this Office for May-June 1960).

(The Hindu, 1 July 1960;  
The Hindustan Times, 4 and 19 July 1960).

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

INDIA - OCTOBER 1960.

41. Agriculture.

Uttar Pradesh: The Kumaun and Uttarakhand Zamindari  
Abolition and Land Reforms Act, 1960 (U.P. Act No. XVII  
of 1960).

The Government of Uttar Pradesh published on 17 September 1960 the text of the Kumaun and Uttarakhand Zamindari Abolition and Land Reforms Act, 1960, as passed by the Uttar Pradesh Legislature and assented to by the President on 10 September 1960. The Act provides for the acquisition of the rights, title, and interests of persons between the State and the tiller of the soil in certain areas of the Kumaun Division and in Uttarakhand Division and for the introduction of land reforms therein. The provisions of the Act deal inter alia with the acquisition and modification of existing rights in land, acquisition of bhumidhari rights by asamis, manner of assessment of compensation, superintendence, management and control of land, etc.

(Government Gazette of the Uttar Pradesh,  
Extraordinary, 17 September 1960, pp.1-21).

29

The Madhya Pradesh Ceiling on Agricultural Holdings  
Act, 1960 (No. 20 of 1960).

The Madhya Pradesh Ceiling on Agricultural Holdings Bill (vide pages 27-28 of the report of this Office for September 1959) as passed by the Madhya Pradesh Legislature received the assent of the President on 28 September 1960 and has been gazetted as Madhya Pradesh Act No. 20 of 1960. The Act provides for the imposition of ceiling on agricultural holdings, acquisition and disposal of surplus land and matters ancillary thereto.

Section 7 of the Act provides that subject to the provisions of this Act, no holder shall, as from the appointed day, be entitled to hold land, other than exempted land, in ~~excess~~ excess of twenty-eight standard acres. Where a holder has any one or more of his heirs specified in Schedule I, who do not hold any land in their own right and are dependent on him, such holder shall be entitled to hold land in excess of twenty-eight standard acres to the extent of five standard acres per each such heir not exceeding fifty-three standard acres in the aggregate, provided that where any such heir holds land in his own rights and the extent of such land is less than five standard acres, the holder shall be entitled on such heir's account, only to the extent by which the land of such heir falls short of five standard acres.

Other provisions of the Act deal, inter alia, with submission of returns by persons holding land in excess of ceiling, vesting of surplus land in the State, payment of compensation for surplus land, encumbrances on surplus ~~land~~ land and submission of claims, disposal of surplus land, etc.

(Madhya Pradesh Gazette, Extraordinary,  
10 October 1960, pp. 1195-1215 )



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42. Co-operation,

India - October 1960.

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Punjab Co-operative Societies Bill, 1960.

The Government of Punjab published on 24 October 1960 the text of the Punjab Co-operative Societies Bill, 1960, introduced in the Punjab Vidhan Sabha the same day.

According to the Statement of Objects and Reasons of the Bill, in pursuance of the policy of Government of India to simplify Co-operative Law and procedure in order to remove all bottlenecks in the way of development of Co-operative Movement in the country, it has become necessary and incumbent to amend the law regarding co-operative societies in the State. In this Bill, the approach has been to make the law as simple as possible. The important provisions such as relating to change of liability, amalgamation of societies, splitting of societies, settlement of disputes and winding up of the societies, etc., were found to be of a dilatory and complicated nature and therefore created problems in the day to day working of the co-operative societies. Special care has, therefore, been taken to cut out all unnecessary delays particularly in registration of societies and the provisions to this effect have been simplified. Another approach influencing the change is to make the Co-operative Law comprehensive. Moreover, consistent with our national policy to promote the organisation and growth of the co-operative societies in the various fields of economic activity, more difficult and complicated forms of co-operative societies are to spring up as compared to the Co-operative Credit Societies. To meet the situation, a number of new provisions have been made in the Bill. The notable changes, inter alia, pertain to conditions of registration, qualifications of members, management of societies, nominees of the Government on the committees, supersession of committees, charging of immovable property of members, borrowing loans from certain societies, deduction from salary to meet society's claim in certain cases, Co-operative Education Fund, audit, surcharge, appeals, offences and penalties, etc.

(The Punjab Government Gazette,  
Extraordinary, 24 October 1960,  
pp. 2011-2041 )

31

Uttar Pradesh Co-operative Societies Bill, 1960.

The Government of Uttar Pradesh published on 8 October 1960 the text of the Uttar Pradesh Co-operative Societies Bill, introduced in the Uttar Pradesh Legislative Assembly on 6 October 1960.

According to the Statement of Objects and Reasons of the Bill, in Uttar Pradesh the Co-operative Societies Act, 1912, is still in force with a few modifications which have been made from time to time by the State Government. The Co-operative movement has developed in various directions since this Act was placed on the Statute Book. There has also been a reorientation of the Government's policy towards co-operation and it is now recognised that co-operative technique should be adopted in the various spheres of development activity. Experience has shown that provisions should be made in the law for certain additional functions and responsibilities. Some of the existing provisions need to be liberalized while there are certain powers which in the present circumstances are unnecessary and should be omitted from the law. Government consider it necessary to recast the provisions of the existing Act and it is with this object that this Bill is being introduced.

The salient features of which this Bill differs the existing Act are noted below:-

(1) Provision has been made for the association of non-officials to the maximum possible extent in the management of a co-operative society. For this purpose it has been provided that the Chairman of the Managing Committees of such societies will be elected from amongst the members of the societies.

(2) With a view to placing the co-operative societies on sound footing and also to enable the weaker sections of the public to derive the benefit of the co-operatives, provision has been made for State aid to co-operative societies in various forms, such as loans, subsidies, purchase of shares and guarantees for the repayment of the principal and interest on debentures, and the establishment of a (1) Principal State Partnership Fund, and (2) Subsidiary State Partnership Fund.

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(3) It is proposed to establish Appellate Tribunals to hear appeals against awards made by the Registrar in arbitration proceedings.

(4) Provision has also been made for appeals against the orders of the Registrar in important matters.

(5) Provision has been made in the Bill to ~~which~~ widen the membership of the co-operative society and to give a right of appeal to an applicant against the decision of a society refusing to admit him as a member.

(6) Provision has been made for the establishment of Land Mortgage Banks with a view to facilitate the supply of long-term credit to farmers.

(7) Special provision has been made for the organisation of Co-operative Farming societies.

(8) Procedure for the execution of awards, decrees, orders and decisions under the Act is proposed to be simplified.

(Government Gazette of the Uttar Pradesh,  
Extraordinary, 8 October 1960, pp.1-64).

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Maharashtra Co-operative Societies Bill, 1960.

The Government of Maharashtra gazetted on 3 November 1960, the text of the Maharashtra Co-operative Societies Bill, 1960, to be introduced in the Legislative Assembly of the State.

According to the Statement of Objects and Reasons of the Bill, at present, in the State of Maharashtra, the Bombay Co-operative Societies Act, 1925 (Bombay VII of 1925) as extended throughout the State by Bombay XX of 1960 is in force. The Bill consolidates the relevant provisions of the existing law and provides for further amendments found necessary. The State Government had appointed in 1956 a Committee under the Chairmanship of Shri G.M. Laud to suggest a common Act for all the areas. The Government of India had also appointed a Committee to evolve a simple law to govern the working of the Co-operative Societies. The recommendations of these two Committees have been taken into consideration in the present Bill.

The Bill seeks to provide for the systematic development of the Co-operative movement and the societies in the various stages, in keeping with the directive principles of the Constitution. Thus, provision, has been made for associate, nominal and sympathiser members so that societies may be able to get the benefit of outsiders, where qualified and competent men are not available from among the members. For the proper development of a society and for fulfilling the task of providing credit to the members or undertaking activities according to the bylaws, it is necessary to give financial support from time to time. It is, therefore, proposed to constitute the Principal and Subsidiary State Partnership Funds from which share capital contributions will be made to co-operative societies. In order to safeguard the interest of Government arising out of the various forms of financial aid proposed to be given, provision has been made to appoint Government nominees on the committee of the society concerned. It is also proposed to empower Government to constitute an authority for the supervision of societies. In order to safeguard the financial position of societies, it is proposed to give the Registrar powers of restraint and sale.

(The Maharashtra Government Gazette, Part V,  
3 November 1960, pp. 216-274 )

Adequate Co-operative Credit to be made available to  
All Classes of Tillers.

All classes of cultivators, including landless tenants, are to be provided with adequate credit on the basis of their production requirements and repaying capacity, according to an official press release issued by the Government of India.

This is in pursuance of a decision taken by the Union Ministry of Community Development and Co-operation on the recommendations of the committee on co-operative credit, under the chairmanship of Shri V.L. Mehta, as approved by the last meeting of the National Development Council.

The decision has been communicated to the State Governments.

Other decisions taken by the Centre relate to the pattern of organisation of village co-operative societies, State partnership in the share capital of primary agricultural credit societies, outright grants to primary societies and central banks for providing special "bad debt reserves" and grants to primary societies for managerial expenses.

Co-operatives, the State Governments have been requested, are to be organised, as a general rule, on the basis of the village community as a primary unit.

Where the villages are too small, a number of villages, with a total population of up to 3,000 and situated at a distance of not more than three to four miles from the headquarters village, may be grouped together in the interests of viability.

The viability of a co-operative society is to be determined on the basis of its capacity to bring into the co-operative fold all rural families and to effectively implement the village agricultural production plans.

The State may participate in the share capital of a primary agricultural society, provided that 60 per cent of its members agree to such participation and the central bank to which the society is affiliated supports the proposal.

While the maximum contribution made by the State to the share capital of a primary society is to be limited ordinarily to 5,000 rupees in the case of large villages, backward areas, and selected areas coming under irrigation or large-scale reclamation for the first time, the States contribution could be up to a maximum of 10,000 rupees. The State's share capital is, however, not to exceed the contribution made by the members of the society and, as a normal rule, is to be indirect, i.e., through the apex and central banks.

(The Hindustan Times, 9 October 1960).

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CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - OCTOBER 1960.

50. General.

High Absenteeism Among Coal Mines: Labour Ministry's Study.

According to a recent study made by the Ministry of Labour and Employment, next to plantations, absenteeism in the coal mining industry is the highest in the country.

The percentage of absenteeism varies from 7 to 18.5 in the cotton textile industry though the average of six major production centres ~~was~~ is only 11.1. In the case of other industries it is: woollen 7.3, engineering 12.1, leather 9.4, gold mining 9.7, plantations 20.6 and coal mining 13.2.

The percentage of absenteeism in the coal mining industry has, however, been constant over the years and does not compare "unfavourably" with conditions abroad or in other industries in India.

The study of the absenteeism pattern in the coal mining industry was made in the Jharia coalfield, though some of the conclusions reached have broader application.

Main causes.- The main causes of absenteeism are the floating character of the labour force, drink habits, the hazardous nature of work, uncongenial working conditions, sickness, shortage of accommodation and insanitary living conditions, seasonal migration owing to agricultural operations and festivals and marriages.

It was found that absenteeism was high in the case of women as compared to men. This is possibly due to women's household duties and maternity leave, etc. The absenteeism was also high among underground workers as compared to surface workers presumably due to the hazardous nature of work of miners.

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Absenteeism was particularly high during the May-August period, synchronising with the rainy season when sowing and transplanted operations take place. This is due to the fact that a ~~majority~~ majority of mine workers are agriculturists who have come to coal mines to supplement their income.

Absenteeism was lowest on the pay day and is comparatively very high immediately after the pay day. This is attributed to the workers' desire to have a good time immediately after pay day and to go home to make purchases for their family members and to meet them.

The study also showed that absenteeism was lower in the case of workers who were staying with their families and who had been provided accommodation by employer. This showed that improvement in housing facilities will increase the efficiency of workers and to some extent check their habit of leaving for home on the slightest pretext. Education in health and hygiene can also help them in leading a better standard of living.

Among the proposals put forth to check absenteeism is introduction of an incentive bonus scheme and linking it with production.

(The Hindustan Times, 18 October 1960).



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

India - October 1960.

Annual Report on Activities financed from the Mica Mines  
Labour Welfare Fund for the Year 1959-1960.

The Government of India published on 22 October 1960 the report of the activities financed from the Mica Mines Labour Welfare Fund for the year ending 31 March 1960 with a statement of accounts for that year and an estimate of receipts and expenditure of the fund for the year 1960-61. A brief account of the more important of the activities is given below.

Activities in Andhra Pradesh.- Medical facilities.- A fourteen-bedded base hospital at Kalishedu started functioning. The Fund continued to maintain three static dispensaries, one having an in-patient ward of nine beds. The mobile dispensary visited mines and other labour colonies beyond a radius of three miles from the static dispensaries. The medical officers, in addition to their normal work, trained eighty-nine mica miners in first-aid.

Four maternity and child welfare centres continued to be maintained. Three beds continued to be reserved in the district headquarters hospital, Nellore, for the exclusive use of mica miners and their families. Eight beds were also reserved in the State Government T.B. Hospital, Nellore. Travelling expenses of those mica miners who were treated as out-patients in the T.B. Hospital, Nellore, were met by the Fund.

Educational facilities.- Six elementary schools continued to function. There was also one middle school. Mid-day meals and dresses were provided to the children of mica mines studying in these schools. Free supply of books and slates was also made to the children of mica miners studying in the six elementary schools and in three private schools.

In two of the elementary schools run by the Fund, the children were taught handicrafts like tape weaving, stitching, knitting and embroidery. Tape weaving was taught to children in all other schools also.

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Adult education and recreation.- One community centre functioned under the Fund. Men labourers were taught carpentry. Women labourers were coached in spinning, stitching, knitting and embroidery. Ten recreation clubs and nine radio centres were also maintained. Annual sports were conducted as usual.

Housing and other facilities.- The new subsidised housing scheme was sanctioned. Under this scheme, the mine owners who construct miners' quarters in accordance with the plans and specifications approved by the Fund will get subsidy equal to 50 per cent of the cost of construction of houses, with certain ceiling limits.

A well was constructed from the resources of the Fund and work on another was in progress. Four wells were also sunk under the subsidised wells scheme. Under this scheme, the mine owners who sink wells in accordance with the plans and specifications approved by the Fund are entitled to get subsidy equal to 75 per cent of the cost of construction of the well subject to a maximum of 7,500 rupees per well.

Activities in Bihar: Medical facilities.- The central hospital, Karma, six dispensaries, three mobile medical units and two maternity and child welfare centres continued to provide medical facilities. The outdoor section of the 15-bedded regional hospital at Tisri was opened during the year. Two ayurvedic dispensaries were also opened.

Ten beds continued to be reserved at the Birla T.B. sanatorium, Ranchi, for the exclusive use of mica miners and their families. Financial help was also given to the dependents of those mica miners who were suffering from T.B., and who were undergoing treatment in the T.B. ward attached to the central hospital Karma, and in the T.B. sanatorium, Ranchi. As the preceding year, anti-malaria spraying was done during the year. ~~For the preceding year, anti-malaria spraying was done during the year.~~

Educational and recreational facilities.- Two community centres continued to function during the year. They imparted primary education to the miners' children and conducted literary classes for adults.

Three scholarships for general education at 20 rupees per month, and seven scholarships for technical education at 30 rupees per month, were awarded to the children of mica miners. Six multi-purpose centres, each composed of a women's welfare section and an adult education section, continued to function. The two Mobile Cinema Units continued to entertain mica miners. The number of shows held during the year was 477.

Housing and other welfare facilities.- The new subsidised housing scheme was sanctioned.

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Activities in Rajasthan: Medical facilities.- Five static dispensaries continued to cater to the medical needs of mica miners and their families. The medical staff also visited the adjoining mines and villages for treatment of serious cases and for propaganda on prevention of diseases. There were five mobile medical units to serve mining areas located at a distance from the static dispensaries. Eight maternity and child welfare centres continued to function. Children up to twelve years of age were given milk in these centres daily.

Educational and recreational facilities.- One middle school and three primary schools continued to function. The students were given free education and were supplied with slates, books and pencils. They were also given free mid-day meals. Scholarships were awarded to nineteen students. Attention was paid to the spread of literacy among the illiterate workers. Five reading rooms and two libraries were maintained. Hindi daily newspapers and other periodicals were made available in three welfare centres. Knitting and sewing classes were conducted at five welfare centres. All the welfare centres organised recreational activities. Outdoor and indoor games were conducted at all sub-centres and at important mines. The mobile cinema paid regular visits to the important mining areas and exhibited social and religious films free of charge.

The Statement of accounts for the year 1959-60 appended to the report showed receipts at 22.185 million rupees including an opening balance of 19.154 million rupees. Expenditure amounted to 1.524 million rupees leaving a closing balance of 20.661 million rupees.

(The Gazette of India, Part II, Sec. 3,  
Sub-Sec. (ii), 22 October 1960,  
pp. 3142-3145 ).

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55. Protection of Minors.

India - October 1960.

Working of the Employment of Children Act, 1938,  
On Railways and Major Ports during 1958-1959 .

Introduction.- The Employment of Children Act, 1938, regulates the admission of children (who have not completed the seventeenth year) to certain employments. The Act prohibits the employment of children under fifteen years of age in any occupation connected with the transport of passengers, goods or mail by railway and in any occupation involving handling of goods within the limits of any Port. The Act also lays down that children between 15 and 17 years of age employed in these occupations must be allowed an interval of rest of not less than 12 consecutive hours in a day (including 7 consecutive hours between 10 P.M. and 7 A.M.). A register of such children with full particulars such as name and date of birth, nature of work, periods of work and the interval of rest, etc. is also required to be maintained. Section 4 of the Act prescribes penalties for breach of the provisions of the Act.

The Chief Labour Commissioner (Central), the Deputy Chief Labour Commissioner (Central), the Regional Labour Commissioners (Central), the Conciliation Officers (Central) and the labour inspectors (central) continued to function as Inspectors under the Act during 1958-59 for securing compliance with the provisions of the Act in Railways and major Ports.

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Inspections and Irregularities.— The number of establishments inspected and irregularities detected during the year 1958-59 were 4,813 and 1,495 respectively as against 4,628 and 1,089 during the preceding year, which shows some improvement in inspection work. The break up of irregularities detected according to their nature is given below:—

Serial No.	Nature of irregularities.	No. of irregularities detected during	
		1957-58	1958-59
1	Employment of under-aged children ----	97	50
2	Non-maintenance or improper maintenance of registers -----	236	183
3	Non-display of abstracts -----	634	1,170
4	Others -----	114	92
5	Break-up not available -----	8	-
	Total.	1,089	1,495

Rectification of Irregularities.— Out of a total of 1,495 irregularities detected, 875 were rectified during the year under review; 745 or 85.2 per cent were rectified within 3 months; 71 or 8.1 per cent within 3 to 6 months; 29 and 30 (each 3.3 percent and 3.4 per cent) within 6 to 9 months and 9 to 12 months respectively and a balance of 620 or 41.4 per cent of the total irregularities remained pending at the end of the year 1958-59.

(Indian Labour Journal, Vol. I, No. 10,  
October 1960, pp. 1089-1090).

56. Labour Administration.

India - October 1960.

Orissa: Disregard for Labour Laws in Hindustan Steels:  
Minister's Statement.

Shri Raj Ballav Misra, Labour Minister, Orissa, told the State Assembly on 27 October 1960, that the authorities of the Hindustan Steel Ltd. had admitted a number of violations of labour laws in the Rourkela steel plant pointed out by the Orissa Labour Commissioner in a preliminary report after an inquiry, (vide section 56, pp. 84-85 of the report of this Office for July-August 1960).

The Minister laid a copy of the report on the table of the House in reply to a question.

The report said: "Broadly speaking, labour legislation in this new factory has so far been treated with scant respect. The Factories Act has continued to be disregarded in several respects, the prescribed limit of working hours is not observed, weekly holidays are not granted nor the overtime paid for. Display of factory notices are exceptions rather than the rule."

The Minister said the report of the Labour Commissioner was discussed at the last meeting of the State Evaluation and Implementation Committee which was a sub-committee of the State Labour Advisory Board. The Hindustan Steel Ltd. asked for one month's time for rectification of the defects pointed out in the report which was given "compliance" report, he added, was received from the Hindustan Steel Ltd. and it was now under examination. This was likely to be considered by the next meeting of the State Evaluation and Implementation Committee and thereafter by the State Labour Advisory Board.

Details of Violations.- Giving details of violations of labour laws, the report said that the pump house of the Hindustan Steel Ltd., which was meant for pumping water from the River Brahmani, was a factory under the provisions of the Factories Act. Neither the establishment had been registered under the Factories Act nor were the provisions of law followed in certain respects.

Adult workers in the establishment were found to have been working for more than 48 hours in a week. They were also allowed to work on weekly off days.

Though the Act prohibited the employment of women beyond 7 p.m., the pump house continued to work three shifts with women workers engaged to work in each shift.

A good number of workers, both skilled and unskilled, whose names were borne in the muster roll, had complained that they were made to work on all days of the week without payments of overtime wages. Besides, during the last rainy season they were made to work overtime for which no payment was ever made to them, the report ~~said~~ added.

Workmen employed in the blast furnace department which comprised of three units - pig casting machine, blast furnace and gas cleaning plant - were not provided with suitable goggles to avoid risk of injury to their eyes from particles or fragments of molten iron thrown off in the course of processing. The workmen employed ~~in this process~~ were not supplied in this process and in similar other processes were not supplied with safety dresses nor boots as a means of protection to their limbs against the burning heat of the furnace.

Dealing with industrial relations in the steel project, the report said: "One of the sources of friction between labour and management is inadequate implementation and enforcement of labour enactments, awards and agreements. In the recent past some of the causes of the industrial strife can be traced to the fact of non-implementation of various laws."

A consultative machinery or works committee, which could effectively reduce the extent of industrial unrest, had not yet been created in the rapidly expanding steel plant. The management had not so far taken any step for the creation of a grievance ~~process~~ machinery and had formulated their own grievance procedure in the light of one envisaged under the code of discipline in industry.

The report said: "The management's apathetic attitude towards the State conciliation machinery and lack of interest, shown during the course of the conciliation proceedings in matters of resolution of conflicts, has resulted in the failure of almost all the conciliation proceedings so far undertaken."

(The Hindustan Times, 29 October 1960),

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Assam: Annual Report of the Administration of the  
Plantations Labour Act, 1951, for the Year ended  
31 December 1959.

The Government of Assam published on 28 September 1960 its report of the administration of the Plantations Labour Act, 1951, for the year ending 31 December 1959. A brief account of the report is given below.

General.— During the year, steps were taken to amend the rules relating to provision of housing facilities with a view to make the repair and maintenance of existing houses obligatory and clearly define the requirement to build 8 per cent houses annually.

The labour officers and labour inspectors visited as many as 199 estates during the year and the Chief Inspector visited 29 estates. The defects and deficiencies noted were communicated to the managements concerned in all cases. In respect of the other estates also, the deficiencies as per the annual returns were carefully checked and brought to the notice of the employers. Prosecution was ordered in 10 cases; but proceedings in respect of 2 cases were subsequently withdrawn as a result of an agreement with the Union whereby the employer undertook to remove the deficiencies within a stipulated period. The other cases were pending before the Court for disposal.

The number of tea plantations covered under the Act stood at 666 (with 329 out gardens). At the time of compilation, annual returns were received from 610 estates. Reminders were issued to the remaining 56 estates to expedite submission of their returns.

Employment.— The following table indicates the district-wise break up of estates and the average daily employment:—

Districts	No. of estates.	Average daily Labour on books			
		Men	Women	Minors	Total
Sibsagar and Mikri Hills.--	215	66,946	70,411	12,305	149,662
Lakhimpur --	209	73,363	86,059	16,264	175,686
Darrang --	95	40,444	41,051	6,084	87,559
Cachar --	106	31,462	27,869	4,426	63,757
Coalpara --	9	1,871	1,981	111	3,963
Nowgong --	19	7,541	7,341	1,383	16,265
Kamrup --	13	2,138	1,984	253	4,375
Total.	666	223,765	236,676	40,826	501,267

The above figures do not include staff and artisans as the returns in this respect do not appear to have been correctly filed up and as such are not comparable.



Housing.- The following table indicates the position in respect of 610 estates from which returns were received:-

Statement showing the progress of construction of houses during 1959  
(610 Estates)

Districts	Total resident population.	No. of families.	No. of houses constructed		
			Pucca	Semi-pucca	Cutchha
Sibsagar and Mikir Hills.	283,887	59,333	1,861	614	494
Lakhimpur	333,318	80,260	4,126	1,016	727
Darrang	175,452	36,466	1,727	351	242
Nowgong	29,408	5,921	231	70	14
Goalpara	8,105	2,168	52	-	28
Kamrup	6,414	1,557	41	-	-
Cachar	182,218	38,717	228	122	605
Total.	1,019,802	224,422	8,254	2,173	2,110

Including Kutchha and semi-pucca, the total number of houses constructed during the year comes to 12,433 only as against approximately 18,000 houses at the rate of 8 per cent per annum. This vast difference is accounted for by the slow rate of progress recorded in the Cachar district as a whole and the proprietary concerns generally in the Assam Valley districts.

During the year, proposals were ~~formulated~~ formulated in regard to the standards and specifications of staff quarters employed on tea estates with a view to prevent construction of sub-standard houses.

Recreation facilities.- No information was available in respect of 67 estates. In 60 estates, there was no sort of provision for recreation. The estates are either too small, or the employers too impecunious. In 156 estates, no arrangements for indoor games provision for radio existed at the end of the year. However, in a large number of these estates, alternative in the shape of puja or 'nautah' houses and 'namghurs' existed. Moreover, exhibition of films at regular intervals was a common feature.

Medical facilities.- During the year, 13 new hospitals were constructed and 6 more hospitals were reported to be under construction. Improvements involving large scale renovation, construction of additional wards and departments, etc., were recorded in 66 cases. These improvements resulted in an addition of 303 hospital beds. The following additional wards and departments, etc., were recorded in 66 cases. These improvements resulted in an addition of 303 ~~more~~ hospital beds.

Hospital improvements were being carried out in 9 cases. Even so, at the end of the year, medical facilities fell short of the prescribed standard in the case of 221 estates. Excluding Central Hospitals, there were 472 garden hospitals with 12,309 beds and 154 dispensaries.

Creches.— The provisions relating to creche are applicable to estates employing 50 or more women workers. On this basis, 62 estates are not required to provide creche facilities. At the end of year, such facilities were still to be provided in 264 estates though in few cases, creches were reported to be under construction. Altogether 380 creches were reported to be functioning at the end of the year besides 752 shelters within the plantation areas. The number of creche attendants was reported to be 719.

Leave with wages.— In the 610 estates, altogether 482,319 workers were granted leave with wages during the year and the total number of days granted leave aggregated 5,051,906. A number of cases in which casual workers were being deprived of the leave facilities were detected, and the employers in all cases were directed to set the matter right.

Maternity Benefit.— Altogether 50,983 confinements were reported during the year. As many as 1,235 women were found to have worked for less than 150 days during the twelve months preceding confinement. A total of 1,082 claims were rejected and a total of 47,150 claims were paid; the cash benefit paid amounted to Rs. 4,302,530-22nP. only. Thirtysix women are reported to have died before confinement and 301 after confinement.

Sickness Benefit.— A total of 316,715 workers were granted sick leave and a total sum of Rs. 5,094,355-07nP. was paid as sick allowance.

Educational facilities.— The rules relating to educational facilities were brought into force by a notification, dated 10 March 1959. A few amendments of the rules empowering the state education department to exercise control and providing for an advisory board were also introduced. The first meeting of the Board was held on 1 August 1959 and the proposal to take over the garden schools by the Government was discussed in all its bearings. In the second meeting of the Board held on 24 September 1959 decisions were taken to introduce an curriculum prescribed by the school board in garden schools and ensure proper inspection of these schools and the early constitution of their managing committees.

To facilitate effective participation of the education department the school inspectorate was declared to be inspectors under the Plantation Labour Act.

At the end of the year, information regarding educational facilities was not available in respect of 162 estates. Fortyone estates were found to have made no provision for education on the estate. In all these cases children avail of the schools in the neighbourhood provided by local authorities.

Chapter 6. General Rights of Workers.

63. Individual Contracts of Employment.

India - October 1960.

Industrial Employment (Standing Orders)(Madras Amendment)  
Act, 1960 (Madras Act No. 24 of 1960).

The Industrial Employment (Standing Orders)(Madras Amendment) Bill, 1960 (vide page 90 of the report of this Office for April 1960) as passed by the Madras Legislature received the assent of the President on 21 October 1960 and has been gazetted as Madras Act No. 24 of 1960. The Act adds the following proviso to clause (c)2 of the Industrial Employment (Standing Orders) Act, 1946.

"Provided that the State Government may, in relation to industrial establishments in respect of which it is the appropriate Government, appoint, by notification in the Official Gazette, any officer subordinate to the Labour Commissioner to exercise, in such area as may be specified in the notification, the functions of a Certifying Officer under this Act, and any officer appointed as aforesaid may exercise those functions, whether or not the Labour Commissioner is absent."

(The Fort St. George Gazette, Part IV,  
Sec. IV, 2 November 1960, page 81).

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

India - October 1960.

Report on the Working of the Payment of Wages Act, 1936,  
in Railways during 1958-1959.

Introduction.- During the year 1958-59, payment of wages to all persons employed on railways, either directly or through contractors and drawing wages less than 400 rupees per month was regulated under the Payment of Wages Act, 1936. The Act primarily seeks to ensure regular and prompt payment of wages to the workers and to protect them against arbitrary deductions and fines. The present report deals with the working of the Act on Railways including Railway workshops and Railway Contractors' establishments (~~employment~~ employing 20 or more ~~work~~ persons daily on an average) during 1958-59. The number of Railway employees covered by the Act was about 1.138 millions during the period under review.

Enforcement Machinery.- The administration of the Payment of Wages Act on railways (other than railway factories) has been entrusted to the Central Industrial Relations Machinery headed by the Chief Labour Commissioner (Central), who together with one Deputy Chief Labour Commissioner (Central), 6 Regional Labour Commissioners (Central) and 19 Conciliation Officers (Central) functioned as Inspectors during the year 1958-59 for securing compliance with the provisions of the Act. However, much of the work was undertaken by 64 labour inspectors (central) who discharged this assignment under the guidance and direction of their respective Regional Labour Commissioners and Conciliation Officers. The Conciliation Officers carried out inspections in the course of their tours. The Regional Labour Commissioners occasionally checked some of the inspection work done by Labour Inspectors and Conciliation Officers.

Inspections and Irregularities.- During the year 1958-59, 6,316 inspections were carried out and 17,156 irregularities were detected; the corresponding figures for the previous year being 5,816 and 16,610 respectively. It will be noted that there had been no change in the ratio of irregularities to the inspections made in 1958-59 when compared with the previous year. The number of irregularities detected in the Transportation Establishments (9,796) was the highest (as in the previous year) accounting for 57 per cent of the total irregularities. The number of irregularities was the highest (2,976) in the Northern Region as against the highest number of irregularities detected (3,436) in the Southern Region last year.

Nature of Irregularities detected.- Most of the irregularities detected in the railway establishments ~~related~~ related to delayed payment and non-payment of wages. During the year under review, the percentage of such irregularities to the total was 65.2 as in the previous year. Irregularities regarding non-display of notices accounted for 15 per cent of the irregularities detected.

Rectification of Irregularities.- As against 43 per cent of the irregularities rectified during the previous year, 51 per cent of irregularities were rectified during the year under review. Out of a total of 8,800 irregularities rectified during the year, 4,484 (51.0 per cent) were rectified within three months, 2,324 (26.4 per cent) within 3 to 6 months, 1,208 (13.7 per cent) within 6 to 9 months and the remaining 784 (8.9 per cent) within 9 to 12 months.

Total Wages and Deductions.- Out of a total amount of 1,381.8 million rupees distributed as wages to 1.138 million persons in 1958-59, a sum of Rs.34,741.13 nP. was deducted on account of fines, Rs.121,041.71 nP. for damage to or loss of goods entrusted to the employees and a further sum of Rs.7,119.50 nP. was deducted for breach of contracts.

Claims.- During the period under review, as many as 1,066 claims applications were filed by individual workers, trade unions or inspectors. Of these claims, 944 (88.6 per cent) related to non-payment or delayed payment of wages and 122 (11.4 per cent) to unauthorised deductions. Of these, 217 were decided in favour of workers, 50 against them and 71 were withdrawn. A balance of 728 cases were pending at the end of the year.

Contractors' Establishments.- During the year under review, officers of the Industrial Relations Machinery inspected 593 contractors' establishments and detected 2,651 irregularities as against 643 establishments inspected and 3,240 irregularities detected in the previous year. Half of the irregularities were rectified during 1958-59 as against 69 per cent in the previous year.

Prosecutions.- Except in the Kanpur region, no prosecutions were launched for infringement of the provisions of the Act. Three railway contractors were prosecuted in the Kanpur region.

(Indian Labour Journal, Vol.I, No.10,  
October 1960, pp. 1088-1089 )

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The Payment of Wages(Bihar Amendment) Bill,1960.

The Government of Bihar published on 9 November 1960 the text of the Payment of Wages (Bihar Amendment) Bill introduced in the Legislative Assembly of the State on 7 November 1960. According to the Statement of Objects and Reasons of the Bill, the Standing Labour Committee recommended that the profit sharing bonus above a certain limit may be credited to Provident Fund Accounts of the employed persons or invested in National Savings Scheme. In order to implement the decision of the Committee it is considered necessary to amend the Payment of Wages Act, 1936 (IV of 1936). The present Bill seeks to achieve the said object.

The Bill seeks to add the following proviso to section 6 of the Payment of Wages Act, 1936:-

"Provided that where the amount of any bonus payable to an employed person under the terms of employment or under any award or settlement or order of a court, exceeds an amount equal to one-fourth of his earnings (exclusive of dearness allowance) for the year to which the bonus relates, such excess shall be paid to him or invested on his behalf in the manner prescribed."

(The Bihar Gazette, Extraordinary,  
9 November 1960, pp.1-2 )

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67. Conciliation and Arbitration.

India - October 1960.

Industrial Disputes in India during 1959.

The following statements present the simple index number of severity rates (1951 = 100) for the years 1957, 1958 and 1959 for manufacturing industries, plantations, coal mines and ports:-

(a) Manufacturing Sector.

Year	Total No. of man-days lost (in 000's).	Total No. of man-days worked (in 000's).	Severity rate of man-days lost per million of man-days available for work.	Index number of industrial unrest Base (1951 = 100).
1957 --	3,923	975,868	40.0	94
1958 --	4,046	973,684	41.3	97
1959 --	4,314	973,684 (a)	44.1	104 (b)

(b) Plantations.

1957 --	*360,682	514	14.2	887**
1958 --	*360,682	946	26.2	1,637**
1959 --	*360,682	136	3.8	237**

(c) Coal Mines.

1957 --	107,105	567	52.6	164
1958 --	111,574	255	22.8	71
1959 --	111,927	328	29.2	91

(d) Ports.

1957 --	16,631	51	30.6	112
1958 --	16,925	702	447.0	1,637
1959 --	16,925(a)	26	15.3	56(b)

(a) As the figures of man-days worked for 1959 are not available, 1958, figure has been repeated.

(b) This is only an estimate vide (a) and hence provisional.

\* As the figures of man-days worked for 1957-59 are not available, 1956 figures for man-days worked for All-India have been repeated.

\*\* These are only estimated vide (\*) and hence provisional.



It may be noted that the figures of 1957, 1958 and 1959 are not strictly comparable with those for earlier years because of the change in the geographical coverage of the statistics of workstoppages. Prior to 1957, the statistics used to cover only the Part 'A' States and Delhi and Ajmer, whereas since 1957 the coverage has been extended to all-India.

From the values of severity rates it would appear that the industrial relations in the manufacturing sector showed gradual deterioration during the period 1957-59. In Plantations and Ports, the situation had improved markedly in 1959 as compared to the preceding two years. Industrial relations in Coal Mines in 1958 had shown marked improvement over 1957. It, however, deteriorated slightly in 1959.

The following table shows details regarding industrial disputes for all sectors Statewise during 1958 and 1959:-

NUMBER OF DISPUTES, WORKERS INVOLVED, MAN-DAYS LOST AND SEVERITY RATES, BY STATES, 1958 and 1959.							
State	1959			1958			Man-days lost per Million of man-days available for work (Manufacturing Industries only).
	No. of disputes.	No. of workers involved.	No. of man-days lost.	No. of disputes.	No. of workers involved.	No. of man-days lost.	
Andhra Pradesh --	90	42,405	334,794	59	25,121	99,742	9.8
Assam --	27	15,019	39,918	24	17,826	67,132	-
Bihar --	127	47,288	323,888	138	86,237	977,110	143.3
Bombay --	299	199,681	664,244	254	226,160	1324,741	25.9
Jammu & Kashmir--	9	443	3,101	2	440	4,560	*
Kerala --	128	35,402	293,262	209	109,479	1073,753	92.1
Madhya Pradesh --	67	15,555	200,302	60	18,069	151,300	22.3
Madras --	200	86,788	1053,267	237	90,765	742,964	74.3
Mysore --	78	56,274	311,265	72	41,745	416,260	70.2
Orissa --	10	13,757	454,827	12	8,490	156,268	87.1
Punjab --	21	4,258	11,479	14	3,956	10,148	0.2
Rajasthan --	29	7,320	103,427	25	6,491	78,512	2.1
Uttar Pradesh --	80	14,817	152,900	101	15,910	114,942	8.1
West Bengal --	330	142,767	1642,735	269	267,706	2536,247	63.5
Andaman & Nicobar Islands. --	4	1,730	5,013	2	2,126	19,188	-
Delhi --	26	8,780	27,966	44	10,603	20,264	5.4
Himachal Pradesh--	1	110	660	-	-	-	-
Tripura --	5	1,222	10,100	2	442	4,454	-
<b>Total.</b>	<b>1,531</b>	<b>693,616</b>	<b>5633,148</b>	<b>1,524</b>	<b>928,566</b>	<b>7797,585</b>	<b>41.3</b>

\* Figures of man-days worked not available.

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It may be seen that the number of disputes increased slightly in 1959 as compared to 1958, i.e., by 0.5 per cent, but there was decrease in the number of workers involved and man-days lost by 25.3 per cent and 27.8 per cent respectively. As would be expected, there was also a fall in the average time-loss per dispute, average number of workers involved per dispute and average duration of disputes in 1959, the details of which are given below:-

Item	1958	1959
1. Average time-loss per dispute (Man-days)--	5,117	3,679
2. Average number of workers involved per dispute --	609	453
3. Average duration of disputes (Days) --	8.4	8.1

In 1959, West Bengal, Bombay, Madras and Kerala together accounted for 62.5 per cent of the total number of disputes, 67.0 per cent of the total number of workers involved, and 64.9 per cent of the total number of man-days lost. The average time-loss per dispute was the highest in the State of Orissa (45,483 man-days). As compared to 1958, the States of Andhra Pradesh, Madhya Pradesh, Madras, Orissa, Punjab, Rajasthan, and Uttar Pradesh and Union Territories of Delhi, Himachal Pradesh and Tripura registered higher time losses during the year 1959.

The severity rates for the manufacturing industries sector for 1958 by States are presented in the last column of the table. Similar figures for 1959 could not be calculated because of non-availability of State-wise figures for man-days worked during the year. It will be seen that during 1958 taking all the States together 413 man-days per 100,000 man-days available for work in manufacturing industries were lost. The rate was highest in Bihar (1,433). It will be observed that in the State of West Bengal which recorded highest time-loss, the severity rate was actually lower than in Bihar, Kerala, Madras, Mysore and Orissa which recorded comparatively lower time-loss.

Out of 1,531 disputes reported during the year, lock-outs were declared at some stage or other in 111 cases involving 66,727 workers, with a time-loss of 1,981,276 man-days. It will be observed that the disputes in which lock-out was declared at any stage accounted for 35.2 per cent of the total time-loss in all industrial disputes during the year 1959. Although by number they formed only 7.3 per cent, the average time-loss per dispute of this type was 17,849 man-days against the average time-loss of 2,572 man-days per strike. The highest number of lock-outs was reported from West Bengal which accounted for 34.5 per cent of the total time-loss due to lock-outs. However, the maximum time-loss due to lock-outs was recorded in Madras though there were only 14 such work-stoppages. In 1959, there was no lock-out in Assam, Madhya Pradesh, Orissa, Rajasthan, Tripura, Andaman and Nicobar Islands and Himachal Pradesh. The average time-loss per lock-out increased in Andhra Pradesh, Kerala, Madras, Mysore, Punjab, Uttar Pradesh and Delhi, it decreased in other States.

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**Analysis by Industries.-** The Manufacturing sector accounted for 76.6 per cent of the total time-loss during the year 1959. Among other sectors, Mining and Quarrying accounted for 10.9 per cent of total time-loss, Transport and Communications accounted for 3.2 per cent; Construction 2.5 per cent; Agriculture, Forestry and Fishing 2.4 per cent; Electricity, Gas, Water and Sanitary Services 1.8 per cent; Activities not Adequately Described 0.9 per cent; Commerce 0.9 per cent; and Services 0.8 per cent. In the Manufacturing sector, highest time-loss was recorded by Cotton Mill industry, followed by Cement, Jute Mills and Silk Mills industries. About 54 per cent of the total time-loss in the Mining Quarrying Group was recorded in Coal Mines. As compared to the preceding year, the time-loss increased in Manufacturing sector, Commerce and Services groups. It decreased in other major groups of industries.

The severity rate (man-days lost per 100,000 of man-days available for work) in the Manufacturing sector was 413 as compared to 262 in Plantations, 228 in Coal Mines and 4,471 in Ports. Among the Manufacturing industries, it was highest in the Iron and Steel (2,013). The rate was also high in Beedi Industry(1,308), Hyderabad Oil Industry (1,104), Cotton Mills (965), and in Coir Factories (940). The rate was lowest in Cigarette Industry(16).

**Analysis by causes.-** For classifying the work-stoppages involving a number of causes and demands according to the specified categories ~~xxxxxx~~ of causes, the immediate cause leading to the work-stoppage is taken into account. If there are a number of immediate causes, the most important among them is taken into account. The statistics of industrial disputes, classified by causes as above, for the year 1958 and 1959 are shown below:-

Cause	1959			1958		
	No. of disputes.	No. of Workers involved.	No. of Man-days lost.	No. of Disputes.	No. of Workers involved.	No. of Man-days lost.
Wages & Allowances ---	405	138,009	1,054,611	464	340,608	3,100,576
Bonus ---	153	96,941	512,027	173	115,209	1,046,921
Personnel ---	382	142,883	1,346,795	443	204,921	2,191,225
Retrenchment ---	53	13,471	263,105	56	14,879	102,140
Leave & Hours of Work=	55	26,124	29,173	47	23,856	74,811
Others ---	444	261,160	2,331,438	331	227,133	1,275,846
Not Known ---	39	15,028	115,999	10	1,960	6,066
<b>Total.</b>	<b>1,531</b>	<b>693,616</b>	<b>5,533,143</b>	<b>1,524</b>	<b>928,566</b>	<b>7,797,585</b>

Disputes relating to 'Wages and Allowances' were highest in number followed closely by those relating to 'Personnel'. They together formed, in relation to the cases for which relative information was available, 52.6 per cent of the disputes, 41.4 per cent of total workers involved and 43.5 per cent of total man-days lost. The corresponding percentages for 1958 under the same causes were 59.7, 59.0 and 67.9 respectively. It will be seen that there was a decrease in the percentages of disputes, workers involved and man-days lost due to 'Wages and Allowances' and 'Personnel' in 1959 as compared to 1958.

The proportion of the disputes and workers involved relating to 'Bonus', 'Retrenchment' and 'Leave and Hours of Work' remained more or less the same in both the years. The percentage of man-days lost relating to 'Bonus' decreased and that due to 'Retrenchment' increased in 1959 as compared to 1958.

Analysis of Results.- The statistics of disputes which terminated during the year are shown in the table below, classified according to results. For the purpose of these statistics, result is judged from the point of view of employees i.e. to what extent their demands were met.

Result	1959			1958		
	No. of disputes.	No. of Workers Involved.	No. of Man-days Lost.	No. of Disputes.	No. of Workers Involved.	No. of Man-days Lost.
Successful ----	329	126,888	850,262	470	142,884	1,453,311
Partially Successful	195	58,838	713,536	232	129,068	1,395,200
Unsuccessful ----	448	258,883	1,413,884	409	194,311	1,799,200
Indefinite ----	416	191,605	1,776,351	346	443,631	3,200,094
Not Known ----	106	27,546	527,928	33	11,833	35,241
Total.	1,494	663,760	5,281,961	1,490	921,727	7,883,046

Of the total number of terminated disputes in 1959 for which relevant information was available, 23.7 per cent were successful, 14.0 per cent were partially successful and 32.3 per cent were unsuccessful from the point of view of employees. In 30.0 per cent of the disputes, work was resumed without any final decision having been reached. In such cases the matter might have been under further negotiation or under reference to an industrial tribunal, etc. As compared to the previous year, the percentage of disputes which were successful and partially successful decreased and that for unsuccessful cases increased. The percentage of workers involved and time-loss in unsuccessful disputes increased from 21.4 and 22.9 in 1958 to 40.7 and 29.7 respectively in 1959. The percentage of the number of workers involved decreased sharply in case of 'Indefinite' cases as compared to the year 1958.

Analysis by duration.- About 67 per cent of the work-stoppages which terminated in 1959 and for which relevant information was available lasted for not more than 5 days each. The disputes continuing for a month or more accounted for only about 9.7 per cent of all disputes for which relevant information was available. The percentages of disputes with durations 'a day or less', 'more than 5 days upto 10 days' and 'more than 30 days', increased in 1959 as compared to 1958. There was decrease in

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the percentages relating to the groups 'more than a day upto 5 days' and 'more than 10 days upto 20 days'.

Analysis by normal employment size of unit affected.- About 64.7 per cent of the disputes involved units employing 100 or more workers during the year under review. The units employing 1,000 or more workers were responsible for about 21.1 per cent of disputes, involving 70.5 per cent of total workers and 61.0 per cent of total time-loss.

Analysis by method of settlement and results.- The disputes which terminated as a result of Government intervention formed 39.5 per cent of ~~the~~ the total for which relevant information was available. About 25.6 per cent of the total number of disputes terminated through mutual negotiation and in 34.9 per cent of the disputes the workers had resumed their duties voluntarily. Most of the cases of voluntary resumption of work by the employees were unsuccessful ~~or~~ indefinite from the point of view of workers, ~~and~~ whereas a large proportion of disputes terminating through conciliation and mediation by Government was successful or partially successful from the point of view of employees. In the case of disputes terminating through mutual settlement also, a large proportion was successful or partially successful from the point of view of workers.

Analysis by workers involved and time-loss.- A large number of disputes constituting 77.9 per cent of the total for which the relevant information was available, involved less than 500 workers. Only 10.8 per cent of work-stoppages involved 1,000 or more workers. ~~Only~~ More of these work-stoppages accounted for larger time-losses, as ~~compared~~ be normally expected. About 92.6 per cent of the work-stoppages accounted for a time-loss of less than 10,000 man-days. Only 1.2 per cent of the disputes resulted in a time-loss of 50,000 or more man days.

Analysis of disputes in central sphere undertakings.- In this sphere, the Industrial Relations Machinery of the Central Government is the competent authority for intervention in the events of industrial unrest. This includes all Central Government Establishments, Ports, Banks and Insurance Companies, Mines and Oil Fields. Disputes in this sphere accounted for 19.9 per cent of the total number of disputes, 19.7 per cent of the total number of workers involved and 15.1 per cent of the total number of man-days lost. During the preceding year these percentages were 18.7, 23.4 and 20.0 respectively. During the year under review, 47.5 per cent of the total disputes in the Central Sphere occurred in the Mining sector involving 65.3 per cent of the total number of workers involved and 71.8 per cent of the total man-days lost in the central sphere. Although in the Banking and Insurance Sector the number of disputes were significant, the number of workers involved and man-days lost were comparatively low. As compared to the preceding year, both the number of disputes and time-loss increased significantly in Banks and Insurance Companies.

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In Ports although the number of disputes increased significantly, there was a sharp fall in the time-loss. In other sectors, the variation in the number of disputes and time-loss was not so marked.

Analysis of disputes according to the affiliation of the Workers' Union to the Central Organisation of Workers.- Nearly 46.2 per cent of the disputes and 53.8 per cent of the total man-days lost were accounted for by the All-India Trade Union Congress. The Indian National Trade Union Congress and the Hind Mazdoor Sabha followed next.

Analysis of disputes by wages and production lost.- The information regarding wages and value of production lost is incomplete. Out of 1,531 disputes in 1959, the relevant information was available only for 1,002 and 751 cases respectively. In these cases, there was a wage-loss of 12.3 million rupees and a loss of production amounting to about 69.3 million rupees.

( Indian Labour Journal, Vol.1, No.10,  
October 1960, pp. 1063-1083 )

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CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES  
OF WORKERS.

INDIA - OCTOBER 1960.

71. Employees and Salaried Intellectual Workers.

Madras: Revised Salary Scales for Teaching Staff  
employed by Local Bodies.

The Government of Madras has passed orders revising the scales of pay for various posts in the service of municipalities and other local bodies. The revised scales take effect from 1 June 1960.

Rates of dearness allowance for the posts will be the same as are applicable to Government servants under the recently revised scales.

The Government has also revised the quantum of grants-in-aid payable for teachers in schools under private managements.

In the case of aided secondary schools, the Government has directed that they should adopt the scales prescribed for teachers of the corresponding category in the service of local bodies.

With regard to headmasters of secondary schools under private managements, it has revised the scales as Rs.225-15-375 in the case of schools with 24 sections or less, and Rs.300-15-450 for those in charge of schools with 25 sections and more.

The revised scale of pay for the lower elementary grade teachers is Rs.55-1-70 and for the higher grade ~~xxxxxx~~ trained teachers Rs.65-1-70-2-90.

(The Hindu, 12 October 1960).

74. Indigenous Labour

India - October 1960.

Evaluation Multi-purpose Tribal Blocks:  
Elwin Committee's Report.

The five-member Committee with Dr. Verrier Elwin, the noted anthropologist as chairman, set up to study the working of 43 special multi-purpose tribal blocks to determine among other things, whether development was on right lines and at an adequate pace, has reported that there is a new sense of integration with India as a whole and a growing awareness among the tribals of their status as citizens of a great country.

"Suspicion of the outside world, doubts about the intentions of the Government and the tendency to shrink within themselves in fear of the outsider have disappeared or are disappearing rapidly among the tribes", says the committee.

The committee says "it looks forward to a casteless, classless and triballess society" - to the day when "it will be no longer necessary to use the word 'tribal' at all."

At present, however, it should be ensured that the tribals get their rights and are built up into a "position of sufficient strength, confidence and knowledge to enable them to stand on equal terms with the rest of the population".

Of many tribal problems, says the committee, the greatest of all is poverty.

The committee feels that the present experiment of selecting some specially backward tribal areas for all-sided improvement has been sufficiently successful to justify its extension.



Special Assistance.- Some special assistance will have to be given to special tribal block areas for 15 to 20 years. It might require 300 million rupees to cover all tribal areas with the special blocks. About 300 blocks would be needed.

The entire tribal areas, says the committee, should go forward together, not piecemeal. There should be much greater attention to real priorities such as agriculture, health and communications. It would be better to spread the resources over a wider area than to concentrate them on pockets which may be wrongly selected.

"At the same time", the committee says, "much more attention should be paid to such fundamental problems as ownership of land, amendment of the local forest rules, revival of tribal self-government, relief of indebtedness and the correct approach to the people".

The committee states that the aim should be to ensure that every tribal has at least  $2\frac{1}{2}$  acres of wet or five acres of dry land which he can cultivate. In the establishment of colonies or in any scheme of settlement this should be regarded as the absolute minimum.

Referring to health services, the committee says that a certain period of service in a tribal area should be made a condition for all doctors for promotion, crossing the efficiency bar or for being sent to a higher service in India or abroad.

(The Statesman, 17 October 1960).

## CHAPTER 8. MANPOWER PROBLEMS.

INDIA - OCTOBER 1960.

### 81. Employment Situation.

#### Employment Exchanges: Working during July 1960.

*The number of registrations affected*

General employment situation.- According to the Review of the activities of the Directorate-General of Resettlement and Employment during the month of July 1960, a substantial rise was observed in the tempo of employment exchange activity as compared to the previous month, was 310,825 which was 50,555 more than the figures for June 1960. This was due to the continued effect of the strikes by the Central Government employees and the coming into force of the Employment Exchanges (Compulsory Notification of Vacancies) Act. This increase was also attributed, on the one hand, to the heavy rush of applicants desirous of submissions against the strike vacancies, and, to the seasonal influx of applicants after the declaration of the Matrioulation and other examination results, on the other. As a result of the increase in registrations, the Live Register recorded a rise of 101,637 and stood at 1,563,562. The number of employers using the employment exchanges rose from 8,953 in June 1960 to 9,209 in July 1960. A total of 51,303 vacancies were notified showing a rise of 9,847. The increase was primarily accounted for by the Central Government establishments which notified 15,434 vacancies in July 1960 as against 8,279 in June 1960. Placements during July 1960 were 28,869, this being 447 more than during June 1960.

During the month under report, improvement was observed in the employment situation in the States of Assam, Bihar, Gujarat, Madras, Madhya Pradesh, Orissa, Punjab, Uttar Pradesh, and West Bengal, while a moderate set back was reported in the State of Maharashtra. No significant change was reported in the State of Andhra Pradesh.

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Shortages and Surpluses.- Shortage was reported in respect of fast typists, stenographers, nurses, midwives, trained teachers, draughtsmen, compounders, engineers, doctors, overseers, electricians, librarians, physical training instructors and skilled turners. On the other hand surpluses persisted in respect of clerks, unskilled labourers, motor drivers and applicants for posts of peons and chowkidars.

Collection of Employment Market Information.- Employment Market Reports relating to the areas of Cuttack, Kanpur, Nagpur, Asansol, Bangalore and Delhi were issued during the month.

Reports on the public sector in Kerala State for the quarter ended June 1959 and in Madhya Pradesh for the quarter ended December 1959 were also issued.

Vocational Guidance and Employment Counselling.- One Vocational Guidance Section was opened at Madurai bringing the total of Vocational Guidance Sections to 46.

Development of Retrenched Workers.- The Central Coordinating Unit ~~rendered~~ rendered employment assistance to retrenched workers in various projects/establishments during July 1960 as below:-

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	<u>No. of</u> <u>retrenched.</u>	<u>No. of</u> <u>Placed.</u>	<u>No. Awaiting</u> <u>Assistance.</u>
Damodar Valley Corporation -----	5	105	342
Bhakra Nangal Project -----	-	-	18
Special cell of Ministry of Home Affairs.107		41	305

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Employment Exchange Procedure.- Instructions on the under-mentioned subjects connected with Employment Exchange policy and procedure were issued during July 1960:-

(a) Registration of ex-trainees.- Employment Officers were specially required to get into touch with Principals of Training Centres in their jurisdiction and make suitable arrangements for meeting the trainees who are completing their training and ~~registering them~~ registering them. Any difficulties anticipated or experienced in this connection were to be promptly reported to the State Director.

(b) Age and fee concessions to Displaced Persons from Pakistan and unliberated areas of Jammu and Kashmir.- Ministry of Home Affairs had issued orders to the effect that age and fee concessions admissible to Displaced persons from Pakistan and from unliberated areas of Jammu and Kashmir would continue upto 31 December 1961. Ministry of Railways (Railway Board) decided that these concessions would be applicable to these categories of persons in respect of recruitment to Railways also.

(c) Placement of Physically Handicapped Persons.— In addition to the Special Employment Office for physically handicapped persons already functioning at Bombay, it has been decided that all employment exchanges should consider placement of physically handicapped persons as a special responsibility and that efforts should be made to fit such persons into suitable employment. It was suggested that if the number of physically handicapped persons approaching an employment exchange was appreciable, attempts should be made to set up a panel of Doctors/Specialists so that the disability and the functional capacity of the applicants could be assessed.

It was decided by Government of India that an actual relaxation of health standards in the case of handicapped persons was not technically possible. However, the handicapped persons sponsored by the Special Employment Officer for appointment in posts under Government should not be subjected to the usual medical examinations on initial appointment but the question of their employment should be based on the report of the Medical Board attached to the Special Employment Office.

(d) Inclusion in the Live Register of all Indians trained abroad whose particulars are recorded in the National Register of Scientific and Technical Personnel.— All the persons enrolled in the Special Section of the National Register of Scientific and Technical Personnel are being treated by Government as "Personnel contact candidates" for posts advertised by the Union Public Service Commission and by most of the State Public Service Commissions. With a view to utilise the services of these persons in Government posts which are not filled through Public Service Commissions and for posts in public undertakings etc., it was decided that ~~such~~ Indians trained abroad should be given full employment assistance by exchanges. Necessary instructions for observance at all employment exchanges were drawn up and issued. According to these instructions the Indians trained abroad whose particulars are included in the classified lists issued by the C.S.I.R. should be considered as being on the Live Register of all employment exchanges.

(Review of the Activities of the Directorate-General of Resettlement and Employment during the Month of July 1960; Ministry of Labour and Employment, Government of India, New Delhi )

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83. Vocational Training.

India - October 1960.

Labour Ministry's Training Scheme: Working during July 1960.

According to the Review of the activities of the Directorate-General of Resettlement and Training during the month of July 1960, there were 155 institutes for training of craftsmen, 5 orientation centres for educated unemployed, 68 undertakings imparting apprenticeship training, and 11 centres holding evening classes for industrial workers. The total number of seats in all these centres and undertakings was 40,647 whereas the total number of persons undergoing training stood at 23,400.

Stores and Equipment.— Russian equipment worth 6,800 rupees was reported to have been received under the U.N.T.A.A.(I.L.O.) Aid Programme during the month. The total value of aid received upto July 1960 is 1,55,600 rupees.

(Review of the Activities of the Directorate-  
General of Resettlement and Employment for  
the Month of July 1960: Ministry of Labour  
and Employment, Government of India,  
New Delhi )

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## Chapter 9. Social Security

### 93. Application

India - October 1960

#### Special Fund set up to help Subscribers to Employees' Provident Fund.

The Government of India has constituted a special reserve fund of 2 million rupees, under the Employees' Provident Fund Scheme, to help subscribers or their nominees in the event of employers failing to pay in full the provident fund accumulations in the subscribers' accounts.

The sum has been transferred to the special reserve fund from the reserve and forfeiture account of the employees' provident fund.

Detailed instructions have been issued by the Government to the Central Provident Fund Commissioner as to how the special reserve fund is to be operated.

The fund will be utilised for making payments to outgoing members or their nominees or heirs, if provident fund contributions were actually deducted from the members' wage but were not deposited or were only partly deposited by their employers together with their own corresponding contributions. In such cases when payment becomes due the member or his nominee, or heir, as the case may be, shall immediately be paid from the employees' provident fund the entire amount already received from the employer in his account, together with interest thereon.

Payment of the balance due to the member from the special reserve fund will be regulated as follows:

(I) 50 per cent of the balance due shall be paid to the member or his nominee or heir from the special fund.

(II) Another 25 per cent of the balance due shall be paid to the member or his nominee or heir on recovery of 50 per cent of the provident fund contributions recoverable from the employer.

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(III) Payment towards the remaining 25 per cent of the balance due shall be made in proportion to the recovery of the remaining 50 per cent of the provident fund contributions recoverable.

(IV) Interest payable on the instalments paid, as stated above, will be paid at the usual rates along with the last instalment, provided that adequate amount of damages has been recovered from the employer.

Payments from the special reserve fund, for the present, will be restricted to the following cases only: On retirement on superannuation of a subscriber at or after 55 years; on the death of the subscriber; and in the case of total and permanent disability of a subscriber certified by a medical board set up by the board of trustees of the employees' provident fund or by an authority decided upon by the board of trustees.

The special reserve fund shall be operated upon as an imprest and as soon as the arrears, against which payment has been made from the fund, have been recovered from the employers, such amounts shall be paid back into the special reserve fund.

(The Hindustan Times, 3 October 1960).

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LIST OF PRINCIPAL LAWS PROMULGATED DURING THE  
PERIOD COVERED BY THE REPORT FOR OCTOBER 1960.

INDIA - OCTOBER 1960.

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The Minimum Wages (U.P. Amendment) Act, 1960 (U.P. Act No. XX of 1960):  
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Act, 1960 (U.P. Act XVII of 1960): (Government Gazette of the  
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Industrial Employment (Standing Orders) (Madras Amendment) Act, 1960  
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