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INTERNATIONAL LABOUR OFFICE
INDIA BRANCH

Industrial and Labour Developments in November-December 1960

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

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - NOVEMBER - DECEMBER 1960.

11. Political Situation and Administrative Action.

U.P.: New Ministry formed.

In Uttar Pradesh, consequent upon the Ministry headed by Dr. S. Sampurnanand having resigned, a new Ministry with Shri C.B. Gupta as Chief Minister has been sworn into office. In the new Ministry, Shri Gupta, the Chief Minister, is in charge, inter alia, of the portfolio of Labour.

(The National Herald, 8 December 1960).

12. Activities of External Services.

India - November - December 1960.

Meetings

During November-December the Director participated in the following meetings:

- (a) Regional Training Course on Social Security Administration New Delhi on 1 November 1960.
- (b) Advanced Management Programme held in Bangalore on 15 November 1960.
- (c) Conference of Indian Industrial Leaders held in New Delhi on 16 December 1960.

Visitors

Among visitors to the Office during the period of review were: Mr. Leo Werts, Man Power Consultant to the Government of India, Mr. P.K.J. Menon, General Manager of Delhi Transport Undertakings, Messrs. Mukherjee and Chakravarty of Indian Chemical Industries, ILO experts Messrs J.H. Louwerse, A.S. Stugarev and N.M. Shaydo and Messrs E.R. Wynne-Robberts and A. Ali from ILO Headquarters.

CHAPTER 2. INTERNATIONAL AND NATIONAL
ORGANISATIONS

INDIA - NOVEMBER-DECEMBER 1960

25. Wage-Earners' Organisation

The Indian Trade Unions (Amendment) Act, 1960
(No. 42 of 1960)

The Indian Trade Unions (Amendment) Bill (vide pages 9-10 of the report of this Office for July-August 1960) as passed by Parliament (vide pages 19-20 of the report of this Office for September 1960) received the assent of the President on 21 September 1960 and has been gazetted as Act No. 41 of 1960.

The main amendments made to the Indian Trade Unions Act, 1926, are:

(1) The appropriate government is empowered to appoint as many Additional and Deputy Registrars of Trade Unions as it thinks fit for the purpose of exercising and discharging, under the superintendence and direction of the Registrar, such powers and functions of the Registrar under this Act as it may, by order, specify and define the local limits within which any such Additional or Deputy Registrar shall exercise and discharge the powers and functions so specified.

(2) Where an application has been made for the registration of a Trade Union, such application shall not be deemed to have become invalid merely by reason of the fact that, at any time after the date of the application, but before the registration of the Trade Union, some of the applicants, but not exceeding half of the total number of persons who made the application, have ceased to be members of the Trade Union or have given notice in writing to the Registrar dissociating themselves from the application.

(3) The Trade Union should prescribe in its rules a minimum membership fee of 25 naye Paisa per month.

(4) For the purpose of examining the returns made to trade unions, the Registrar, or any officer authorised

by him, by general or special order, may at all reasonable times inspect the certificate of registration, account books, registers, and other documents, relating to a Trade Union, at its registered office or may require their production at such place as he may specify in this behalf, but no such place shall be at a distance of more than ten miles from the registered office of a Trade Union.

(The Gazette of India, Extraordinary,
Part II, Sec I, 22 September 1960,
pp. 567-570).

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25. Trade-Union Organisations.

India - November - December, 1960.

Annual General Meeting of Hind Mazdoor Sabha, Calcutta,
24-27 December 1960: Removal of Discrimination between
Private and Public Sector Employees demanded.

The ninth annual general meeting of the Hind Mazdoor Sabha was held at Calcutta from 24 to 27 December 1960. Shri Deven Sen, President of the Sabha, presided. The meeting among others, passed a resolution demanding the removal of discrimination in treatment to labour in the private and public sectors by uniform application of labour legislation, codes and tripartite discussions.

President's address: Shift in Government policy alleged.-
Shri Deven Sen, in his presidential address called upon the working class to resist with all its strength the "contemplated Government offensive" against trade union rights secured through suffering and sacrifice. Another important task before the working class, he said, was to carry forward the struggle, begun by the Union Government employees, to realize the demand for a "need-based" minimum wage and for a dearness allowance fully neutralising the rise in prices.

The strike by Central employees was the biggest ever in India and the repression they faced was the severest, he said. There was a threat to ban strikes in essential services. Freedom of association and the right to strike were being sought to be denied. The conclusion seemed inevitable that there had been a shift for the worse in the Government's labour policy. In any case, the faith of the working class in the Government had been shaken and a wall of distrust raised between the Government and its employees.

Code of Discipline.- The Hind Mazdoor Sabha, he added, had accepted the code of discipline and was anxious to implement it. But there were defects in the code which should be removed. It had not been made applicable to the public sector.

"The tendency on the part of the Government to depend more and more upon the goodwill of the employer for the implementation of a decision is bound to lead to capitulation to the employer's point of view. This is happening today", he said. While welcoming the initiative taken by the Government in introducing workers' participation in management, he pointed out that some related questions remained unclarified.

Resolutions: Central Government employees' Strike.- The meeting by a resolution on this subject said that after having considered all the developments that have taken place since the publication of the Second Pay Commission's report, the conference strongly feels that the demands of the Central Government employees were fully justified. It viewed with grave misgiving announcement of the Government regarding the new patterns of industrial relations in the public sector.

This Conference, called upon the Government to reorientate its policy by immediately taking the following measures:-

(a) Withdrawal of all the punishments inflicted, and penal measures taken against the Central Government employees, in connection with the recent strike.

(b) Restoration of recognition of Unions ^{that} ~~the~~ ^{served} ~~served~~ the Strike Notice.

(c) Settlement of the disputes, arising out of the recommendations of the Pay Commission, for which the Strike Notice was served, by negotiation with the representatives of labour.

(d) Setting up of an effective machinery for speedy settlement of all types of disputes, at all levels, through negotiation, conciliation and arbitration thereby creating the climate and machinery to resolve all differences and disputes without resort to strikes.

(e) Removal of the discrimination in treatment to labour in the private and public sectors, through uniform application of labour legislation, codes and tripartite discussions.

(f) Grant of complete immunity to employees who are in the trade unions, from the operation of departmental rules which restrict their trade union activities, and the provision of adequate safeguards against victimisation by the concerned administrations.

(g) Grant of full trade union rights, through rescinding all rules which curtail in any way the right of freedom of association of Central Government employees, including the unfettered right of such associations to choose their own officers irrespective of whether they are Government employees or not.

(h) Conduct a thorough and impartial enquiry into the strike as well as its causes and consequences, through a machinery which will command the confidence of all concerned.

Third Five Year Plan.- By a resolution on this subject the Conference pointed out that various targets aimed at in the First and Second Five Year Plans yet remained to be fulfilled. It deplored that Government had "water downed" its labour objectives during the Third Five Year Plan period. The meeting while expressing its dissatisfaction with the uninspiring targets set under the Third Plan and trenchantly criticising those in power for their failure to rouse the elan of workers and the toiling masses and to tap the vast resources of the unemployed and under-employed through schemes which would provide for full employment, nevertheless, defended the system of planning, against the attempts of the capitalists to undermine it through false panacea of unrestricted and unrestrained free enterprise.

Wage Boards.- A resolution on wage boards expressed concern over the fact that all the three Wage Boards which have given their reports during the past year have recommended wages which fall far short of the need-based Minimum Wage as agreed to at the 15th Indian Labour Conference. It deplored the reluctance shown by the employers in accepting and implementing fully, in letter and in spirit the Wage Board's recommendations, halting and inadequate as they are. Opposing the five year moratorium on wages which has been recommended by the wage boards, the resolution called upon the workers in the country to strive and agitate more purposefully for the attainment of a need-based minimum wage.

Construction industry.- By a resolution the Conference calls upon the Government of India and the State Governments to take proper legislative and administrative action to regulate the working and service conditions of building workers in India in accordance with the recommendations of the I.L.O. Committee on Building, Civil Engineering and Public Works.

Other resolutions.- Other resolutions adopted by the Conference related to the jute and tea industries, agricultural labour and security of employment.

Office bearers.- Shri Mahadeo Singh (Hyderabad) was elected President of the Hind Mazdoor Sabha for the ensuing year and Shri Bagaram Tulpule General Secretary.

(Hind Mazdoor, January 1961).

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Madhya Pradesh: Indian Trade Unions (Madhya Pradesh Amendment)
Act, 1960 (No. 28 of 1960).

The Government of Madhya Pradesh gazetted on 31 December 1960 the text of the Indian Trade Unions (Madhya Pradesh Amendment) Act, 1960, of the Madhya Pradesh Legislature. The Act which received the assent of the President on 23 November 1960 amends the Indian Trade Unions Act, 1926, in its application to Madhya Pradesh.

The Amended Act adds a new chapter III-A dealing with approved unions to the Indian Trade Unions Act, 1926. The Act requires the Registrar to maintain a list of approved unions. A union entered on the approved list maintained under the Bombay Industrial Relations Act, 1947 as adapted in Madhya Bharat by the Madhya Bharat Industrial Relations (Adaptation) Act 31 of 1949, before the commencement of the Indian Trade Unions (Madhya Pradesh Amendment) Act, 1960 (28 of 1960), shall be deemed to be an approved union under the Act.

Any Representative Union or where there is no Representative Union any registered Trade Union may apply in the prescribed form for being entered in the approved list. On receipt of such application the Registrar shall hold such enquiry as is prescribed and if he is satisfied that such union fulfils the conditions necessary for its being entered in the approved list, he shall enter the name of such union in the approved list and shall issue a certificate of its entry in such form as may be prescribed.

Where two or more unions fulfilling the conditions necessary for registration specified in section 28-D apply for their entry in the approved list, the Union which has the largest membership of the employees employed in the industry, shall alone be entered in the approved list. The Registrar shall not enter any union in the approved list, if he is satisfied for reasons to be recorded in writing that the application for entry is not made bona fide in the interests of employees but is made in the interests of the employer.

Other provisions of the Act deal inter alia with conditions of entry in the approved list, removal from approved list, rights of officer of approved unions, appeals against orders of Registrar, and other powers of Registrar.

(Madhya Pradesh Gazette, Extraordinary, 31 December,
1960, pp. 1385-1390).

28. Employers' Organisations

India - November-December 1960

Annual General Meeting of the Associated Chambers of Commerce, Calcutta, 19-12-1960: Need for Attracting Foreign Capital, Raising Productivity and Improving Agriculture Stressed.

The annual general meeting of the Associated Chambers of Commerce was held at Calcutta on 19 December, 1960. Mr. W.M.L. Williams, President of the Chambers presided. The meeting was inaugurated by the Union Finance Minister, Shri Morarji Desai.

The meeting adopted various resolutions asking Government to remove deterrents for foreign capital, take steps for stimulating greater production from existing resources and to intensify agricultural production.

Finance Minister's Address: Need for Increasing Exports Emphasised:

Shri Morarji Desai, the Union Finance Minister, in his inaugural address emphasised the need to increase exports which, he felt, was the key to the successful implementation of the country's development plans.

To attain this objective, the Finance Minister suggested that special efforts be made to produce more of the goods which had a demand abroad, at costs which were competitive, even if it caused some inconvenience to Indian consumers.

Stating that the outlook for foreign investment in India was attractive, Shri Desai suggested that manufacturers with foreign connexions should produce in this country some of the essential materials which were imported at present.

He did not think that the burden of taxation in India was excessive. In assessing the burden, not only the rates of taxation but also the various fiscal concessions offered to encourage investment should be taken into account. One must not look at taxation in isolation but in relation to the entire economic situation and its requirements.

Shri Desai referred to the difficulty in allocating limited foreign exchange between current needs and further development and remarked that the present arrangement was inconvenient both from the point of view of the aid-giving country and of India.

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"It is important", he said, "that there should be wider recognition of the need for allowing external assistance to be used not only for imports of complete plant and machinery, but also for the import of essential materials needed in manufacturing capital goods within the country."

The Minister assured foreign investors that India's policy did not discriminate between Indian and foreign enterprises. He suggested that foreign enterprises operating in India would do well to develop a national outlook which kept in the forefront the interests of the country in which they were operating.

He was glad that an increasing number of Indians was being employed in sections of trade and industry where, in the past, it was customary to employ expatriates. He hopes that a similar process of Indianization would continue in other services, such as shipping, insurance and banking.

Presidential Address: Tax relief urged: Mr. H.M.L. Williams, President of the Chambers of Commerce, in his speech referred to various problems facing the chambers and the country. He suggested, among other things, consideration for the removal of the taxation ~~for the~~ on capitalisation from reserves and from share premium accounts.

Mr. Williams said the progress Indian industry had made during the past 10 years was both gratifying and stimulating and though the country would face obstacles in its economic advance, there were grounds for "strong and balanced optimism."

The third Plan, he said, was large compared with its predecessors but it was not large in the light of what had to be done to raise the country's standard of living. He called for employment of existing capital resources to capacity and said attention must be given to improvements in organization and operation so that a higher output from the existing industrial installations could be obtained.

On foreign investment, he said, over the greater part of new enterprises the financial position and the general long-term outlook were reasonably attractive, particularly bearing in mind the great potential market. But it would be wrong to say that India led in incentives or that there were no deterrents. The tax rates were not heavier than in many industrialized countries, but these did not offer the same incentives as in some areas where there was an equal need for overseas capital.

In the development of resources he accorded high priority to improving standards of management and administration. Pointing out that a bottleneck existed in the supply of trained technicians and men of supervisory grades, he wondered if adequate consideration had been given by employers to the recruitment of army personnel for positions of responsibility.

Dispersal of Industry:

Mr. Williams pleaded for the avoidance of the basic errors of the existing urban aggregations by doing more than now to plan development of employment and industrialisation. He welcomed the consideration given to urban planning and the interest which, he understood, was being shown by the world bank in schemes such as those for Calcutta.

Foreign Investment:

Mr. Williams said that India's need for foreign assistance was on such a scale that by far the greater part must come in the shape of Government credits. But the importance of foreign private capital movements throughout the world ^{had} increases and in the case of this country a share of these new private foreign resources can be of substantial assistance at the present difficult times.

While he did not wish to generalise but it seemed to him that over the greater part of new enterprise the financial position and the general long-term outlook were reasonably attractive, particularly bearing in mind the great potential market. But it would be wrong to say that India leads in incentives or that there were no deterrents. For example, tax rates, while not heavier than in many industrialised countries, did not offer the same incentives as in some areas where there was an equal need for overseas capital. A reduction in the level of corporate taxation and, in particular, the withdrawal of the differential taxation of certain types of foreign companies would be helpful. The development rebate and the tax incentives to new concerns were most useful and gave valuable immediate assistance, though in the long term the gain was less ~~substantial~~ substantial than it would appear. Perhaps the major difficulty the new corporate investor encountered was the frustration and delays in dealing with the Government machine - particularly ~~the~~ at State level - and the time which elapsed before decisions could be taken.

He said that the Chambers would like the Finance Minister to consider the following proposals while framing the next Budget: Firstly, he would suggest that as a further inducement to industrial development, the provisions of Section 56A should apply to all the industries specified in the first Schedule to the Industries Development and Regulation Act, 1951. Secondly, he would again ask for consideration for the removal of the taxation of capitalisation from reserves and from share premium accounts. Thirdly, he would suggest that the five year relief period afforded by section 15C should commence only after a new industrial undertaking had reached a profit earning stage. Finally, he would draw attention to the high level of personal taxation and while he realised that concessions on this matter were not easy to make, anything which could be done to lessen the burdens would be appreciated.

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Company Management: Mr. Williams said that as a result of the revision of Company Law the corporate community was now controlled by an elaborate code requiring Government sanction over an increasingly wide field of company activity. Progressive business opinion of its own accord demands the highest code of integrity in management, and in its own interests recognises the need for strong action against speculation or dishonesty in corporate enterprise. However, they did not think that the measures which had been introduced in the Companies Act to that end and the manner in which^{they} were employed were best conceived to achieve that purpose. All that the regulations of the Companies Act seemed to achieve was a time-consuming series of checks on company action which required the attention of senior staff who otherwise should and could be devoting their energies to more productive work.

There were certain aspects of the application of the Companies Act which were based on principles which the Chambers thought were wrongly conceived in present circumstances for development. For instance, the increasingly severe limitations by executive action on the remuneration of full time working Directors. The Act lays down certain limits and companies should be permitted to exercise a reasonable discretion within such limits. The present tendency further to restrict directors' remuneration by Government executive action was a definite deterrent to the continued recruitment of top management. Indeed it was an inducement for men of high qualification and experience to seek employment in other parts of the world. In the past this might have been confined mostly to expatriates, but there were indications that it now applied more generally. Apart from this it seemed that the Companies Act should not be used as a vehicle for social reform. Rates of personal taxation already ensured that large salaries were effectively controlled. Similarly, the provisions of the new Companies Bill which restricted inter-company investment, although intended to restrain speculative activities, might not achieve this objective. On the other hand, he feared that these restrictions might interfere with perfectly legitimate and well-intentioned inter-corporate investment to develop new companies in the form of subsidiaries or associates with other companies, a contemporary method of development which had been found to be extremely effective and acceptable in other countries.

Labour-Management:

On the question of labour-management relations Mr. Williams said that there was a readiness on the part of a great majority of employees to settle differences by negotiation, but industrial relations were still bedevilled by the point of view that regarded labour relations as merely an extension of the interests of political parties.

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Indianisation:

Mr. Williams said that smooth progress had been made in employing increasing numbers of Indians throughout those sections of trade and industry where it was customary to employ expatriates. The good sense of the governmental authorities concerned and the reasonable co-operation of the employing interests affected ~~the~~ had resulted in a successful form of gradualism. Because of this it had been possible to accomplish a great deal without serious effects on organization or development.

RESOLUTIONS:

Attracting Foreign Capital: The meeting adopted a resolution urging the Government to take early action to remove deterrents and reconsider incentives with the object of attracting the volume of investment which could and should be achieved from foreign investors.

The resolution stated that large foreign exchange resources were essential to the success of the Third Five-Year Plan and that additional private foreign investment could make a substantial contribution to India's industrial development. The Chambers, therefore, while appreciating the scope of existing incentives to industrial development, considered that their value was largely offset by aspects of the tax structure and by the degree of regulation and control of corporate enterprises which "is in excess of what many potential foreign investors can be expected readily to accept," it added.

Increasing Production: The Chambers, by another resolution, urged that renewed attention should be given to the various measures by which increased productivity from existing resources could be stimulated and the maximum outturn from existing factors of production achieved. It also requested the appropriate departments of the Central and State Governments to encourage and assist employers and workers in resisting the efforts of "irresponsible or mischievous persons" to disrupt or destroy agreements or settlements voluntarily made or to interfere in situations where satisfactory labour relations already existed.

Supply of Power: The meeting requested the authorities to take urgent action to ensure adequate supplies of power throughout the Third Plan period and granting of a high priority to the allocation of foreign exchange for the import of the necessary generating and other plant and equipment to eliminate the increasing strains on the country's electrical power resources.

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Rail Facilities: By another resolution the Chamber urged that further steps be taken to expand railway facilities to meet growing requirements for the transport of raw materials needed as a result of the increase in steel and mineral production, and that in the meantime particular attention be paid to improving movement facilities and co-ordination of traffic and wagon movements, particularly at ports and at the main industrial centres: that early action be taken on plans to supplement the capacity of all ports and to improve port working by the provision of additional mechanical equipment, with particular emphasis on the handling of bulk cargo, by the introduction of incentive schemes for labour where necessary, and by a general improvement in port administration, that urgent attention be given to the improvement of facilities for road transport, particularly by raising the standard of and ~~improving~~ completing the national highways, increasing the number of new feeder roads, removing administrative difficulties in the inter-State carriage of goods by road and reducing taxation on road transport vehicles and that the utilisation of coastal shipping services and the development of inland water transport in order to relieve the railways of some of the burden of increased traffic, be accelerated.

Agricultural Output: Having noted with appreciation the successful arrangements made by the Ministry of Food to ensure adequate stocks of ~~food~~ cereals over the ~~next four years~~ next four years, the Chambers urged that the efforts of the Central and State Governments to augment agricultural production should nonetheless be intensified as a matter of first importance and priority. The Chambers recommend that the national and State agricultural administrative machinery should be overhauled as a matter of urgency in order to ensure that the policy for agriculture was implemented with practical efficiency, especially at district level.

(Amrita Bazar Patrika, 20 December 1960).

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Chapter 3. Economic Questions.

32. Public Finance and Fiscal Policy.

India - November - December 1960.

Finance Commission Constituted.

In pursuance of the provisions of the Constitution of India and of the Finance Commission (Miscellaneous Provisions) Act, 1951, the President of India has constituted a Finance Commission consisting of Shri Ashok Kumar Chanda, as the chairman and four other members. The members of the Commission are to hold office for a period of twelve months from the date on which they respectively assume office.

In addition to the matters on which under the provisions of sub-clauses (a) and (b) of clause (3) of article 280 of the Constitution, the Commission is required to make recommendations, the Commission should also make recommendations in regard to: (a) the States which are in need of assistance by way of grants-in-aid of their revenues under article 275, and the sums to be paid to those States other than the sums specified in the provisions to clause (1) of that article, having regard, among other considerations, to - (i) the requirements of the third Five-Year Plan, and (ii) the efforts to be made by those States to raise additional revenue from the sources available to them; (b) the changes, if any, to be made in the principles governing the distribution amongst the States under article 269 of the net proceeds in any financial year of estate duty in respect of property other than agricultural land; (c) the changes, if any, to be made in the principles governing the distribution among the States under article 269 of the net proceeds in any financial year of taxes on railway fares; and (d) the changes, if any, to be made in the principles governing the distribution of the net proceeds in any financial year of the additional excise duties levied on each of the following commodities, namely:-

(i) cotton ~~xxx~~ fabrics, (ii) rayon or artificial silk fabrics, (iii) woollen fabrics, (iv) sugar, and (v) tobacco, including manufactured tobacco, in replacement of the States sales taxes formerly levied by the State Governments: Provided that the share accruing to each State shall not be less than the revenue realised from the levy of sales tax in the ~~xx~~ financial year 1956-57 in the State.

The recommendations of the Commission shall, in each of the above cases, cover the period of four years commencing from the 1 April 1962.

(The Gazette of India, Extraordinary,
Part II, Sec.3, Sub-Sec.11,
2 December 1960, pp. 753-754).

34. Economic Planning, Control and Development

India - November-December 1960

Bombay: Textile Research Institute Opened.

Dr. Rajendra Prasad, President of India, opened at Bombay on 9 December 1960, the Textile Research Institute of the Bombay Textile Research Association. The Institute is devoted to research in the entire field of textile technology and engineering.

Shri Krishnaraj Thackersey, welcoming the President, stated that "it is our desire and determination to see that the Institute will materially help the textile industry not only to maintain its present level of prosperity, but also to enable it to achieve further progress, and prosperity."

He said that, although the need for organising research on a co-operative basis was well recognised by enlightened textile producers long ago, the financial resources of the industry were not encouraging enough to undertake any scheme in this behalf. It was only during and after World War II that impetus was given by the Government to promote textile research. The Cotton Textiles Fund Committee, constituted by the Government in 1944 for administering the funds raised by the levy of Customs duty on yarn and cloth exported, decided to establish four textile research institutes, one of them in Bombay. The Committee agreed to share the recurring and non-recurring expenditure of the institute on 50-50 basis. The Millowners' Association, Bombay, formulated a scheme for the establishment of the Association and the foundation-stone of the Institute was laid on a 23-acre plot of land in April, 1957 and construction started a year later.

He said that the construction of the buildings and the installation of equipment was expected to take two or three years. Therefore a building at Sion was taken on rent in 1958 and such technical work as could be carried out in the mills was commenced. As a result of the work done so far, the mills had begun to realise the benefits accruing to them from the Association. With the opening of the Institute, he ~~was~~ hoped, that more valuable service could be rendered to the mills. The present membership of the Association was 36 mill companies, 28 of them from Bombay.

(The Times of India, 18 December 1960).

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"Quick Estimates" show Fall in Per Capita Income
during 1959-1960.

According to the "quick" estimates of national income at 1948-49 prices, prepared by the Central Statistical Organisation, the per capita income in India, had declined from Rs.293.6 in 1958-59 to Rs.291.3 in 1959-60, Shri Sadath Ali Khan informed the Lok Sabha on 30 November 1960.

Shri Sadath Ali Khan explained that the national income in 1959-60 was 0.5 per cent more than that in 1958-59, but since the population had increased at a higher rate there was a fall in the per capita income.

The poor increase in national income and the fall in the per capita income were mainly due to a 3.9 per cent fall in agricultural output on account of unfavourable weather conditions, he added.

(The Statesman, 1 December 1960).

36. Wages.

India - November-December 1960.

Earnings of Employees in Manufacturing Industries during 1958.

The Labour Bureau, Ministry of Labour and Employment, Government of India, has made a study of earnings of employees in manufacturing industries during 1958, based on data collected under the Payment of Wages Act, 1936, and published in the Indian Labour Journal, Vol. I, No. 11, November 1960. These data, however, have a number of limitations, the chief of which are the interpretation of "money value of concessions" by the various factories not being uniform, not all the factories submitting returns under the Act, and variation in the number of working days, especially in seasonal factories. The scope of the Payment of Wages Act was extended, since 1 April 1958, to include employees earning between 200 rupees to less than 400 rupees per month. An attempt has been made to collect statistics of earnings also of the employees falling within the extended scope of the Act. But adequate statistics have not been received relating to the higher wage-group from all the States. As far as available, these statistics are presented separately. The information presented below covers all the States except Mysore and Jammu and Kashmir, and the Union Territories of Manipur and Himachal Pradesh (where employment in factories was not sizeable), as no return was received from these States/Union Territories. These statistics relate to the States as reconstituted after Reorganisation of States in 1956. Prior to this year, such statistics related to Part A States only. Consequently, there has been considerable change in the geographical coverage of the earnings statistics.

Average annual earnings by States.- The following table presents statistics of per capita average annual earnings of employees earning less than 200 rupees per month, during 1958:-

State/Union Territory.

State/Union Territory.	1958			
	No. of Factories.		In Factories Submitting Returns.	
	Covered.	Furnishing Returns.	Average daily Employment.	Average per capita annual earnings.
Andhra Pradesh	1,518	1,027	56,248	Rs. 708.1
Assam	218	185	7,341*	1,223.0*
Bihar	865	859	107,724	1,283.2
Bombay	7,571	5,249	725,403	1,458.0
Kerala	-	-	-	-
Madhya Pradesh	676	305	69,775	1,217.1
Madras	-	-	-	-
Mysore	-	-	-	-
Orissa	258	140	16,546	981.0
Punjab	2,286	1,369	53,070	1,212.2
Rajasthan	241	124	18,892	944.1
Uttar Pradesh	1,547	1,209	161,135	1,213.4
West Bengal	2,799	2,205	512,318	1,198.9
Andaman & Nicobar Islands	5	5	2,289	1,017.4
Delhi	850	793	49,756	1,329.7
Tripura	3	2	41	1,147.1
TOTAL.	18,837	13,472	1,780,538	1,295.2

N.B.- The above figures do not cover Railway Workshops and the groups of seasonal Industries consisting of Food, Beverages, Tobacco and Gins and Presses. The figures relate to re-organised States. No returns were received from Jammu and Kashmir, Himachal Pradesh and Manipur for katk 1958 and also from Kerala, Madras and Mysore for 1958.

*Figures for Assam for 1958 exclude those relating to the Industries - Products of Petroleum and Coal, Metal Products and Water and Sanitary Services.

Figures of earnings could not be presented in this table relating to Kerala and Madras, as figures relating to the wage-group "less than 200 rupees per month" are not available from these two States. It would be seen from the table that there is slight improvement in the coverage in 1958 over 1957. The proportion of factories submitting returns has gone up to about 72 per cent from about 70 per cent during the previous year. The coverage is very poor in Rajasthan and Madhya Pradesh being about 51 per cent and 45 per cent respectively.

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Subject to the limitations discussed earlier, it will be seen that taking all States and Union Territories together, the per capita annual earnings advanced from Rs.1,233.9 in 1957 to Rs. 1,295.2 in 1958, or by about 5 per cent. Punjab, Uttar Pradesh, Andaman and Nicobar Islands and Tripura recorded appreciable rise in the per capita annual earnings, and while Bombay, Madhya Pradesh, Orissa, Rajasthan and West Bengal registered small to moderate increases. Bihar and Delhi showed some decline in the per capita earnings, and Andhra Pradesh and Assam registered sharp fall. Of the last two States the per capita annual earnings in Andhra Pradesh nearly doubled itself during 1957 to Rs. 1,030.8 from Rs.594.9 during the previous year. During 1958, the figure came down to Rs.708.1, which is over 19 per cent higher than the 1956 figure.

As for the sharp fall in Assam, earnings in the industries - Products of Petroleum and Coal, Metal Products (except Machinery and Transport Equipment), and Water and Sanitary Services are considerably higher than in other industries. Figures of earnings in these industries are not available for 1958 for the wage-group "less than 200 rupees" per month. These industries account for nearly 30 per cent of the industrial employment in Assam. Absence of figures of earnings in these industries is likely explanation for sharp fall in the average per capita earnings in Assam.

An analysis of figures of earnings relating to the wage-group "less than 400 rupees per month" shows that of the reporting States, per capita earnings is the highest in Assam (Rs.1,722.9) followed by Bombay and Bihar, while it is the lowest in Kerala (Rs.838.9).

Average annual earnings by Industries.- A comparative statement showing the average per capita annual earnings during 1957 and 1958 for some of the important industries relating to employees earnings less than Rs.200 per month are given below:-

Industry	Average per capita annual earnings in	
	1957	1958
	Rs.	Rs.
Cotton Textile	1,363.5	1,435.4
Jute Textile	1,037.4	1,045.2
Silk Textile	1,215.7	1,310.9
Paper Mills	1,212.8	1,330.3
Printing, Publishing and Allied Industries.	1,217.5	1,209.7
Tanneries and Leather Finishing----	775.9	934.9
Artificial Manures	1,284.8	1,246.9
Heavy Chemicals	1,259.0	1,223.2
Matches	914.0	1,561.6
Iron and Steel	1,929.0	2,111.6
Metal Containers and Steel Trunks--	1,101.0	1,078.9
Textile Machinery and Accessories--	1,201.0	1,277.4
Ship Building and Repairing-----	1,658.9	1,628.8

N.B.-The above figures for 1957 and 1958 do not cover those relating to Jammu and Kashmir, Himachal Pradesh and Manipur and 1958 figures exclude also those relating to Kerala, Madras and Mysore.

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As figures of earnings relating to the wage-group "less than 400 rupees per month" are not available from all the States, it is not possible to prepare similar tables for wage group less than 400 rupees per month by industries.

Average annual earnings by components.- The following table shows the breakdown of average annual earnings into its various components:-

State	Average Annual Per Capita Earnings in Rupees					
	Gross Wages.	Bonus.	Money Value of concess-ions.	Basic Wages.	Cash Allow-ances.	Arrears
Andhra Pradesh	708.07	14.14	3.51	457.32	231.98	1.12
Assam	1,223.01	78.92	118.00	677.09	344.18	4.82
Bihar	1,283.15	186.95	26.36	752.21	312.59	5.04
Bombay	1,457.95	45.95	0.99	687.63	714.02	9.36
Orissa	981.00	37.46	0.67	691.60	241.25	10.02
Rajasthan	944.14	17.89	6.72	633.31	265.28	20.94
Uttar Pradesh	1,213.39	15.76	1.30	762.42	426.18	7.73
West Bengal	1,198.92	62.03	6.38	721.37	404.85	4.29
Andaman and Nicobar Islands	1,017.36	7.32	0.94	525.90	324.19	159.01
Delhi	1,329.70	47.54	1.35	818.54	455.25	7.02
Tripura	1,147.12	8.53	-	673.00	465.59	-
All the above States	1,301.20	55.85	5.01	704.51	528.51	7.32

- (1) The above break-down is not available in respect of the States of Madhya Pradesh and Punjab. Further figures in respect of employees earning less than Rs.200 per month are not available for the States of Kerala and Madras. Hence these four States are excluded from this table.
- (2) Figures of Assam exclude those relating to the industry-groups - Products of Petroleum and Coal, Metal Products and Water and Sanitary services.

It appears that in every State/Union Territory average daily earnings for all the seasonal industries taken together were lower than those for all the perennial industries. The average daily earnings in the seasonal industries was Rs.2.99 against Rs.4.44 in perennial industries. Taking all the States together, the average daily earnings ranged from Rs.1.94 in the industry 'Processes Allied to Agriculture' to Rs.6.05 in the industry 'Products of Petroleum and Coal. Amongst the States/Union Territories from which relevant figures have been received, Bombay had the highest overall daily earnings of Rs.4.66 closely followed by Delhi, West Bengal, Bihar with daily earnings of Rs.4.28, Rs.4.21 and Rs.4.05 respectively. The lowest overall daily earnings were recorded in Rajasthan and Orissa with daily earnings of Rs.2.92 and Rs.2.94 respectively.

Recommendations of the Central Wage Board on Sugar Industry:
Minimum Wage of Rs. 60 per month.

The report of the Central Wage Board for Sugar Industry (vide Section 36, p. 33 of the report of this office for December 1957) was placed on the table of the Rajya Sabha on 7 December 1960 by Shri Abid Ali, Deputy Minister for Labour. The Wage Board has recommended a basic minimum wage of Rs. 60-1-65 for unskilled operatives in the sugar industry throughout the country and fixed different basic wage scales for other categories of employees which are to take effect from November 1960.

For the purpose of wage fixation, the Wage Board has recommended that the country be divided into four regions - North, Central, Maharashtra and South. The Board has stated that although the total minimum wages will necessarily vary from region to region depending on regional paying capacities of the industry, it considers it desirable to have basic minimum wages in the sugar industry throughout the country, as the same has several advantages. The basic minimum wages shall be Rs. 60-1-65. The rest will be D.A. for each region.

The Board adds that in fixing minimum wages regard for differences in paying capacity of the industry having been made by making differences in the dearness allowance element, basic wages and dearness allowance should together be looked as an integral whole.

A review of the recommendations of the Wage Board is given below:

Scope of Recommendations -

The investigations by the Board, it was decided, should be confined to the vacuum pan sugar factories and not to cover khandsari industry~~xx~~ and (open pan) gur refineries. The workers in the allied industries carried on by sugar factories are beyond the purview of the Board. The Board is of the view that its terms of reference do not also cover the workers employed on the farms attached to the sugar factoriss. Unless expressly indicated otherwise, the recommendations of the Board would apply to workmen engaged by a contractor of a factory also, if they do work connected with (a) manufacturing process as defined in Section 2(k) of the Factories Act, 1948; or (b) cleaning any part of the machinery or premises used for manufacturing process; or (c) any other kind of work incidental to or connected with, the manufacturing process or subject of manufacturing process including handling, loading or unloading of raw materials, stores and finished product in the premises of the factory; or (d) repair and maintenance of machinery, building or other capital assets of the sugar factory.

The report states that all employees falling within the definition of "workmen" - excepting apprentices for whom separate scheme has been devised, should be governed by the recommendations of the Board. Apprentices may be taken for all highly skilled, skilled and semi-skilled occupations but no apprentice should be taken for unskilled jobs. Subject to the condition that if an apprentice for a job is recruited from any of the lower jobs in the factory itself, then his emoluments would not be less than what he would be eligible for on that lower post and that the emoluments of none of the existing apprentices would be reduced, the apprentices should not be paid less than sixty percent of the minimum basic wages and dearness allowance or consolidated wages as the case may be, of the occupation for which he is given the training but he would not be eligible for any bonus. The period of apprenticeship should not exceed two years and while it cannot be made obligatory upon a factory to employ a person in the particular occupation for which he was given the training, the Board hopes that the Mills will utilize the training imparted by them to the apprentices.

Regional Classification:

Having regard to the factors of duration of season, sugar recovery percentage from cane, cost structure of sugar industry in different areas, the sugar price position, the prevailing wages in industry and other cognate matters, the following four regions were decided for purposes of wage fixation:

- (a) North .. Comprised of the States of Punjab, U.P., Bihar, West Bengal and Assam.
- (b) Central .. Comprised of the States of Gujerat, Rajasthan, Madhya Pradesh and Orissa.
- (c) Maharashtra .. Comprised of the State of Maharashtra only.
- (d) South .. Comprised of the States of Madras, Andhra, Kerala and Mysore.

The Board did not consider it desirable to discriminate against the workers in East U.P. sugar factories in the matter of fixation of wages. It is open to the sugar factories of the area to approach the Central or the State Government for grant of relief

Work Load Study:

While, owing to limitations as to time and personnel, it was not found possible by the Board to embark upon workload study to determine labour surplusage in the mills, it strongly recommends to the Government to undertake workload study in the sugar industry at an early date.

Housing:

While taking note of the subsidised rent prescribed by the Government in respect of single room tenement and the one fixed by the Cement Wage Board, the Board keeping in view the existing practice in the sugar industry, the standard of housing available, the seasonal character of employment, the paying capacity of the industry and the over-all increase likely to result in consequence of its recommendations, recommends that the element of house rent in the emoluments of the sugar workers at the minimum wage level should be to the extent of rupees five for standard housing accommodation.

Since the minimum rent prescribed for the standard housing was below the subsidised rent fixed by the Government, the Board recommends that as total wages advance, the rates of rent should also increase. The rent prescribed by the Board having been fixed with reference to standard housings, the rent chargeable by the factories will be proportionately less for lesser area in respective cases, while the rents for constructions with tinned or tiled (ordinary roof or masonry walls) or with asbestos G.I. sheets will be half of that chargeable for standard type of housing in respective cases. For purposes of rent, the Board takes no cognizance of the improvised, purely temporary living arrangements - in most cases set up by low paid employees in absence of suitable housing arrangement from the side of the mills.

With a view to encourage construction of quarters the Board considers it essential to prescribe that where a quarter is offered to a worker and the latter does not choose to occupy the same, then 50% of the rent chargeable for the tenement will be deductible from the wage of the workman concerned.

Food Concessions:

Where food articles were being supplied at subsidised rates or where fuel was being supplied at concessional rates or free to certain extent, the mills would be entitled to make adjustment of concession against wages if the workers opt for the continuance of supply of these articles from the side of the mills. While free or concessional supply of fuel can no longer be legitimately insisted upon, the factories should arrange to supply fuel at cost rates wherever a demand of that kind is made.

Wage Fixation:

While recommending the early institution of workload studies for assessment of fair workload and actual manpower requirements, the Board considers it important that such studies should be preceded by reasonably specific programme of implementation drawn in consultation with the organisations of the interests concerned.

Taking all the relevant considerations into account, the Board recommends total minimum wages for unskilled workers for each region separately as follows:-

<u>Region</u>	<u>Total Wages</u>
1. Central	66-1-71
2. North	76-1-81
3. Maharashtra	87-1-92
4. South	81-1-86

Although the total minimum wages would necessarily vary from region to region depending on regional paying capacities of the industry, the Board considers it desirable to have basic minimum wages in the sugar industry throughout the country, as the same has several advantages. It shall be 60-1-65. The rest will be D.A. for each region.

Benefits such as bonus, gratuity, etc. usually calculable on basic wages should be calculated on full basic wages and deductions on account of housing, feed and fuel etc. should not be taken into account. The total minimum wages fixed by the Board having been conceived in reference to 123 points of cost of living index, the difference between the total Wages prescribed for an occupation and its basic wage would represent the element of dearness allowance in the respective regions for 33 points of index, over 1949 base (100).

In fixing the minimum wages, regard for differences in paying capacity of the industry in different regions having been made by making differences in the dearness allowance element, basic wages and dearness allowance should together be looked as integral whole.

In view of the broad principle that the wages of employees in the same industry in a region should not differ and as the financial capacity of co-operative sugar factories is undisputed, the Board considers that there exists no justification for making any distinction between the wages in co-operative and other factories.

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Where, in any sugar mill, a settlement in regard to wages is in force, workmen should have a right to opt between the existing wage rates and the wage structure as evolved by this Board.

The Scheme of dearness allowance conceived by the Board falls into two parts. The graduated rates of DA comprise part I of the D.A. scheme while Part II is comprised of the D.A. rates linked to cost of living index. The regional differences in graduated D.A. rates have been decided by the Board to adjust the wage structure to the regional differences in paying capacity of the industry and in the same region dearness allowance would vary from one class of occupations to another depending upon the scales of wages. For rises over 123 points of the All India Average Consumer Price Index Numbers for working class or fall below this level, the Board recommends adjustment of dearness allowance at the rate of 55 nP per point of cost of living index in the case of operatives upto skilled 'B' grade and clerks drawing basic wage upto Rs.100/- p.m., while for supervisory and technical employees of not less than skilled 'A' grade and for clerks drawing basic pay of over Rs.100/- p.m. the rate recommended is 65 nP per point.

While for rises over 123 points of cost of living index or fall below this level, adjustments in dearness amount shall not be made for less than 10 whole points, when once there has been a rise or fall by 10 or more whole points, adjustments should be made for every point of the rise or fall. Once an adjustment has been made, further adjustment shall be made for further rise or fall of ten or more whole points; provided, firstly - that for fall of the average cost of living index below 123 points no deduction from the graduated flat rate D.A. shall in the first instance, be made unless the fall exceeds 15 points. Provided, secondly, that at no stage the deduction shall go to the extent of curtailing the basic wage in the scale.

The adjustments in dearness allowance amount related to cost of living index, although automatic, shall be made only once a year on the basis of the average monthly cost of living index calculated over the twelve months period from 1st July to 30th June.

The Board favours the adoption of a common price index series for relating the D.A. rates as against the series maintained in different States or regions, for, apart from other things, otherwise the wage relativities as between different regions are bound to be upset and even in the same region the wages can hardly remain uniform.

There is no justification for whittling down the dearness allowance of sugar employees on the assumption that the prices of goods and services stipulated as entering into the consumption of industrial workers are cheaper in rural areas.

Standardisation:

Since wages should be fixed with reference to distinguishable jobs with known functions or duties, the Board found it essential to standardise more common of the occupational nomenclatures, enumerate as many of the prevailing designations as could be available, classify the operatives jobs on basis of skill and to further grade them according to basic job factors. While in a large majority of cases of incumbants of different occupations into the standardisation scheme is likely to present no problem because it is to be done with reference to the duties performed by persons and not merely by designations some difficulties may, no doubt, come to be experienced where the duties performed by the incumbent of a job do not, for various reasons, fully conform to the descriptions, given in the Board's scheme. There may besides be some border line cases where inside an occupation gradations have been made. Given necessary goodwill the Board hopes that most of these would be resolved between the parties, failing which a suitable tripartite machinery devised by the Government should deal with it on reference.

Basic Wage Scales:

The Board recommends as below, eight basic wage scales for operatives, six for clerks and four for supervisory employees receiving upto Rs.500/-.

<u>Class</u>	<u>Basic Wage Scales</u>	
	For Central, North and South Regions	For Maharashtra Region
<u>Operatives:</u>		
Unskilled	60-1-65	60-1-65
Semi-skilled B	65-1-50-74	66-2-86
Semi-skilled A	68-2-80	73-3-50-108
Skilled C	75-3-96	80-4-120
Skilled B	90-4-110-EB-5-135	95-5-120-EB-5-145
Skilled A	105-6-135-EB-7-170	115-7-150-EB-7-185
Highly SkilledB	135-7-170-EB-9-215	150-9-195-EB-9-240
Highly SkilledA	180-8-220-EB-10-270	180-10-230-EB-10-280.

Basic Wage Scales

For Central, North
and South Regions

For Maharashtra
Region

Clerks

VI	72-3-90	
V	77-3-98	77-3-107
IV	87-4-107-EB-5-132	87-4-107-EB-5-132
III	105-6-135-EB-7-170	105-6-135-EB-7-170
II-B	130-7-165-EB-8-205	130-7-165-EB-8-205
II-A	200-8-240-EB-12-300	200-8-240-EB-12-300
I	250-20-350-EB-25-475	250-20-350-EB-25-475

Supervisory

200-10-250-EB-10-300	200-10-250-EB-10-300
200-15-275-EB-15-350	200-15-275-EB-15-350
250-20-350-EB-20-450	250-20-350-EB-20-450
300-25-425-EB-25-600	300-25-425-EB-25-600

In so far as the basic wage structure is concerned, it is common in respect of three regions viz. Central, North, and South and allowance for differing paying capacity of the industry in different regions has been made in the graduated D.A. rates. But a departure from this was found necessary to be made in the case of Maharashtra region, for otherwise the amount of graduated dearness allowance would have come to form unduly large proportion of the total wages, while the Board's view was that the bulk of the total wages should consist of the basic wage.

In case of seven occupations, the Board found it necessary to prescribe weightages to be applicable generally or in a particular region only, over and above the wage scale fixed for the respective grades under which they have been classed. Accordingly, palledars should be allowed Rs.5 over and above the emoluments of their grades. This would apply to all the regions. Peons, watchmen, sweepers, guest house attendants, cleaners and laboratory boys in Maharashtra factories only should be allowed a weightage of Rs.5/- per month over the wage scales for the unskilled.

As a safeguard against reduction of existing wages it is provided that in no case should the existing wages come to be reduced in consequence of deduction for any of the amenities e.g. housing, fuel, etc. which was being enjoyed free or at concessional rates in the past.

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The Board considers it necessary to clarify that ordinarily the workers would cross the efficiency bar as a normal routine. Only in event of proved inefficiency could the increment be stopped but such cases will be reviewed by the management every year. The Board also considers it necessary to stress that its recommendations constitute a composite scheme. Being the integral whole, they should be implemented as such.

Retaining allowances:

The Board recommends that supervisory, clerical, highly skilled and skilled workmen employed on seasonal basis should be paid retaining allowance at 50% and the ~~semi~~ semi-skilled seasonal workman @ 25% of their monthly basic pay and dearness allowance, subject to the condition that if immediately prior to the implementation of the recommendations of this Board any workman in any of the above classes was receiving higher amount as retaining allowance, he shall continue to receive such higher amount, until by promotion of the workmen concerned, the amount calculable at the rate specified above became higher in his case.

While the specialised skill acquired by highly skilled, and semi-skilled employees make it difficult in their case to readily obtain suitable alternative employment, difficulties to such an extent do not exist in respect of unskilled seasonal employees. Further, keeping in view the substantial increase in minimum wages already recommended by the Board, it sees no justification for recommending retaining allowance in their case.

Finding force in the demand of the Sugar Technologists Association in this respect, the Board recommends that wherever the Manufacturing Chemists and Lab-Incharges have been employed on seasonal basis, they should be made permanent.

Incentive Schemes:

While generally agreeing with the view of the I.L.O. expert that the nature of the sugar industry imposes certain limitations on the types of the incentive schemes which would be suitable for it and that schemes of piece-work type will not suit the main manufacturing operations, the Board commends to the sugar industry further study with a view to introducing incentive schemes wherever possible.

The Board considers that (i) the factories newly installed which went into production in 1959 or thereafter, (ii) those having daily crushing capacity below 800 tons which suffered loss for two successive years immediately preceding the implementation of these recommendations, and (iii) the units which have so long been paying total minimum wage of Rs.50 or less, may find it difficult to implement immediately the full recommendations of the Board. Hence as a measure of

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relaxation for a limited period, it is provided that for the first two years one half of the recommended D.A. rates may be applied in their case. Subject to the condition that no workman shall cross the maximum of the scale or the grade to which he belongs, every workman, including compounders, nurses and midwives shall be so placed in the scale or grade to which he or she becomes entitled in terms of the recommendations of this Board that he or she gets an increment of at least Rs.10 over the basic wage and dearness allowance or consolidated wages which he or she was receiving on the 31st October 1960. For fitting the workmen already in the employ on the date of implementation of the Board's recommendations into the wage structure recommended by the Board, the money value of free housing or any other amenity the cost of which has now been held by the Board as deductible from pay but which was being enjoyed free or at concessional rates in the past, shall be taken into account, i.e. it would in the first instance be added into the pay of the respective workmen to place them into the recommended wage structure.

If in the process of fitting into the new wage structure, the wages of a workman come to fall between two stages of the scale -or grade applicable in his case, then he should be fixed in the next higher stage of the scale or grade.

Period of Operation:

In view of the desirability of there being a truce between the parties in so far as the matters covered by the Board's recommendations are concerned, it recommends that at least for five years these should not be revised.

Gratuity Scheme:

Having considered the question of gratuity for sugar mills employees in all its aspects, the Board frames a detailed gratuity scheme to apply with effect from November 1960, to all permanent and seasonal workmen (with the exception of apprentices) employed in, or in connection with, sugar factories. The scheme, inter alia, provides for the general superannuation age of 58 years, lays down other conditions in which gratuity would be payable, and the rates of gratuity to be applicable in the case of permanent and seasonal workmen separately for different periods of service.

In the factories where basic wage and dearness allowance were paid separately, the gratuity for period of service prior to 1 November 1960 will be calculable on basic pay immediately preceding the date of application of the new wage structure subject to a minimum of Rs.30/-. But in the factories where consolidated wage system prevailed, such calculation will be made on the notional monthly basic pay as shown in the schedule.

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For the period of service from the date of implementation of the recommended wage structure, the gratuity will be calculable on the basic wage as may be payable in respective cases when the gratuity claim becomes due.

Bonus:

Having regard to the particular attitude of labour apropos -balance sheets in the North, the good points of the bonus system which has prevailed in the North for thirteen years and the new support which this method of calculating bonus has gained in Central region, the Board recommends for these two regions, a bonus formula which for calculation of net profit rests on the regional cost schedule (given by Tariff Commission 1959) as adjusted to the duration of season and sugar recovery percentage attained by individual mills.

The Board recommends that in the North and Central regions 22% of the profits after tax, calculable in the manner prescribed, will be paid by the mills as bonus to their employees, provided that in case of factories having daily (24 hours) cane crush of less than 1000 tons as season's average, the bonus at 20% of such profits will be paid. Saving in taxation according to clause VII of the formula on the amount distributable as bonus will be further distributed in the same proportion being relief under the income Tax Act but it could be done only once.

The bonus in North and Central region mills would be subject to a ceiling of three months consolidated wages.

In view of the fact that the practice of settling bonus claims unit-wise by collective bargaining in the broad framework of the full bench Labour Appellate Tribunal formula has on the whole worked satisfactorily in Maharashtra and South regions, the Board taking besides note of the fact that the Government has already announced its intention of appointing a Bonus Commission, does not feel it necessary to evolve a fresh bonus formula for the sugar industry of these regions. Therefore, -in respect of Maharashtra and South regions the Board recommends that the present practice of settling bonus claims by negotiations in the background of the full bench Labor Appellate Tribunal formula as recently interpreted by the Supreme Court should continue.

(Press Note dated 7 December 1960,
—issued by the Government of India).

Wage Board Set Up for Plantation Industry

The Government of India has set up a Central Wage Board for the plantation industry in pursuance of the recommendation contained in the Second Five-Year Plan regarding the establishment of tripartite wage boards for individual industries.

Terms of Reference: The terms of reference of the Wage Board are to work out a wage structure based on the principles of fair wages as set forth in the report of the Committee on Fair Wages as far as practicable. In evolving a wage structure, the Board has been asked, in addition to the considerations relating to fair wages, also take into account:

- i) the needs of the industry in a developing country;
- ii) the system of payment by results;
- iii) the special characteristics of the industry in various regions and areas;
- iv) categories of workers to be covered (This may be according to the definition of workmen in the Industrial Disputes Act); and
- v) working hours in the industry.

Whenever applying the system of payment by results the Board shall keep in view the need for fixing a minimum (fall-back) wage and also to safeguard against over-work and undue speed.

(Press note dated 7 December 1960,
issued by the Government of India).

~~(For details, please see Section 36, p. _____
of this report.)~~

Minimum Wages (Andhra Pradesh Amendment) Bill, 1960.

The Government of Andhra Pradesh published on 7 December 1960 the text of the Minimum Wages (Andhra Pradesh Amendment) Bill to be introduced in the Legislative Assembly of the State.

According to the Statement of Objects and Reasons of the Bill, according to clause (a) of sub-section (1) of section 3 of the Minimum Wages Act, 1948 (Central Act 11 of 1948), the initial fixation of minimum wages had to be completed before the 31st day of December, 1959, in respect of employments specified in Part I or Part II of the Schedule to that Act and within a period of one year from the date of notification ~~and~~ ~~revision~~ in respect of employments added to Part I or Part II of the said Schedule. The Government took up the question of fixation and revision of minimum wages in all the employments throughout the State which are specified in or added to the Schedule. But due to certain administrative reasons the work relating to initial fixation of minimum wages in all the employments specified in the Schedule could not ~~be~~ be completed before the aforesaid date. It is also considered not possible to complete such fixation in respect of employments added to Schedule within the period of one year referred to above. The Government, therefore, consider it necessary to amend section 3 of the Act so as to extend the said time limit up to 31 December ~~1960~~ 1961 in respect ~~of~~ of employments specified in Part I or Part II of the Schedule and to change the period of one year to two years in respect of the employments added in Part I or Part II of the Schedule. The Bill seeks to give effect to the above proposal.

(Andhra Pradesh Gazette, Part IV-A, Extraordinary,
7 December 1960, pp. 627-628)

Bonus Commission Set Up.

The Government of India have decided to set up a Commission to study the question of bonus to industrial workers in its various aspects and to make recommendations.

According to a Press release, Shri M.R. Meher, president, Industrial Court, Bombay, will be the chairman of the proposed Commission, and Shri M. Govinda Reddy, M.P., and Dr. B.N. Ganguly, Director of Delhi School of Economics, its members.

The terms of reference of the Commission are being worked out in consultation with the all-India organisations of employers and workers and the State Governments.

The Commission is expected to start functioning soon after these are finalised.

(The Hindustan Times, 30 December 1960).

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Uttar Pradesh: Government's Order on Bonus to
Sugar Workers.

The Government of Uttar Pradesh ordered on 23 December 1960 the sugar factories in the State to pay a total bonus of 10,481,690 rupees to their employees within a period of one month for the crushing season 1959-60.

Nearly 65,000 employees will be benefited by the order. Five per cent of the amount of the bonus payable to an individual employee will be in the form of National Savings Certificates.

The order follows the recommendations of the sub-committee set up by the tripartite conference held in Naini Tal in July last to bring about an agreement between the employers and workmen on the question of payment of bonus.

The order provides that the bonus amount of individual workmen should not exceed three months' wages in that year.

It is also provided in the order that any amount paid already as interim or advance bonus for the crushing season 1959-60 shall be adjustable against the amount of bonus to be paid under this order. But a factory shall not be entitled to recover the amounts paid in excess.

Provision of exemption has also been made for the factories which owing to losses or meagre profits, are not in a position to pay the amount of bonus required by the order.

A three-man sub-committee under the chairmanship of the Labour Commissioner has been constituted to examine such cases. The members of the committee are Shri Kashinath Pande, M.P., and Shri D.R. Narang.

The order is to remain in force for a period of one year in the first instance.

(The Times of India (Bombay), 24 December,
1960).

37. Salaries

India - November-December 1960

Emoluments of Part-Time Employees of the Post and Telegraph Department: Government's Decisions on Recommendations.

The Government of India has announced its decisions on the bulk of the recommendations of the Inquiry Committee on the extra-departmental system in the P and T services, affecting the emoluments and conditions of work of nearly 125,000 employees of the department, says PTI. The ^{decisions} ~~decisions~~ of ~~the~~ Government will result in an overall enhancement of the emoluments of extra-departmental employees as well as the fixation of minimum allowances whenever this was not so far prescribed.

Under the extra-departmental system, certain people engaged mainly in other occupations are given part-time employment in the P and T Department. This system is used chiefly in the rural areas. Extra-departmental agents, as these employees are called, are paid an allowance for the work performed.

The Inquiry Committee submitted its report on 31 August 1958, but while finalising its views on the recommendations, the Government has taken into account its decisions on the report of the second Pay Commission.

In so far as allowances are concerned, the Committee's recommendations have been accepted almost in their entirety. The Government has also decided that these decisions would have retrospective effect from 1 July 1959. Implementation of these decisions will mean an initial additional expenditure of Rs.50 lakhs per annum.

In the case of extra-departmental branch postmasters, the Committee has proposed a basic allowance ranging from Rs.13 to Rs.35. This has been accepted and the only change made is that the dearness allowance of Rs.12 per month paid at present separately will be included in a consolidated allowance ranging between Rs.25 and Rs.47.

Extra-departmental sub-postmasters will get an allowance ranging from Rs.52 to Rs.72 as against the current minimum and maximum of Rs.37 and Rs.67.

With regard to extra-departmental stamp vendors it is proposed to examine the introduction of a system of paying a commission on the sale of stamps. Pending this, it had been decided that they should be paid an allowance ranging from Rs.32 to Rs.47 per month.

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For other categories of extra-departmental staff, for whom there is at present no fixed minimum, a minimum allowance of Rs.20 has been fixed. The Committee's recommendations contemplated a minimum of Rs.24. The minimum of Rs.20 decided upon by the Government, will apply to only those who have less than two hours of work a day. In the case of extra-departmental mail carriers, runners, delivery agents, ~~packets~~, packers, and peons, the minimum will be Rs.24 for a work load of two hours.

The Committee had recommended that in special cases the head of a circle may sanction a house rent allowance of up to Rs.3 per month for each rural and Rs.5 for each urban post office in the charge of an extra-departmental agent. The Government has decided that each case should be examined on merits and that the maximum house rent payable for this purpose should be Rs.10 per month. At present no such allowance is admissible.

With a view to giving better opportunities to extra-departmental agents for absorption in the regular clerical cadre, it has been decided that the maximum age limit for matriculate extra-departmental agents to compete with outsiders may be raised from 30 years to 40 years.

The Committee had also made a number of recommendations for the improvement of the extra-departmental system and most of them have been accepted.

The Government has finalized its decisions on all but five of the 100 recommendations of the Committee.

(The Statesman, 24 December 1960)

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

INDIA - NOVEMBER - DECEMBER 1960.

41. Agriculture.

Madras: Working of the Plantations Labour
Act, 1951, during 1958*.

There were 261 plantations employing 77,538 workers in the State at the end of the year, the details of which are furnished below:•

	No. of estates.	Acreage.	Number of workers.
Coffee ----	114	25,904 03	13,739
Tea ----	128	61,204 53	59,308
Rubber ----	16	5,795 00	1,943
Cinchona---	3	9,694 50	2,548
Total.	261	102,598 06	77,538

The total number of mandays worked during the year was 22,879,038.

To secure effective enforcement of the provisions of the Plantations Labour Act, 1951, the State Government framed rules under the Act which were published on 28 December 1955. Rules 12 to 19 relating to the provisions of latrine and urinal accommodation and rules 29 to 42 relating to canteens, creches, recreational and educational facilities were brought into force with effect from 1 December 1958. The Association of Planters of the State of Madras has represented to the Government for postponing the enforcement of the provisions of rules 12 to 19 and 29 to 42 in view of the financial difficulties experienced by the planters. They have also stated that the facilities which are required to be provided now by the introduction of these rules, already exist in plantations though not to the standards laid down in these rules. Government has not yet taken a final decision on this representation.

* Report on the Working of the Plantations Labour Act, 1951 in the State of Madras for the Year 1958: Printed by the Controller of Stationery and Printing, Madras, on behalf of the Government of Madras, 1960. Price 50 nP. pp. 15.

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Drinking Water facilities. The managements of all the 261 estates covered by the Plantations Labour Act, 1951, have provided drinking water facilities to their workers either by providing tap or wells. The sources of water-supply are to be improved and action is being taken in this regard.

Medical facilities. To mitigate the hardships of small planters employing 200 or less workers particularly in obtaining lien on beds in hospitals, it is under the consideration of the Government that instead of obtaining lien on beds, compulsory maintenance of dispensaries by small planters employing less than 200 workers may be insisted upon. If this is decided by the Government, suitable amendments will have to be made in the Rules. There are 34 garden hospitals in the plantations in the State.

The employers are required to submit to the Government a scheme for providing medical facilities according to the prescribed standard showing the various stages by which the medical facilities are proposed to be provided. Thirty-six medical schemes were received during the year under report. Forty-eight medical schemes in respect of 80 plantations, including the schemes received in the previous year, were approved by the Government during the year.

Housing. Four housing schemes for plantation labour have been approved during the year under report. Inspectors of Plantations have been instructed to ask the planters to expedite their housing schemes for approval. To help the small planters to discharge their obligation in regard to the provision of houses for the plantation ~~labour~~ workers, the Government of India has agreed to make available to the planters through the ~~State~~ State Governments, adequate loan assistance at a reasonable rate of interest and accordingly it has allotted a sum of 346,000 rupees for the grant of loans to the planters during the Five-Year period 1956-61. The Government has sanctioned loans to the extent of 181,440 rupees to six planters in Madurai district for the construction of 107 houses. A sum of 45,360 rupees being the first instalment of loan has been disbursed to the planters during March 1958. The construction of 107 houses are nearing completion.

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Other Welfare measures.- Provision has been made in the rules for the supply of materials to the workers for protection from weather. A notification has been issued under the Madras Plantation Labour Rules that every employer should supply to every workers, free of cost, once in every 12 months, two woollenrugs at the beginning of the cold weather. Estates employing 300 or more workers have to appoint Welfare Officers. There seems to be a unanimity of opinion of the planters and labour not to have these officers. Government has also deferred the application of the section for the time being,

Plantations according to working strength.- Twenty-one plantations worked with less than 30 workers in each plantation, 42 plantations employed 30 or more but less than 50 workers in each of them, 36 plantations employed 50 or more but less than 100 workers in each, 97 plantations employed 100 or more but less than 500 workers in each, 38 plantations employed 500 or more but less than 1,000 workers in each, and 4 plantations employed 1,000 or more but less than 5,000 workers.

Hours of work.- During the year under report, 12 plantations employing 1,094 workers have worked for more than 48 hours per week, 218 plantations employing 72,993 workers have worked between 45 and 48 hours per week, two plantations employing 1,250 workers have worked between 42 and 45 hours per week, and one plantation employing 28 workers has worked up to 42 hours per week.

Leave with wages.- During the year 1958, leave with wages was granted to 36,679 men, 99,155 women, 815 adolescents and 69 children under the Act, of whom 999 men, 722 women, 12 adolescents and 3 children were allowed to accumulate leave for 30 days.

Sickness and maternity benefits.- Every worker employed in plantations has to be paid sickness allowance by his employer for each day of certified sickness for a total period of 14 days in a year at the rate of two-thirds of his daily wages or of the average daily earnings if he is employed on piece-wages, subject to a maximum of 75 naye Paise per day.

Similarly every woman worker who has worked for a period of not less than 150 days in the 12 months immediately preceding the day of her expected delivery, is entitled to the payment of maternity benefit allowance for a period of four weeks immediately preceding the day of delivery and for a period of eight weeks following the day of her delivery, including the day of her confinement.

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Out of 41,780 womenworkers employed in the plantations during the year, 34,058 women workers have worked for not less than 150 days, the qualifying period of work required for claiming maternity benefit. Out of those 34,058 women workers who were eligible for maternity benefit, only 7,632 women workers gave notice of confinement to the employers. Sixteen women workers refused to appear for medical examination and two women workers were refused permission by the employers for absence during the four weeks before the expected day of delivery. Fifty-five claims for maternity benefits were rejected during the year by the employers. A sum of Rs.418,893.63nP. was paid as maternity benefit during the year in respect of 7,326 claims preferred as against Rs.416,360.74nP. in respect of 7,764 claims during the previous year. Eight women workers died before delivery and 23 women wokers after delivery. The necessity for post-natal care is indicated from the above statistics.

Inspection. The inspectors appointed under the Act inspected 17 plantations once, 77 plantations twice, 109 plantations thrice and 58 plantations more than three times during the year. None of the plantations was left uninspected during the year under report. Besides, the inspectors have made 78 Sunday, 73 surprise, 245 special and 12 night visits to the plantations during the year. The Inspectors of Plantations received 168 complaints relating to non-compliance with certain provisions of the Act and Rules and disposed of 143 complaints during the year. They also received 19 complaints relating to non-payment of maternity benefits of which 18 complaints were disposed of by them during the year.

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Report on Second Agricultural Labour Enquiry
published.

The report on the Second Agricultural Labour Enquiry in India was placed on the table of Lok Sabha on 21 December 1960 by the Union Deputy Minister for Labour, ShriAbid Ali.

The Enquiry was conducted by the Ministry of Labour and Employment during 1956-57, in collaboration with the Central Statistical Organisation, the National Sample Survey Directorate and the Indian Statistical Institute.

The Enquiry was conducted in 3,600 villages selected on the principle of stratified ~~mark~~ random sampling but staggered evenly over a period of 12 months. Data on employment, unemployment, wages and earnings, income, expenditure and indebtedness were collected from 28,560 sample agricultural labour households residing in the sampled villages.

The Report consists of 12 chapters dealing with the scope and method of the enquiry, the agrarian background, the characteristics of agricultural labour force, occupational structure of agricultural labour households, employment and unemployment of agricultural labourers, wage structure in agriculture, earning strength and size of income of agricultural labour households, consumption, expenditure, indebtedness, women labour in agriculture, child labour in agriculture and agrarian legislation and social welfare.

The first Agricultural Labour Enquiry was conducted in 1950-51 and, as the Report states one of the main objects of the Second Enquiry was broadly to assess the impact of developmental schemes undertaken under the First Plan on the conditions of agricultural labourers as between 1950-51 and 1956-57. A comparative picture of the conditions of agricultural labourers as between the two points of time has, therefore, been given. The Report has, however, clearly indicated at the appropriate places the limitation of such a comparison arising from some difference in the concepts and definitions and procedures adopted during the two Enquiries.

The results thrown up by the Second Enquiry as compared to those of the First Enquiry are briefly given below:

Occupational structure of agricultural labour households.-The estimated number of agricultural labour households was 16.3 million in 1956-57 as against 17.9 million in 1950-51, i.e., a fall of 1.6 millions. This reduction might be mainly due to conceptual difference in the definition of the term "agricultural labour households" adopted during the two enquiries. In the first enquiry, a broad definition was adopted and an agricultural labour household was one in which either the head of the household or 50 per cent or more of the earners reported agricultural labour as their main occupation and there was thus a possibility of marginal land-holding families, of land owners and tenants, being included. But during the second enquiry, a household was deemed as an agricultural labour household if the bulk of its income in the previous year was derived from agricultural wages and thus there was a rigorous delimitation of agricultural labour households.

The landless agricultural labour households in 1956-57 accounted for 57 per cent of the total as against 50 per cent in 1950-51.

According to the 1950-51 enquiry, the proportion of attached and casual agricultural labour households was 10 : 90. The results of the 1956-57 enquiry showed that attached labour households accounted for about 27 per cent of the total for all-India, the remainder being casual labour households. This increase in the percentage of attached labour households might, to some extent, be due to resumption of personal estates for self-cultivation by the erstwhile intermediaries like zamindars, jagirdars, talukdars, etc., in the different States.

The average size of the agricultural labour household rose slightly to 4.40 in 1956-57 from 4.30 in 1950-51. The average number of wage earners was 2.03 per household, comprising 1.13 men, 0.74 women and 0.16 children. The corresponding figures for 1950-51 were 2.0 wage earners, made up of 1.1 men, 0.8 woman and 0.1 children. The slight increase in the earnings strength during 1956-57 would appear to be due to more children having come to the labour market in 1956-57.

The estimated number of agricultural labourers during 1956-57 was 33 million composed of 18 million men, 12 million women and 3 million children. The corresponding figures for 1950-51 were 35 millions consisting of 19 million men, 14 million women and 2 million children.

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Employment and Unemployment.- Casual adult male workers were employed, on an average, for wages for 200 days in 1950-51 and for 197 days during 1956-57. They were self-employed for 75 days in 1950-51 and for 40 days in 1956-57. Casual adult female workers were employed on wages for 134 days during 1950-51 and for 141 days during 1956-57. As regards children, their wage-employment had increased from 165 days in 1950-51 to 204 days in 1956-57. Casual adult male workers were unemployed for 128 days in 1956-57, as compared to 90 days in 1950-51.

According to the Report, measurement of employment was not meticulously done in the first enquiry (1950-51). Wage-employment for half the day or more was counted as full day's occupation and less than that was ignored. All those who worked even for a day in a month were taken to have been gainfully employed. In respect of unemployment, data were collected only for those adult male labourers who reported wage-employment in each month. In the second enquiry (1956-57), the intensity with which the activity pattern, major or minor, was followed was duly taken into account. For this purpose, four intensity classes were laid down, namely, full, half, nominal and nil. A full-day's work meant three-fourth or more of the normal working hours, the "norms" being 10 hours. More than one-fourth and less than three-fourth of the normal hours was considered as work with half intensity. Less than one-fourth was deemed as work with one-eighth intensity. In the tabulation of employment data, the intensities were duly taken into account.

Self-employment data was not collected separately in the first enquiry, but was only of an inferential nature, as the residual days left after deduction of wage employment and unemployment from 365 days were taken to represent the quantum of self-employment. These limitations of the first enquiry data have to be kept in view.

Wages.- About 76 per cent of the average income of agricultural labour households was derived from wage employment in agricultural operations as well as from non-agricultural occupations during 1950-51 as against 81 per cent during 1956-57. About 56 per cent of the mandays worked were paid for in cash in 1950-51 and 48.7 per cent in 1956-57. Payments made entirely in kind accounted for 31.3 per cent in 1950-51 and 40.5 per cent in 1956-57. Wage payments made partly in cash and partly in kind related to 9.8 per cent of the total mandays worked in the first enquiry and formed 10.8 per cent in the second enquiry.

The average daily wage rate of adult male workers decreased from 109 nP. in 1950-51 to 96 nP. in 1956-57 and, the average daily wage rate of adult women also fell from 68 nP. in 1950-51 to 59 nP. in 1956-57. Child labour received an average wage of 70 nP. in 1950-51 and 53 nP. in 1956-57.

In comparing the average wage rates obtaining in 1956-57 and 1950-51 the difference in imputation procedure of payments in kind as between the first and second enquiries, and the relative importance of payments in kind at both the points of time have to be kept in mind, since evaluation of kind payments was done at wholesale prices during 1956-57 as against ruling retail prices during 1950-51.

The estimated wage bill in agriculture worked out to roughly 5200 million rupees in 1956-57 as against 5000 million rupees in 1950-51. The increase was mainly due to the proportion of attached labour households being considerably higher (above 27 per cent) in 1956-57 as compared with 1950-51 (about 10 per cent), and the average annual income per attached labour household as also of all households taken together from agricultural wage employment in 1956-57 being higher than in 1950-51.

Household income.- The average annual income of an agricultural labour household in 1950-51 was 447 rupees, while in 1956-57 ~~xxx~~ it was 437 rupees. The average income realised from different sources during the first and second enquiries by agricultural labour households is given below:-

<u>Source of Income.</u>	<u>1950-51</u> <u>Rs.</u>	<u>1956-57</u> <u>Rs.</u>
Cultivation of land -----	59.90 (13.49)	30.07 (6.87)
Agricultural labour -----	286.97 (64.2)	319.55 (73.04)
Non-agricultural labour -----	53.19 (11.9)	34.94 (7.99)
Others -----	46.94 (10.51)	52.91 (12.10)

Figures in brackets are percentages to total income from all sources.

Income from ~~all~~ farming and non-agricultural labour declined during 1956-57 but from agricultural labour had increased.

Consumption and cost of living.- The average annual consumption expenditure of agricultural labour households increased from 461 rupees in 1950-51 to 617 rupees in 1956-57. The percentage expenditure according to different consumption groups is given below for 1950-51 and 1956-57:-

Period	Food	Percentage to total		
		Clothing and footwear.	Fuel and lighting.	Miscellaneous and services.
1950-51 ---	85.3	6.3	1.1	7.3
1956-57 ---	77.3	6.1	7.9	8.7

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The average income per household during 1956-57 was 437 rupees while average consumption expenditure was 617 rupees. The deficit was thus 180 rupees. This deficit, to a considerable extent, would seem to have been met from past savings, sale of stocks, remittances received and loans.

Indebtedness.- About 64 per cent of agricultural labour households was indebted during 1956-57 as against 45 per cent in 1950-51. The average accumulated debt per household increased from 47 rupees in 1950-51 to 88 rupees in 1956-57. The average debt per indebted household also rose from 105 rupees in 1950-51 to 138 rupees in 1956-57. One of the reasons for the higher percentage of indebted households as also the higher volume of debt in 1956-57 was the higher proportion of attached labour households, some of whom were under debt bondage and/or tie-in allotment. The total estimated volume of indebtedness of agricultural labour households in 1956-57 was ~~1450 million~~ 1430 million rupees as against 800 million rupees in 1950-51. Of the total debt, about 46 per cent was incurred for meeting the consumption expenditure, Social purposes accounted for 24 per cent and productive purposes for 19 per cent, the remaining 11 per cent of the total debt being incurred for meeting the expenditure on other miscellaneous items.

Of the total loan, 34 per cent was taken from money-lenders, 44 per cent from friends and relatives, 15 per cent from employers, 5 per cent from shop-keepers and one per cent from cooperatives.

The Report, also gives the variations in the different States and significant differences as between 1950-51 and 1956-57 highlighted and accounted for.

(Press Note dated 21 December 1960,
issued by the Press Information Bureau,
Government of India, New Delhi.)

41. Agriculture

India - November-December 1960.

Wage Board Set Up for Plantation Industry.

The Government of India has set up a Central Wage Board for the plantation industry in pursuance of the recommendation contained in the Second Five-Year Plan regarding the establishment of tripartite wage boards for individual industries.

(For details, please see Section 36, p. 33 of this report.)

Advisory Board Set Up on Co-operative Farming.

The Union Government has constituted a National Co-operative Farming Advisory Board with Mr. S.K. Dey, Union Minister for Community Development and Co-operation, as chairman. The board consists of 24 members including Mr. B.S. Murthy, Deputy Minister and Mr. S.D. Misra, Parliamentary Secretary to the Ministry of Community Development and Co-operation, and four Ministers from the States.

The board has been entrusted with the task of planning and promoting the programmes of co-operative farming on a voluntary basis. It will review the progress and suggest modifications, if necessary. It will examine the question of obtaining the people's participation in the programme and suggest arrangements for education and training of personnel required for implementing the scheme.

The terms of reference include: Organization of studies and schemes of research relating to co-operative farming, technical supervision and guidance and recommendations regarding financial assistance. The board will also co-ordinate inter-State activities and assist the State Government and state boards in formulating their scheme.

The board provides for an executive committee to review the programme of co-operative farming and ensure effective supervision and guidance. The executive committee consists of eight members with Mr. B.S. Murthy, Deputy Minister of Community Development and Co-operation as chairman.

(The Hindustan Times, 7 November 1960)

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42. Co-operation.

India - November - December 1960.

Co-operative Training and Education in Third
Five Year Plan: Study Team set up.

By a resolution dated 10 November 1960, the Ministry of Community Development and Co-operation, Government of India, has set up a study team consisting of 10 persons with Shri S.D. Misra, Parliamentary Secretary, Ministry of Community Development and Co-operation, as chairman, to ~~help~~ help the formulation of a programme for co-operative training and education in the Third Five Year Plan. The terms of reference of the Study Team are:

(i) To examine the adequacy of existing arrangements for cooperative education and training and to suggest measures necessary for ~~the~~ making them commensurate with the requirements of cooperative development in the Third Five Year Plan.

(ii) To suggest such measures as will ensure active association and non-officials interested in the co-operative movement with the formulation and execution of policies ~~and~~ and programmes relating to cooperative training and education and adequate response to the programme of non-official training.

(iii) To recommend administrative set-up necessary for the effective administration and coordination of the training programmes at various levels.

(iv) To ~~suggest~~ suggest the programme of field study ~~and research~~ and research that can be conducted at the training centres, universities and other institutions on various problems relating to cooperative movement.

(v) To suggest suitable changes in the syllabi in the institutional training programmes of cooperative personnel so that the participants may have adequate knowledge not only of the latest approach to cooperation as a movement but also its role in community development and panchayati raj as the newly emerging system of local Government in India.

(vi) To examine the availability of training aids including text-books and other literature and suggest a programme for the production of training aids including publications to meet the requirements.

(vii) To examine the existing facilities for teaching of Co-operation in the village schools, high schools, colleges, and universities and other institutions and to suggest measures for enlarging these facilities.

(viii) To assess the financial requirements of the programme recommended.

While conducting a study of various training institutions, the Team may examine broadly:-

- (a) The quality of teaching staff;
- (b) The teaching methods and techniques.
- (c) The system of organisation of training centres and the extent of effective participation of the trainees.
- (d) The arrangements for practical study and field trips.
- (e) The methods of examination and assessment of progress.

The headquarters of the Team shall be at New Delhi. The Team may undertake tours as and when necessary and may record evidence of representatives of co-operative institutions and others who have expert knowledge of the subject.

(The Gazette of India, Part I, Sec.1,
19 November 1960, page 250)

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National Co-operative Farming Advisory Board
Constituted.

A Resolution dated 8 November 1960, of the Ministry of Community Development and Co-operation, Government of India, stated that the Government of India had set up in June 1959 a Working Group on Co-operative Farming under the chairmanship of Shri Nijalingappa to help the formulation of a programme for development of co-operative joint farming on a voluntary basis. The Report of the Working Group was considered by State Ministers in charge of cooperation at the Srinagar Conference in June 1960. The recommendations were further considered and endorsed by the National Development Council on the 13 September 1960.

The Government of India has recently taken decisions on important recommendations of the Working Group and communicated them to the State Governments.

One of the recommendations of the Working Group was that Government of India should constitute an Advisory Board at the national level for planning and promoting the programme of cooperative farming. The Government of India has accepted this recommendation and decided to set up the National Co-operative Farming Advisory Board.

The Board consists of the Minister for Community Development and Co-operation as chairman and ten other members. The terms of reference of the Board are:-

(i) to plan and promote the programme of co-operative farming on voluntary basis;

(ii) to review the progress and suggest modifications in the programme as and when necessary;

(iii) to suggest measures for enlisting peoples' participation in the programme and fostering their initiative and leadership;

(iv) to suggest arrangements for education and training of personnel required for implementing the programme;

(v) to suggest organisation of studies and schemes of research relating to co-operative farming;

(vi) to assess the requirements and to recommend the pattern of financial assistance;

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(vii) to study the question of technical supervision and guidance and to suggest suitable arrangements;

(viii) to co-ordinate inter-state developments and experience;

(ix) to help State Governments and State Boards in formulating their schemes and programme, if necessary; and

(x) to undertake such cognate measures as are germane and relevant to the pursuance of the terms and reference of the Board.

For ensuring more effective supervision and guidance and reviewing the programme of co-operative farming, the Board shall have an Executive Committee consisting of 8 members.

The term of the present Board will expire on 30 June 1962.

(The Gazette of India, Part I, Sec.1,
19 November 1960, pp. 250-251).

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Madras: Annual Report on the Working of
Co-operative Societies for the Year ending
30 June 1959*.

According to the annual report on the working of co-operative societies in the State of Madras for the year ending 30 June 1959, during the year the co-operative movement recorded marked progress and embraced a variety of interests and enterprises. The number of societies of all types rose from 12,907 to 13,330 and their membership from 2.641 millions to 3.046 millions. Their paid-up capital increased from 114.5 million rupees to 133.6 million rupees and their working capital from 861.6 million rupees to 1,164.2 million rupees. Agricultural credit societies, agricultural co-operative banks, marketing societies, milk supply societies, weavers societies and housing societies contributed significantly to this all-round increase. At the end of the year, the co-operative credit societies covered 88.3 per cent of the villages in the State and brought within the co-operative fold 40 per cent of the rural families, as against 82 per cent and 32.4 per cent respectively at the end of the previous year. The credit societies, land mortgage banks and the marketing societies provided loans to the agriculturists to the extent of 185.0 million rupees during the year as against 112.3 million rupees during the previous year. In the Community Development and National Extension Service areas, the development of the movement continued to be intensive.

Co-operative credit. Co-operative financing in the State is keyed to the State co-operative bank at the apex and the 15 central banks at district level. The state co-operative bank had on 30 June 1959, a paid-up capital of 9.151 million rupees and a working capital of 197.910 million rupees and held deposits to the extent of 62.116 million rupees as against 7.438 million rupees, 129.499 million rupees and 43.694 million rupees respectively on the corresponding date in the previous year. The Government subscribed a sum of 1.5 million rupees to the share capital of the state co-operative bank, bringing their total contribution to 5 million rupees. The Reserve Bank of India made an

* Report on the Working of Co-operative Societies in the State of Madras for the Co-operative Year ending 30 June 1959. Printed by the Controller of Stationary and Printing, on behalf of the Government of Madras, 1960, pp. 324.

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advance of 87.913 million rupees to the State co-operative bank during the year while the amount advanced during the previous year was 52.389 million rupees. It disbursed a sum of 141.545 million rupees by way of loans to the central banks and earned a net profit of 0.706 million rupees for the year.

At the district level, the 15 co-operative central banks continued to make steady progress. During the year, their membership rose from 12,952 to 13,369. Their total paid-up ~~cap~~ share capital on 30 June 1959 was 18,789 million rupees and working capital 261.035 million rupees while the corresponding figures for the previous year were 15.066 million rupees and 179.684 million rupees respectively. The deposits held by them increased from 70.498 million rupees to 80.708 million rupees. The total amount of the loans and cash credit issued by them was 351.855 million rupees, which represents an increase of 138.970 million rupees over the figure for the previous year.

The system of grant of loans by the Reserve Bank of India at concessional rates of interest to finance seasonal agricultural operations and marketing of crops continued during the year. The Reserve Bank of India lent the money to the state co-operative bank at 2 per cent below the normal bank rate of 4 per cent, while ~~xxx2xxx~~ the state co-operative bank charged half a per cent more to the central banks, which in turn, charged 4-1/2 per cent to the primary societies. The state co-operative bank continued to provide medium-term loans obtained from the Reserve Bank of India. There was a marked reduction in the proportion of ~~over~~ dues to demand under principal which was reduced from 2.70 per cent to 1.71 per cent, while for the fourth year in succession there were no overdues under interest. The total net profits earned by the central banks increased from 1.511 million rupees in the previous year to 1.997 million rupees during the year under review.

Agricultural Credit Societies.— There was a slight increase in the number of agricultural credit societies during the year and they maintained satisfactory progress. Their number on 30 June 1959 was 8,095 and they had 1.007 millions members on their rolls. The share capital and working capital of the societies were 15.757 million rupees and 115.818 million rupees respectively. The loans issued by them aggregated to 77.853 million rupees, nearly 94.82 per cent of which was for productive purposes. During the year, they reduced substantially the overdues from their members, i.e., from 17.20 per cent to 15.75 per cent under principal and from 48.54 per cent to 43.35 per cent under interest. Besides providing credit to their members, these agricultural credit societies also undertook multi-purpose activities such as distribution of fertilisers, agricultural implements, marketing of ~~xxxxxxx~~ produce, construction of godowns, etc.

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At the beginning of the year, there were 22 rural co-operative banks. One of them was subsequently reorganised as an agricultural bank. In the course of the year, they increased their membership from 27,016 to 33,064 and their paid up capital from 1.139 million rupees to 1.277 million rupees. They issued loans to the extent of 7.911 million rupees as against 6.627 million rupees during the previous year; their deposits also increased from 1.998 million rupees to 2.837 million rupees.

~~xxxxx~~ The agricultural banks (large-sized societies) made commendable progress during the year under review. The number of banks increased from 245 to 330 in the course of the year. Their membership rose from 160,751 to 264,291 and their paid-up capital from 4.502 million rupees to 7.360 million rupees. They received deposits to the extent of 2.598 million rupees as against 1.795 million rupees during the previous year. The total of loans issued by them increased from 24.898 million rupees to 46.092 million rupees.

The scheme of full finance introduced in Srivilliputhur, Erode, Sriperumbudur and Poonamalle blocks in 1957 and 1958 produced satisfactory results and was extended to Perambalur II, Tirupparankundram, Vembakkam, Idappadi and Ooty blocks during the year. The object of this scheme is to canalise the entire credit requirements of the agriculturists in the area in which the scheme operates through co-operative societies and to ultimately replace all other sources of credit.

Urban Credit. There were 141 co-operative urban banks with a membership of 345,000 at the end of the year. Most of the co-operative urban banks carried on their business with their own resources, depending very little on the district co-operative central banks. While the deposits held by them from members and non-members amounted to 58.654 million rupees, the borrowings from the Central Banks amounted to 8.427 million rupees which represented only 9.4 per cent of their working capital of 89.009 million rupees. Their owned capital and deposits from members amounted to 41.456 million rupees. They issued loans, cash credit, ordinary jewel and produce loans to the tune of 76.077 million rupees and recovered 62.303 million rupees during the year. Against the total outstanding of 62.108 million rupees there were overdues amounting to 5.308 million rupees which worked out to 9 per cent of the outstandings.

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Employees' Societies.— Employees' co-operative societies provide credit facilities to their members who are employees of Government local bodies, commercial firms, etc., to meet their domestic and social expenses. They ~~in~~ inculcate the habit of thrift among their members by a system of compulsory savings. Under this system, the members contribute every month to a non-withdrawable recurring ~~deposit~~ deposit, the amount of such deposits, being fixed on a graded scale with reference to their salary or wages. This system of compulsory savings has helped members to put by substantial amounts to their credit in the shape of thrift and recurring deposits. On 30 June 1959 there were 540 employees' societies in the State. Of these 147 societies were exclusively for Government servants, 164 for employees of local bodies and municipalities, 171 for employees of business and other commercial concerns and 58 for industrial workers in mills and other allied concerns. They had in all 268,000 members on their rolls with a paid-up share capital of 12.003 million rupees. Their working capital amounted to 52.041 million rupees. A sum of 19.431 million rupees was outstanding under thrift deposit collections at the end of the year. The societies lent 65.781 million rupees during the period and recovered 66.066 million rupees, leaving an outstanding of 50.741 million rupees at the end of the year. The societies have thus been of considerable help in providing feasible credit to the middle-class workers and low paid employees. Some of these societies continued to act as agents of their members for the joint purchase and sale of their domestic and other requirements. On the basis of joint purchase and sale, they purchased goods worth 441,000 rupees and sold goods worth 461,000 rupees. The employees' societies have maintained a steady progress in all directions and of late there has been a marked increase in the organisation of employees' co-operative societies.

Marketing Societies.— The co-operative continued to play a useful role in the field of marketing. The number of marketing societies increased from 107 to 111 in the course of the year. Their membership rose from 151,667 to 164,525 and their paid-up capital from 2.787 million rupees to 3.051 million rupees. The total of loans and advances issued by them increased from 17.034 million rupees to 18.225 million rupees and the value of produce sold by them rose from 19.592 million rupees to 24.774 million rupees. The value of agricultural requirements, viz., fertilisers, manures, seeds, etc., supplied by the marketing societies during the year amounted to 16.021 million rupees as against 13.273 million rupees during the previous year. In the sphere of marketing, a major event in the year was the formation of the Madras State Co-operative Marketing Society to promote inter-State trade and export business of agricultural produce.

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The three co-operative sugar mills in Chingleput, North Arcot and Coimbatore districts had 4,092 members with a paid-up share capital of 8.496 million rupees, which included the State contribution of 4 Million rupees. The bulk of the machinery for which the mills have placed orders have arrived. The construction of buildings and the erection of machinery are in progress.

Co-operative farming societies. During the year under review, the State Co-operative Farming Board was constituted to devise ways and means for the development of farming on co-operative lines. There were 79 farming societies of different types as against 55 societies functioning at the end of the previous year. Of these, 36 were land colonisation societies, 20 tenant farming societies, 10 joint farming societies, 2 collective farming societies and 11 gramdan and bhoodan societies. The land colonisation societies reclaimed and brought under cultivation 6,835 acres of land (out of 8,598 acres allotted) and raised crops worth 565,000 rupees. The total extent of lands taken on lease by the tenant farming societies from temples and religious institutions was 2,885 acres. The ten joint farming societies pooled an extent of 1,495 acres, and brought under cultivation an extent of 585 acres. There were six land colonization societies for ex-servicemen. On the whole, the various types of farming societies cultivated an extent of 13,310 acres.

Weavers' Co-operative Societies. In the field of industrial production, the handloom weavers' co-operative societies maintained their progress during the year. There were 1,008 societies with 202,000 handlooms. Their production amounted to 111.853 million rupees and sales to 107.264 million rupees. The State Handloom Weavers' Society continued to assist the primary societies by distributing yarn and marketing their finished goods. During the year, a sum of 13.454 million rupees was utilised for the development of handloom industry. There were 17 silk weavers co-operative societies with 2,849 members. They produced 2.091 million rupeesworth of silk clothes and sold 1.937 million rupees worth of clothes.

There were three co-operative cotton spinning mills in the State by the end of the year. Of these, one went into production and the remaining two were taking steps to purchase and install the machinery.

The number of primary consumers societies slightly declined from 505 to 494 during the year. Their turnover, however, increased from 69.634 million rupees to 78.491 million rupees and their net profits from 1.136 million rupees to 1.393 million rupees.

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The milk-supply societies kept up their progress during the year. There were 20 milk-supply unions and 741 primary societies. The total value of milk and milk products sold by them during the year was 22.657 million rupees.

Housing Co-operative Societies.— At the end of the year 1958-59, there were 423 housing societies in the State, of which 217 were urban housing societies, 195 were rural Harijan housing societies, 10 were industrial housing societies and the remaining one was a special type of housing society, known as the Madras University Hostel Construction Society. By the end of the year, the urban housing societies had constructed 8,265 houses of different types in the various municipalities and major panchayats of the State and 968 houses were under construction at the end of the year.

The rural housing societies and the Harijan housing societies built 59 houses during the year and at the end of the year, there were 145 houses under construction. The Industrial Housing societies constructed 4 houses during the year and 68 houses were under construction at the end of the year. Fifty of these houses have since been completed.

The number of co-operative building societies increased from 151 at the beginning of the year to 162 at the end of the year. These societies provide long-term loans to their members for the construction of houses by themselves. The membership increased from 14,884 to 17,152. The paid-up share capital of these societies rose from 3.926 million rupees at the end of the last year to 6.237 million rupees at the end of this year. These societies obtained sanction for Government loans to the extent of 3.514 million rupees and disbursed 3.850 million rupees to their members for the construction of new houses. The members of the co-operative building societies completed the construction of 3,774 houses till 30 June 1959 and 540 houses were under various stages of construction on 30 June 1959.

There were 37 house building societies with a membership of 4,888 and a paid-up share capital of 2.262 million rupees at the beginning of the year. The number of societies, membership and the share capital increased to 45,488 and 2.333 million rupees respectively at the end of the year 1958-59. These societies not only give long-term loans to their members for the construction of houses but also undertake construction work on behalf of their members as their agent. They have acquired land, prepared layouts and established new colonies with modern amenities. With the completion of 142 houses during the year the total number of houses constructed by these societies up to 30 June 1959 rose to 1,602 besides 208 houses which were under various stages of construction at the end of the year. These societies provided their members

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with State loans to the extent of 541,000 rupees during the year.

There were eleven co-operative house construction societies on 30 June 1959 including the three societies organised for the mill workers at Madras, Vickramasingapuram and Tuticorin and financed by the mills concerned. There were 3,797 members with a paid-up share capital of 6.540 million rupees in these societies. These societies not only acquire land and prepare layouts for new colonies but also build houses on their own account with the ~~and~~ help of Government loans and let them out to their members on the hire-purchase system. They also provide the necessary ~~amenities~~ amenities. The total extent of land acquired by these societies was 990.48 acres. The number of plots suitable for house-sites in this area was 3,616. Of these, 3,433 were allotted by them to their members till the end of the year. The societies constructed 94 houses during the year and 2,869 houses up to the end of the year. Besides, there were 171 houses under various stages of construction on 30 June 1959. Government loans to the extent of 908,000 rupees were disbursed to these societies during the year. The Government loan outstanding against the societies at the end of the year amounted to 15.081 million rupees and there were no overdues from any of them at the end of the year.

The Madras University Hostel Construction Co-operative Society, Limited. This is a special type of society, the first of the kind in the whole of India formed with the object of assisting the various colleges affiliated to the Madras University to construct hostels for their students. The society obtains the funds required for the purpose from the Madras University. On 30 June 1959 it has 36 institutions as its members, with a paid-up share capital of 255,000 rupees. It owed to the Madras University 450,000 rupees on 30 June 1959. The loan outstanding against the member institutions on 30 June 1959 was 649,000 rupees. So far, seven hostels at a cost of 996,000 rupees have been constructed by the affiliated institutions.

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Health Co-operatives. There were six health co-operatives in the State on 30 June 1959. The main object of these societies is to provide medical facilities to their members as cheap as possible. They had 1,430 members, with a working capital of 37,316 rupees on 30 June 1959. They collected sums amounting to 6,924 rupees during the year, by way of subscriptions from members, donations and visiting fees for the medical staff maintained by them. The number of patients, including non-members, treated during the year was 22,382. Free treatment was given to the poor and deserving people.

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Advisory Board Set Up on Co-operative Farming.

The Union Government has constituted a National Co-operative Farming Advisory Board with Mr. S.K. Dey, Union Minister for Community Development and Co-operation, as chairman. The board consists of 24 members including Mr. B.S. Murthy, Deputy Minister and Mr. S.D. Misra, Parliamentary Secretary to the Ministry of Community Development and Co-operation, and four Ministers from the States.

(For details, please see Section 41, p. 69 of this report).

43. Handicrafts

India - November-December 1960

Development of Agro-Industrial Rural Development:
Recommendations of Conference of Khadi and Village
Industries' Boards.

A three-day Conference of State Khadi and Village Industries Boards held at Jaipur from 19 to 21 November 1960, has suggested that the khadi and village industries movement would gather greater momentum and gain in strength and stability if it was treated as an organic part of an integrated rural economy.

The conference, in a resolution, said the basis of the rural economy, which was at present predominantly agricultural should increasingly become agro-industrial. To facilitate this reorientation rural communities should be assisted to organize themselves for the fullest utilization of local resources for the production, both in agriculture and in industry, essentially for the requirements of the local rural population.

For the promotion of such diversification of the economy, the resolution said, it was necessary that the State should extend to it the aids and protection that were necessary for building up an integrated rural economy.

The conference also appealed to the institutions engaged in the village industries movement, State boards and the Khadi Commission to lay greater emphasis on investigation and research in this field and on extension work so as to enable the benefits of research to accrue to the artisans engaged in various industries.

Referring to the suggestion for common production programmes to enable village industries to face the impact of cheap machine-made goods, the conference said the steps already taken did not go far enough nor do they constitute any comprehensive policy.

The conference suggested that the position should be reviewed in the light of the changes that had taken place in the economy since the publication of the village and Small-Scale Industries (Karve) Committee report in 1955, and of the reorientation that was contemplated in the objectives and organizational set up of the village industries movement.

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It stressed the view that the country-wide scheme of democratic decentralization will not be practicable without a corresponding decentralization of the economy.

The conference requested the Central Government to extend the necessary aids and facilities for marketing products of village industries.

(The Hindustan Times, 23 November 1960)

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44. Merchant Marine and Fisheries

India - November-December 1960

Draft Merchant Shipping (Crew Accommodation) Rules, 1960.

The Central Government published on 19 November 1960 the draft of the Merchant Shipping (Crew Accommodation) Rules, 1960, proposed to be made in exercise of the powers conferred under the Merchant Shipping Act, 1958. The draft rules deal inter alia with position and height of Crew accommodation in ships, measures for protection from weather, etc., provision of heating system in ships, lighting and ventilation, provision of separate sleeping rooms and beds for certain members of the crew, furniture and fittings in sleeping rooms and mess rooms, recreation spaces and studies, working accommodation, laundry facilities, etc., supply of drinking water and provision of water closets, provision of galleys for preparation of food for the crew, cold store rooms and refrigerating equipment, hospitals, medical cabinet, protection from mosquitoes, maintenance and inspection of crew accommodation, etc. The draft rules will be taken into consideration by the Government after 15 December 1960. (Gazette of India, Part II, Section 3, sub-section (1), 19 November 1960, pp. 1704-1736).

The Merchant Shipping (Registration of Indian Ships) Rules, 1960.

The Central Government published on 31 December 1960 the Merchant Shipping (Registration of Indian Ships) Rules, 1960, made in exercise of the powers conferred under the Merchant Shipping Act, 1958. The rules which will come into force on 1 January 1961 deal inter alia with documents to accompany application for registry, survey and measurement of the ship, issue of certificate of registry after completion of preliminaries, registry of alterations to ships, transfer of port of registry, transfer or mortgage of ships or shares, registration of government ships, registry of abandoned ships, maintenance of central register by the Director-General, returns and reports.

(Notification GSR 1549 dated 17 December 1960)

The Merchant Shipping (Tonnage Measurement of Ships) Rules, 1960.

The Government of India gazetted on 31 December 1960 the Merchant Shipping (Tonnage Measurement of Ships) Rules, 1960, made in exercise of the powers conferred under the Merchant Shipping Act, 1958. The rules which will come into force on 1 January 1961 prescribe inter alia the methods to be adopted in determining the tonnage of a ship and deal inter alia with deductions from gross tonnage, propelling power allowance, allowance for water ballast, register tonnage or net tonnage of a ship and rules as to the measurement of tonnage.

(Notification GIR 1550 dated 17 December 1960, the Gazette of India, Part II, Sec. 3, sub-sec.(1) 31 December 1960, pp. 2038-2046).

The Merchant Shipping (Apprenticeship to Sea Service) Rules, 1960.

The Central Government published on 31 December 1960 the text of the Merchant Shipping (Apprenticeship to Sea Service) Rules, 1960, made in exercise of the powers conferred under the Merchant Shipping Act, 1958 and in supersession of all rules and orders on the subject. The rules which will come into force on 1 January 1961 provide that no apprentice to sea service shall be carried to sea from any part in India except in accordance with the rules. The rules deal inter alia with eligibility for apprenticeship, contract of apprenticeship, assignment of apprentice to new master or owner, termination or cancellation of contract of appointment, register of contracts, etc.

(Notification No. GSR 1551 dated 17 December 1960, the Gazette of India, Part II, Sec. 3, sub-sec. (1), 31 December 1960, pp. 2046-2053).

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Merchant Shipping (Distressed Seamen) Rules, 1960.

The Central Government gazetted on 31 December 1960 the text of the Merchant Shipping (Discharged Seamen) Rules, 1960, made in exercise of the powers conferred under the Merchant Shipping Act, 1958, and in supersession of all existing rules, orders and regulations on the subject. The rules which come into force on 1 January 1961 require that a distressed seaman shall be given relief and maintenance till arrangements are made for his return to the proper return port or till a suitable employment is found for him. Such relief and maintenance shall consist of maintenance, essential clothing and bedding and where necessary, medical care and reasonable medical expenses. The rules deal inter alia with the period of relief, relief of shipwrecked seamen, mode of recovery of expenses incurred on behalf of distressed seamen, recovery of expenses from wages of seamen, etc.

(Notification No. GSR 1552 dated 17 December 1960, the Gazette of India, Part II, Sec. 3, sub-sec. (i), 31 December 1960, pp. 2054-2064).

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CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - NOVEMBER - DECEMBER 1960.

50. General.

Labour Conditions in Municipalities in India.

The Labour Bureau, Ministry of Labour and Employment, Government of India, conducted in September 1958, a survey of labour conditions in municipalities of India, with a view to bringing up-to-date, an early survey the results of which were published in February 1955. The present enquiry relates to 82 sampled municipalities, based on the following four size groups:-

Size Groups as per population.	No. of Towns/ Municipali- ties.	No. of Sampled Towns/Munici- palities.
Group I, 20,000 or above but less than 50,000. -----	352	36
Group II, 50,000 or above but less than 100,000. -----	93	18
Group III, 100,000 or above but less than 500,000. -----	62	20
Group IV, 500,000 and above. -----	9	9
Total.	<u>516</u>	<u>83</u>

Employment.- The data regarding municipal labour, groupwise and Statewise as on 30 September 1958, are given below:-

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Number of Workers Employed Directly Classified According to Employment Status and
and Sex State-Wise and Size-Group-wise as on 30th September 1958.

Serial No.	State	Group I		Total		Total
		No. of responding municipi- palities.	Male	Female		
1	Andhra	3	111	72	183	
2	Assam	1	495	69	564	
3	Bihar	2	229	173	402	
4	Bombay	6	778	226	1,004	
5	Kerala	1	101	73	174	
6	Madhya Pradesh	3	785	235	1,020	
7	Madras	6	1,109	307	1,416	
8	Mysore	2	352	66	418	
9	Orissa	1	332	149	481	
10	Punjab	3	366	185	551	
11	Rajasthan	2	153	87	240	
12	Uttar Pradesh	4	709	155	864	
13	West Bengal	2	635	88	723	
14	Delhi	-	-	-	-	

		Group II			
1	Andhra	2	745	286	1,031
2	Assam	-	-	-	-
3	Bihar	1	318	274	592
4	Bombay	4	1,444	560	2,004
5	Kerala	1	137	68	205
6	Madhya Pradesh	1	383	181	564
7	Madras	2	435	188	623
8	Mysore	1	180	60	240
9	Orissa	-	-	-	-
10	Punjab	2	606	2	608
11	Rajasthan	1	487	115	602
12	Uttar Pradesh	2	891	322	1,213
13	West Bengal	-	N.A.	N.A.	N.A.
14	Delhi	-	-	-	-

		Group III			
1	Andhra	2	1,707	631	2,338
2	Assam	-	-	-	-
3	Bihar	2	2,451	1,440	3,891
4	Bombay	3	3,976	2,018	6,722*
5	Kerala	1	643	199	842
6	Madhya Pradesh	2	2,415	734	3,149
7	Madras	3	4,176	1,485	5,661
8	Mysore	1	1,302	335	1,637
9	Orissa	-	-	-	-
10	Punjab	1	2,089	20	2,109
11	Rajasthan	1	833	20	853
12	Uttar Pradesh	4	5,929	1,806	7,735
13	West Bengal	-	-	-	-
14	Delhi	-	-	-	-

*Includes 723 workers for whom sex-wise classification is not available.

Table continued:- Group IV

Serial No.	State	No. of responding municipalities.	Total		
			Male	Female	Total
1	Andhra -----	1	2,481	1,692	4,173
2	Assam -----	-	-	-	-
3	Bihar -----	-	-	-	-
4	Bombay -----	3	26,117	5,606	31,723
5	Kerala -----	-	-	-	-
6	Madhya Pradesh----	-	-	-	-
7	Madras -----	1	11,046	1,747	12,793
8	Mysore -----	1	2,983	991	3,974
9	Orissa -----	-	-	-	-
10	Punjab -----	-	-	-	-
11	Rajasthan-----	-	-	-	-
12	Uttar Pradesh----	1	3,228	1,503	4,731
13	West Bengal-----	1*	4,740	2	4,742
14	Delhi -----	1	9,155	1,380	10,535

* Only in respect of 6 departments.

It may be noted that all major municipal corporations with a population of 500,000 and above have been covered during the course of the Enquiry. The names of these corporations are: Hyderabad, Ahmedabad, Bombay, Poona, Madras, Bangalore, Kanpur, Calcutta and Delhi. Employment in the major municipal corporations varied from 3,974 in Mysore to 22,642 in Bombay.

Permanent and temporary. One of the main features of employment of municipal labour in the various States is the predominance of permanent workers. In Group I municipalities, except in Assam, the percentage of permanent workers to total number of workers was very high and varied from 71.2 in Uttar Pradesh to hundred in Rajasthan. The proportion of permanent workers was exceptionally low, viz., 6.4 per cent in one municipality of Assam. This percentage varied from 62.3 in Andhra Pradesh to 99.7 in Punjab to hundred in Bihar and Mysore States in Group II; from 79.5 in Mysore to 99.7 in Punjab in Group III; and from 78.3 in Bombay to hundred in Hyderabad in Group IV.

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Female labour.- Female labour was being employed in all the 82 sampled municipalities although its percentage to total labour varied among different States in the various groups. This percentage varied from 12.2 in Assam and West Bengal to 43.0 in Bihar in Group I. In Group II it varied from 19.1 in Rajasthan to 46.3 in Bihar except in Punjab where the percentage was exceptionally low viz., 0.3. In Group III, this percentage varied from 20.5 in Mysore to 37.0 in Bihar with the exception of Rajasthan and Punjab where it was very low viz., 2.3 and 0.9 respectively. In Group IV, the percentage of women workers to total workers varied from 13.1 in Delhi to 40.5 in Hyderabad, excluding Calcutta where only two women workers were reported to have been employed as labourers.

Recruitment.- The system of recruitment varied from State to State and within the State from one municipality to another. Majority of the municipalities, such as, those in Rajasthan (Groups I & II), Madhya Pradesh (Groups I, II & III), Mysore (Group I), Andhra Pradesh (Groups I, II & III), Uttar Pradesh (Groups I & II), Madras (Groups I & II), Bombay (Groups I & II & III), Orissa (Group I), Bihar (Groups I & II), Assam (Group I), Punjab (Group II) and Kerala (Group II), recruited their workers directly i.e., either through advertisement in the newspapers or, in case of smaller municipalities, by displaying the vacancies on the notice board. Workers were also recruited directly in the municipal corporations of Madras, Calcutta, Poona, Ahmedabad, Hyderabad and Bangalore. However, the Municipal School Board of Poona Corporation also made use of employment exchanges for the recruitment of their employees.

Municipalities in Punjab (Group I), Mysore (Group III) and Kerala (Group III) recruited their workers mainly through employment exchanges. One municipality each of Madhya Pradesh (Group I), Bombay (Groups I & III), Bihar (Group I), Madras (Group I), Mysore (Group IV), Punjab (Groups I & III), Kerala (Group I), West Bengal (Group I) and Andhra Pradesh (Groups I & III) recruited their workers through employment exchanges and if suitable candidates were not available, the vacancies were advertised in the newspapers. Certain municipalities in Madras (Groups I & III), Bihar (Group III) and Uttar Pradesh (Group III), and Delhi and Kanpur Corporations also recruited their workers partly through the employment exchanges and partly through advertisement in the newspapers. In Khamgaon Municipality of Madhya Pradesh (Group I), workers were recruited as per Municipal Act, 1922. In Bombay Municipal Corporation, the system of recruitment varied from one department to another. The various methods adopted for recruitment by the corporation authorities were direct recruitment or through employment exchanges. However, preference in the matter of recruitment was given to the retrenched employees of the corporation.

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Data regarding separations, available in regard to 71 municipalities/corporations for the year ending 30 September 1958 shows that the rate of separations in the various States was generally low. In Group I, with the exception of Rajasthan and Bihar, the rate of separations varied from 0.4 per cent in West Bengal to 3.8 per cent in Madhya Pradesh. The rate of separations was quite high in Rajasthan and Bihar, viz., 22.6 per cent and 8.2 per cent respectively. In Group II, with the exception of Andhra this rate varied from 0.8 per cent in Bombay Bihar to 4.7 per cent in Madras; the rate in Andhra Pradesh being 7.4 per cent. This rate varied from nil in Bihar to 2.6 per cent in Mysore and Rajasthan in Group III and from 0.1 per cent in Delhi to 2.3 per cent in Bangalore in Group IV. The percentage of workers who were discharged was high in municipalities of Rajasthan and Bihar in Group I and of Andhra Pradesh in Group II. The percentage of persons who retired or died during the year ended 30 September 1958 happened to be very high in Madras (Group II).

Wages and Earnings.— The survey gives ~~in~~ detail, the total monthly emoluments (i.e., basic wages, dearness allowance, other cash allowances and money value of concessions in kind) of the lowest paid male and female workers in the various States. The article indicates that the earnings of ~~male~~ female workers were either less than or equal to those for male workers in the various States. In municipalities in Group I, the total monthly emoluments of the lowest paid male workers ranged between Rs. 27-50 in Uttar Pradesh to Rs. 66.00 in Kerala and for female workers between Rs. 22.50 in Uttar Pradesh to Rs. 66.00 in Kerala. The monthly emolument of both male and female workers in Group II varied between Rs. 23 in Uttar Pradesh and Rs. 66 in Kerala. The variations in Group III was from Rs. 33.00 in Rajasthan to Rs. 63.00 in Bombay for male workers and from Rs. 26.75 in Madras to Rs. 62.00 in Kerala for female workers. In Group IV, the total monthly emoluments of the lowest paid male workers varied from Rs. 50 in Madras to Rs. 80 in Bombay and for female ~~workers~~ workers from Rs. 45 in Madras to Rs. 80 in Bombay. It will be seen that the lowest paid worker in municipal corporations in Group IV generally received higher emoluments than the corresponding worker in the case of municipalities in other groups in the same State.

Basic Wages and Earnings.— During the course of the enquiry occupation-wise data relating to basic wage rates/scales and total earnings of municipal workers were collected for the month of September 1958. The data relating to occupational basic wages were available in respect of 69 municipalities/corporations, whereas only 65 municipalities/corporations furnished data relating to occupational earnings. The number of occupations in the various municipalities, particularly in large municipal corporations, was very large. It is, therefore, not possible to analyse data relating to wages and earnings for all categories of workers. In this article, a comparative study of the wage structure in respect of 20 numerically important occupations, which were more or less common in the various municipalities, has been made. This comparison ~~is~~ reveals that the wage structure in the various States was not rationalised with the result that the varying scales of wages were prevalent for most of the occupations in different municipalities. Even within a municipality, varying wage scales were being paid in respect of some of the occupations common to different departments of the municipality.

The average monthly earnings received by workers of important occupations are discussed in the following paragraphs:-

(1) Peon/Chaprasi.- Peons were employed in all the municipalities which furnished data on wages and earnings. The average monthly earnings of peons varied from Rs.32.73 in Rajasthan to Rs.72.71 in West Bengal in Group I; from Rs. 35.68 in Bihar to Rs.79.52 in Bombay in Group ~~III~~ II; and from Rs.49.95 in Uttar Pradesh to Rs.61.51 in Bombay in Group III. The variation in average monthly earnings in large municipal corporations (Group IV) was from Rs.54.41 in Hyderabad to Rs. 75.78 in Calcutta.

(2) Watchman/Chowkidar (Grades I and II).- The average monthly earnings of watchman varied from Rs.32.50 in Bihar to Rs.82.50 in Bombay in Group I; from Rs.29.77 in Andhra Pradesh to Rs.71.50 in Bombay in Group II; and from Rs.35.10 in Andhra Pradesh to Rs. 70.27 in Rajasthan in Group III. In Group IV municipal corporations, average monthly earnings varied from Rs. 51.91 in Hyderabad to Rs.93.00 in Calcutta.

(3) Labourer/Mazdoor/Coolie/Gangman (Road/Buildings and Constructions)/Khalasi (Boiler).- The average monthly earnings received by labourers varied from Rs.32.00 in Bihar to Rs.68.87 in Bombay in Group I; from Rs.31.55 in Madras to Rs.46.59 in Mysore in Group II; from Rs.37.12 in Mysore to Rs.59.93 in Punjab in Group III and from Rs.56.09 in Madras to Rs.85.79 in Bombay in Group IV.

(4) Motor Driver/Lorry Driver/Truck Driver.- The average ~~tax~~ monthly earnings received by motor drivers in Group I municipalities varied from Rs.66.80 in Orissa to Rs.188.00 in West Bengal; in Group II municipalities from Rs.68.30 in Andhra Pradesh to Rs.124.63 in the Punjab; and in Group III municipalities from Rs. 66.00 in Rajasthan to Rs.109.00 in the Punjab. In Group IV municipal corporations, average monthly earnings varied from Rs. 68.10 in Hyderabad to as high as Rs.189.90 in Calcutta.

(5) Lighter (Lamp).- Lighters were employed in Madhya Pradesh, Orissa, Madras and Punjab (Group I); Andhra Pradesh (Group ~~II~~ I, II and III); Bihar and Bombay (Group III) and their average monthly earnings in the municipalities mentioned above were Rs.48.00, Rs.46.00, Rs.46.00, and Rs.39.00; Rs.36.50, Rs.42.00, Rs.39.46; Rs. 28.28 and Rs.44.56 respectively.

(6) Vaccinator.- Vaccinators' monthly earnings, on an average, ranged between Rs.62.33 in Bihar and Rs.116.33 in West Bengal in Group I; between Rs.42.50 in Bihar and Rs.104.00 in the Punjab in Group II; between Rs.51.00 in Bihar and Rs.128.64 in the Punjab in Group III; and between Rs.81.99 in Mysore and Rs.156.55 in Bombay in Group IV.

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(7) Sweeper/Drain Cleaner.- Sweepers were employed in all the municipalities which furnished data on wages and earnings, although in a few these were employed on a part-time basis. Average monthly earnings of sweepers were the lowest in Andhra Pradesh (Rs.26.59) among Group I municipalities, in Uttar Pradesh (Rs.27.86) among Group II, in Andhra Pradesh (Rs.34.74) among Group III and in Madras (Rs.55.97) among Group IV municipal corporations. Sweepers in Bombay State received highest earnings in respect of all the Groups viz., Rs.70.97 (Group I) Rs.70.93 (Group II), Rs. 64.90 (Group III) and Rs. 83.01 (Group IV).

(8) Scavenger.- Average monthly earnings of scavengers were the lowest in Bihar (Rs.24.37) in respect of Group II and in ~~Andhra~~ Andhra Pradesh (Rs.35.28) Rs.39.78 and Rs.38.35) in Groups I, III and IV respectively. Scavengers in Bombay State received highest earnings in all the four groups viz., Rs.84.28 (Group I), Rs.71.23 (Group II), Rs.72.78 (Group III) and Rs.84.80 (Group IV).

(9) Mali/Gardener (Head/Asstt.).- The average monthly earnings of gardeners varied from Rs.34.71 in Andhra Pradesh to Rs.67.50 in Bombay Group I municipalities; from Rs.35.00 in Bihar to Rs.75.00 in the Punjab in Group II; from Rs.38.52 in Andhra Pradesh to Rs.87.32 in the Punjab in Group III; and from Rs. 52.13 in Madras Corporation to Rs.102.47 in Bombay Corporation in Group IV.

(10) Fitter (Grade I and II)/Junior Fitter/Fitter Attendant.- The average monthly earnings of fitters varied from Rs.55.00 in Mysore to Rs.99.60 in Assam; from Rs.68.76 in Andhra Pradesh to Rs. 109.20 in the Punjab; from Rs. 43.50 in Mysore to Rs.102.92 in the Punjab in the case of Groups I, II and III municipalities respectively. Among the large municipal corporations in Group IV, the variation in average monthly earnings was from Rs.74.67 in Bangalore to Rs.112.81 in Calcutta.

(11) Cart Driver/Cartman.- The average monthly earnings of cart drivers varied from Rs.29.00 in Uttar Pradesh to Rs.76.75 in the Punjab in Group I; from Rs.34.00 in Bihar to Rs.87.52 in the Punjab in Group II; from Rs.41.00 in Bihar to Rs.95.51 in Andhra Pradesh in Group III municipalities. As regards municipal corporations in Group IV, cart drivers were employed only in Madras and Calcutta and received average monthly earnings of Rs.56.65 and Rs.70.00 respectively.

(12) Fireman(Fire Brigade), Grade I and II.- The average monthly earnings of firemen varied from Rs.48.00 in Madras to Rs.100.00 in Bihar in Group I; from Rs.55.00 in Rajasthan to Rs.79.00 in the Punjab in Group II; and from Rs.49.25 in Rajasthan to Rs.84.34 in the Punjab in Group III municipalities. In Group IV, the average earnings of firemen varied from Rs.76.25 in Madras Corporation to Rs.106.32 in Calcutta.

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(13) Jamadar.- Monthly average earnings of jamadars were the lowest in Madhya Pradesh (Rs.38.83) among Group I municipalities, in Bihar (Rs.40.00) among Group II municipalities, in Rajasthan (Rs.57.05) in Group III and in Bangalore (Rs.65.00) in Group IV. Jamadars in Bombay State received the highest earnings in all the four groups viz., Rs. 72.50 (Group I); Rs.85.00 (Group II); Rs.82.29 (Group III); and Rs. 102.54 (Group IV).

(14) Beldar.- Beldars were employed in Uttar Pradesh (Groups I, II and III); the Punjab (Groups II and III); and Madhya Pradesh (Group III); and received monthly earnings on an average of Rs.38.09, Rs.34.00, Rs.61.50; Rs.53.31, Rs. 59.00; and Rs.44.02 in the above municipalities/groups respectively.

(15) Carpenter.- The average monthly earnings of carpenters varied from Rs.48.00 in Madras to Rs.88.00 in Orissa in Group I; from Rs.52.00 in Bihar to Rs.118.00 in the Punjab in Group II; from Rs.59.60 in Bihar to Rs.104.00 in the Punjab in Group III; and from Rs.86.07 in Andhra Pradesh to Rs.109.04 in Bombay in Group IV municipal corporations.

(16) Black-smith.- Black-smiths received average monthly earnings varying from Rs.55.35 in Madhya Pradesh to Rs.70.00 in Uttar Pradesh in Group I municipalities; from Rs.50.00 in Bihar to Rs.112.00 in the Punjab in Group II; from Rs.54.70 in Bihar to Rs.104.00 in the Punjab in Group III; and from Rs.80.86 in Madras to Rs.114.92 in Bombay in Group IV municipal corporation.

(17) Aya/Maid servant/Dai.- The average monthly earnings of Ayas were the lowest in Uttar Pradesh (Rs.41.00); Bihar (Rs.25.00); Bihar (Rs.40.32); and Madras (Rs.50.02) in Groups I to IV respectively. Ayas in Bombay received the highest earnings in all the four groups viz., Rs.61.27 (Group I), Rs.85.00 (Group II), Rs.67.18 (Group III) and Rs.83.25 (Group IV).

(18) Mistry (Tube well, plumbing, Pipe line, Workshop).-The average monthly earnings of mistries varied from Rs.50.83 in Andhra Pradesh to Rs.93.00 in Madhya Pradesh in Group I; from Rs. 52.50 in Bihar to Rs.92.23 in Bombay in Group II; from Rs. 55.13 in Andhra Pradesh to Rs. 100.59 in Bihar in Group III; and from Rs.74.00 in Bangalore to Rs.141.63 in Calcutta in Group IV.

(19) Mate/Mukkadam.- The average monthly earnings of mates varied from Rs.35.50 in Bihar to Rs.88.50 in Bombay in Group I; from Rs.40.00 in Bihar to Rs.79.92 in Bombay in Group II; from Rs.47.00 in Bombay to Rs.81.00 in Bihar in Group III; and from Rs.61.57 in Madras to Rs.95.36 in Bombay in Group IV.

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(20) Moharrir (Head/Assistant)/Makadar/Collecting Sarkar.-
The average monthly earnings of moharrirs varied from Rs.70.03 in Uttar Pradesh to Rs.132.40 in West Bengal in Group I; from Rs. 79.36 in the Punjab to Rs.88.00 in Uttar Pradesh in Group II; and from Rs.62.55 in Madhya Pradesh to Rs.88.51 in Bombay in Group III. Among Group IV municipal corporations, moharrirs were employed only in Delhi but their average earnings could not be calculated as the municipal authorities did not furnish the data relating to total earnings of this category of workers.

Dearness Allowance.- Dearness allowance was being paid in all the municipalities/corporations excepting 2 which did not furnish information in this regard. The scale and system of payment differed from State to State and within the State from one municipality to another. In most of the municipalities (i.e., 52), dearness allowance paid varied with income groups. In 14 other municipalities it was given at a flat rate. In one municipality, sweepers were paid dearness allowance at flat rate, whereas other employees were paid dearness allowance varying with incomes. The remaining three municipalities stated that they were paying dearness allowance according to the system adopted by the State Governments concerned without furnishing details thereof.

Other Allowances.- Conveyance allowance or cycle allowance was being paid to certain categories of staff, such as peons, in 10 municipalities. House-rent allowance, in lieu of housing accommodation was being paid in 17 municipalities/corporations.

Other Benefits Paid in Kind or Cash.- Fifty-seven municipalities/corporations were supplying uniforms to certain categories of employees, such as, ohowkidars, peons, conductors, sanitary inspectors, jawans of octroi department, sweepers, etc. The number and types of uniforms supplied to the various categories of workers, however, differed from one municipality to another. It was not possible to calculate the exact money value of the uniforms supplied to the various categories of workers.

Bonus.- Three types of bonuses were being paid viz., collection bonus, annual bonus and incentive bonus (attendance). Bill collectors in municipalities of Madhya Pradesh (Group I and III) and Andhra Pradesh (Groups II & III) were eligible for collection bonus on the basis of collections made by them. One municipality each in Madras (Group I) and Andhra Pradesh (Groups II and III) paid collection bonus at the rate of one month's pay for per cent collection and half a month's pay for collection above 95 per cent. In another municipality of Andhra Pradesh (Group III), the rate was one month's pay for 97 per cent or more collection. In two municipalities of Madras (Group III), collection bonus was being paid at the following rates:-

- (i) one month's pay for full collection;
- (ii) 3/4th month's pay for collection above 95 per cent; and
- (iii) half month's pay for collection above 95 per cent, but below 97 per cent.

However, these municipalities reported that no bill collector had received collection bonus.

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Annual Bonus was paid in all the sampled municipalities of Uttar Pradesh (except Rae Bareilly - Group I), although the rate of bonus varied from one municipality to another in the State. All workers (in certain municipalities only permanent workers and in others only workers contributing towards Provident Fund), except sweepers, who had completed five years'/10 years' service in the municipality were eligible for annual bonus. The bonus was paid at a graduated scale; at a higher rate to workers having longer service. The rate of bonus varied from one to six months' pay in various municipalities. In Kanpur Municipal Corporation the bonus was paid at the following rate:-

After completion of five years' service the rate of bonus was one month's pay; after 10 years' service two months' pay; after 15 years' service three months' pay; after 20 years' service four months' pay; after 25 years' service five months' pay; after 30 years' service six months' pay; and after 35 years' service seven months' pay.

In the printing press of the Bombay Corporation, bonus equivalent to one day's basic pay for each casual leave saved was paid. This incentive scheme had been introduced with a view to discouraging absenteeism in the Press.

Working Conditions: Hours of Work, Shifts, Weekly Off, etc.-

Employees in the various municipalities worked from 5-1/2 to 8 hours a day and 33 to 48 hours in a week. In certain municipalities sweepers, scavengers, labourers (gangmen) and employees of water works and octroi departments, however, worked longer hours in a week. Daily rest interval varied from 1/4th of an hour to four hours per day in the various municipalities.

Night shifts were generally worked in octroi, fire-brigade, water works and electricity departments in most of the municipalities. System of change-over of shifts existed in all these municipalities where night shifts were worked. Change-over of shifts took place either daily or weekly in most of these municipalities. Duty allowance at the rate of either Re.0.25 per day of night duty or Rs.2.00 per month was paid to workers in certain departments of the Calcutta corporation. Whereas, workers employed in the workshop of the Poona corporation received tea allowance at the rate of Re.0.25 per day of night duty.

All the municipalities granted weekly-off to their staff. However, sweepers and scavengers, comprising essential services, were entitled to weekly-off for half a day only. Workers employed in octroi and water works departments of some of the municipalities were not entitled to a weekly-off although in certain other municipalities, weekly-off was granted to such workers by rotation.

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Leave and Holidays with Pay: Casual Leave.- Information relating to leave was furnished by all the responding municipalities except Ratangarh (Group I) and Udaipur (Group II). In Pittapuram, Coonoor and Tiruvannamalai municipalities (Group I), no casual leave was allowed. The municipal workers in the various municipalities (Groups I to III) were eligible for casual leave at the rate of 14 to 20 days in a year. In certain municipalities, however, sweepers, scavenging staff and mazdoors were either not eligible for casual leave or were allowed leave at a lower rate. Municipalities (Groups I, II and III) in the States of Andhra Pradesh, West Bengal, Madras (excepting Coonoor municipality which allowed 30 days' leave on half pay), Mysore, Bombay, Bihar, Rajasthan, Madhya Pradesh, Orissa and Assam, casual leave was being allowed for 15 days in a year. In Kerala and Punjab (except Hoshiarpur, Patiala and Amritsar municipalities which allowed leave for 15 days to class IV servants), 20 days' casual leave was being allowed to the municipal employees, while in Uttar Pradesh, workers were allowed 14 days' casual leave in a year.

~~Rmk~~ In Calcutta Corporation, workers were allowed casual leave for 15 days, except in motor vehicles department (mechanical workshop) where such leave for six days only was allowed. All employees in Bombay corporation were eligible for 20 days' casual leave in a year. In Madras corporation, all workers who had completed two years of service were entitled to casual leave for 20 days in a year. In Kanpur corporation all employees, except shift workers of water works department who were entitled to 18 days' casual leave, were allowed 14 days' casual leave in a year. Fifteen days' casual leave was allowed to employees other than sweepers in Bangalore, Delhi, Poona (10 days to conductors and drivers in Traffic department and workshop employees), Hyderabad (30 days to jawans in octroi department) and Ahmedabad corporations.

Sick Leave.- No uniformity was observed in different municipalities in case of sick leave. No sick leave was allowed in the municipalities of Madhubani, Bharatpur, Patan, Puri and Guhati (Group I); and Coimbatore (Group III). In other municipalities employees were generally required to produce medical certificate before they were granted sick leave. The period of sick leave varied from 15 days to 30 days (or a month) in a year. Certain municipalities had laid down maximum period of ~~sick~~ sick leave throughout the period of service of employee; this period varied from six months to one year. In Ambala municipality (Group II), sick leave was granted on production of medical certificate without any limit. In Ferozepur and Deolali (Group I), and Bhusaval (Group II), half pay ~~xxx~~ leave at the rate of 15 - 20 days in a year was granted to all workers. In Bihar (Groups II & III) all workers, except sweepers, were entitled to sick leave at the rate of 1/11th of the period spent on duty. Sick leave was being granted to sweepers for 15 days in a year. In Bihar (Group I) sick leave was granted for seven days at full pay and for 14 days at half pay in a year. In Kerala (Group III), contingency workers were eligible for sick leave for 45 days in a year.

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In Bombay corporation, the leave was being granted at the rate of 15 days for every completed year of service. The total period of sick leave, which could be granted to workers throughout the period of service, was 180 days. Workers in Calcutta corporation were also eligible for 15 days' sick leave per year after they had completed one year's service. In Kanpur corporation, sick leave could be granted at the rate of 12 days per year to workers employed in water works department while conservancy staff of public health department and the staff employed in mechanical workshop were eligible for 15 days' leave. The maximum period of sick leave which could be granted to the employees throughout the period ~~xxxx~~ of their service was 12 months for permanent workers and 4 months for temporary workers. Sweepers, scavengers and gangmen employed in Bangalore corporation were entitled to one month's leave per year. The rate of leave in Hyderabad corporation was 15 days for each completed year of service up to 20 years of service and 20 days per year for service thereafter. Delhi and Ahmedabad corporations granted leave to their employees at the rate of 20 days per year. Permanent and temporary employees of the Poona corporation were allowed sick leave for 12 days and six days in a year respectively.

Earned Leave.— No uniformity was observed in different municipalities in case of earned leave also. Generally, earned leave was granted at the rate of 1/11th of the period spent on duty. However, in certain municipalities, while permanent employees were granted leave at the rate of 1/11th of the duty period, this rate was 1/22nd for temporary employees. In one municipality each of Bombay State (Group II) and Punjab (Groups I & III) and in Hyderabad corporation the rate of earned leave was 1/22nd of the duty period for first 10 years of service, 1/16th of duty period for next 10 years of service, and 1/11th of the duty period for the remaining period of service. The period of leave allowed to sweepers, conservancy staff and other similar staff was generally less than the regular staff.

In the various departments, except drainage, of the Calcutta corporation, leave was being granted at the rate of 21 days in a year for skilled workers and 15 days for unskilled workers. In the drainage department ~~xxxx~~ permanent workers were eligible for 15 days' earned leave in a year. The rate of earned leave allowed to temporary workers employed in the drainage department was, however, not furnished by the corporation authorities. All workers, except sweepers, in Kanpur corporation were entitled to leave at the rate of 1/11th of the period spent on duty. However, mechanical staff of the corporation was entitled to 33 days' leave.

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Sweepers employed in Bangalore corporation were entitled to leave at the rate of 1/11th of the period spent on duty, whereas, peons were allowed leave at the rate of 1/22nd of the duty period. The permanent and temporary employees of the Delhi corporation were entitled to leave at the rate of 1/11th and 1/22nd of the duty period respectively. All employees of the Bombay corporation were entitled to leave at the rate of 1/11th of duty period after completion of one year's service and at the rate of 1/22nd of the duty period earlier. The maximum period of earned leave which an employee could accumulate during the period of his service was 120 days in respect of superior staff and 80 days for labour. In Ahmedabad corporation, employees were entitled to leave at the rate of 1/11th of the duty period during a year. All permanent employees of the Poona corporation were entitled to leave for 33 days in a year, whereas, temporary employees were entitled to only 16 days. In traffic and workshop departments, the number of days allowed as earned leave was 25 and 20 respectively.

Other Leave. In Bombay corporation, injury leave was granted to employees in the labour cadre at the following rates:-

Service of less than 5 years	(1 month on full pay.
	(2 months on half pay.
Service of more than 5 years but not exceeding 10 years	(2 months on full pay.
	(2 months on half pay.
Service of more than 10 years but not exceeding 15 years	(3 months on full pay.
	(2 months on half pay.
Service of more than 15 years but not exceeding 20 years.....	(4 months on full pay.
	(2 months on half pay.
Service of more than 20 years.....	(4 months on full pay.
	(4 months on half pay.

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Holidays with Pay. Information relating to holidays with pay was available in respect of all municipalities/corporations except Deolali (Group I) and Puri (Group I). The number of holidays per year varied from 13 in Mahbubnagar to 38 in Siliguri in Group I municipalities, from 10 in Kancheepurem to 38 in Broach in Group II municipalities; and from 10 in Surat to 32 in Lucknow in Group III municipalities. In most of the municipalities, sweepers, scavengers and other similar staff were entitled to holidays with pay for only half a day on these holidays.

Employees of various communities in different departments of the Bombay Corporation were granted holidays with pay at the rate varying from 10 to 19 days in a year. The number of holidays varied from 8 to 16 in the various departments of the Calcutta corporation. In departments catering to essential services, only one holiday was being granted to workers. In Madras corporation, 11 holidays were granted to all, except conservancy staff, who were required to work for at least 3 hours in the morning on such holidays. In Kanpur corporation, 3 national holidays and 38 festival holidays were granted to all workers except conservancy staff. The shift workers of water works department were not allowed to avail of any festival holiday and they were entitled to 22 days' leave with pay in a year in lieu of festival holidays. In Bangalore, 23 holidays were granted to different categories of workers. In Delhi, 9 to 26 holidays were granted to different categories of workers. In Hyderabad employees were entitled to all holidays which were declared by the State Government (the exact number has not been reported by the Corporation authorities). The number of holidays varied from department to department in Poona corporation, i.e., from 3 for workers in workshop department to 30 days for office peons. Sixteen holidays with pay were granted to all workers except essential staff in Ahmedabad corporation.

Welfare ~~arrangements~~ Sixty-five municipalities/corporations had provided welfare facilities of one kind or another to their employees. As regards housing, the percentage of workers housed varied from 9 in Mysore to 74 in West Bengal. In Group II municipalities, the percentage of workers housed varied from 1.5 in the Punjab to 44 in Madhya Pradesh. The monthly rent charged varied from 50 NP in Udaipur to Rs.2.50 in Borach. The percentage of workers housed varied from 0.2 in Andhra to 38 in Mysore in Group III municipalities. The rent charged varied from Rs.1.50 in Surat (Rs.2.75 for new quarters) to Rs.3 per month in Salem.

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As far as Group IV municipal corporations are concerned, 26 percent of the workers (of six departments) were provided with houses in Calcutta corporation. No rent was charged from workers who had been provided with houses except from workers in water works and traffic departments, who were charged rent at the rate of Rs.2.00 per month. In Ahmedabad and Poona corporations, the percentage of workers housed was 35 and 17 respectively. In the former, rent was charged at the rate of 10 per cent of the pay except for 1,093 Harijans who had been provided with free quarters. In the latter, rent varying from Re.1 to Rs.8 per month for single-roomed tenements and from Rs.14 to Rs.24 per month for double-roomed tenements was charged depending upon the type of quarter. Most of the departments of the Bombay corporation had provided accommodation to workers. The percentage of workers housed varied from department to department. Out of a total of 31,723 workers, the number of workers housed was 10,769 (i.e. 34 per cent). Rent charged depended upon the type of accommodation provided. No rent was charged for certain categories of workers. In Bangalore, 52 per cent of the workers were provided with housing accommodation. A rent of Rs.2 per month was charged from the workers housed. The percentage of workers housed in Kanpur, Delhi and Hyderabad was 11, 20 and 9 respectively. In Kanpur, rent varying from Rs.2.50 to Rs.5 per month was charged from the workers housed, while in Hyderabad, a sum of Rs.1.75 per month was charged from the workers. In Delhi, rent was charged at the rate of 10 per cent of the ~~any~~ basic pay except for workers employed in the water works department and peons in the various departments who were not charged any rent.

Maternity Benefits. Female workers in 74 municipalities/corporations were allowed maternity leave with pay. There was no provision for maternity leave in three municipalities, while information on this point was not furnished by 5 municipalities. The period of leave varied from one municipality to another. It was three months in Siliguri, Poona, Ambala and Delhi; two months in 26 municipalities; 6 weeks in 21 municipalities. In 14 other municipalities, the period of leave varied from 15 to 56 days. The period of maternity leave allowed was not specified in the case of 8 municipalities. In Madras corporation, maternity leave was allowed at the rate of three weeks upto and including the date of confinement and four weeks immediately thereafter. Besides leave, female workers in this corporation were also entitled to maternity benefit at the rate of 0.75 nP. per day during the period of maternity leave.

Social Security. Provident Fund facilities existed in 69 municipalities. Conditions of eligibility for membership differed from one municipality to another.

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The practice of paying gratuity prevailed in 34 municipalities/corporations.

Industrial Relations. Trade unions existed in 52 municipalities/corporations. Most of the trade unions were registered as also recognised by the municipal authorities concerned. The number of trade unions in a municipality varied from 1 to 10 in the various municipalities.

Minor strikes were reported by the municipalities of Kadiri Panchayat, Tiruvannamalai, Durg, Patan and Nasik; as also Hyderabad corporation during the year ended 30 September 1958. The number of man-days lost in these strikes was negligible. However, major strikes occurred in Nagpur and Bombay corporations. In Nagpur, about 80 per cent of the employees were on strike for about 12 days with the result that 48,000 man-days were reported to have been lost during the strike. In Bombay, the total man-days lost in two strikes during the year were 125,000.

Labour welfare officers were reported to have been appointed only in the big Corporations, viz., Ahmedabad, Bombay, Calcutta, Hyderabad, Poona and Patna. In Delhi Corporation, a labour welfare officer was appointed on 1 October 1958. However, there existed separate welfare officers in the transport and electric supply undertakings of the Delhi Corporation. These officers dealt with ~~the~~ recruitment of the ~~workers~~ workers, their welfare, personnel management, and conciliation aspects. They also looked into the grievances of workers and acted as a liaison between the employees and the municipal authorities. Joint Councils were in existence in Satara and also in the various departments of the Bombay Corporation. Joint Councils in Bombay Corporation looked into those grievances of workers which could not be settled by the labour officer.

(Indian Labour Journal, Vol.I, No.11,
November 1960, pp. 1175-1191).

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Labour Conditions in the Coir Industry.

The Indian Labour Journal, Vol.I, No.12, December 1960, contains the results of a study of labour conditions in coir industry, based on information collected for the period ending December 1959.

Main features of industry.- The coir industry is mainly located in Kerala State; this State accounting for about 95 per cent of the total production of coir yarn in the country. The facility for retting coconut husks along the coastal regions has been mainly responsible for large scale development of the industry in Kerala. The industry is broadly divided into two sectors viz., the spinning sector and the manufacturing sector. The spinning sector, which is worked mainly on cottage industry basis, consists of such operations as collection, retting and beating of coconut husks, carding the fibre and production and preparation of coir yarn. The manufacturing sector is concerned with production of various goods, such as, mats and mattings out of yarn (including baling) as also rope-making. The coir factories in the manufacturing sector are mainly located in Alleppy, Shertellai, Vaikom, Kozhikode and Cochin.

The economy of the industry depends to a very large extent on exports which account for about 50 per cent of the total production of coir yarn and coir goods. The volume of production and, thus, employment of labour in the industry mainly depends on the quantum of exports. This dependence on ~~exports~~ exports is mainly responsible for the prevalence of unemployment in certain periods and under-employment of labour in the industry. Whenever the foreign demand slackens, production in almost all the units is curtailed and this in turn affects the employment in the industry.

Sampling design.- The total number of units in the industry according to size groups, the sampling fraction used and the number of sampled units worked out are as follows:-

Employment Group.	Total Number of units.	Sampling fraction.	Number of sampled units.
Below 50	86	1/4	22
51 - 200	49	1/3	16
Above 200	18	1/2	9
Total.	153	-	47

Out of the 47 sampled units, 9 units were found to be closed during the course of the enquiry and were substituted from the list of substitutes drawn up for the purpose of random basis by units in the respective size-groups. The sampled units accounted for about 42 per cent of the total employment in the industry in 1958.

Employment.- The total employment in the coir industry estimated on the basis of the present enquiry as on 31 December 1959 was 15,823.

Direct labour accounted for 14,978 workers while 845 were engaged through contractors. The percentages for the contract labour to total labour were 14.5, 10.5 and 0.1 in groups I, II and III respectively (Size group I covers all units with employment upto 50; Group II covers units with employment 51-200; and Group III covers units with employment above 200) as compared to 5.3 for the industry as a whole. Contract labour was employed in six sampled units only including four units (two each in Group I and II) which were exclusively engaged in rope-making. The rope-making process is peculiarly suited to the engagement of contract labour as it is generally carried on by a gang of about 14 workers. Contractors also employed women labour; the percentage of women labour to total contract labour was 13.8 in Group I and 23.8 in Group II. The principal employers did not exercise any control over the conditions of work and payment of wages to the workers employed through contractors.

Female Labour.- Out of 14,978 workers employed directly, the female labour accounted for 3,608 i.e., 24 per cent of the total labour force directly employed. The percentages of female labour to direct labour were 5.5 in Group I; 8.9 in Group II and as high as 37.5 in Group III. Women were generally employed in such occupations as sorting, opening, spooling, braiding, etc. There was very little employment of children in the industry. The percentage of children to direct labour was 0.6. This percentage was 3.1 in Group I and 0.6 in Group II, no child labour having been employed in any of the sampled units falling in Group III.

Permanent and Temporary Labour.- Out of 14,978 workers employed directly, 14,047 (93.8 per cent) were permanent, 872 (5.8 per cent) temporary and 59 (0.4 per cent) casual workers. Casual labour was being employed for some ad hoc work by only one unit in Group I. The percentage of permanent labour to labour employed directly was 72.4 in Group I, 93.3 in Group II and 99.3 in Group III. It may, however, be noted that there is no rigid principle for classification of workers into permanent and temporary. Further, employment of workers on permanent basis does not ensure full time employment or employment on all the working days in a month.

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Time-rated and Piece-rated workers.- A total of 13,310 workers (88.9 per cent) were working on piece-rates while the remaining 1,668 (11.1 per cent) were employed on time-rates. The percentage of piece-rated workers was 89.7 in Group I, 86.8 in Group II and 89.9 in Group III. The percentage of female workers among the time-rated and piece-rated workers was almost the same i.e., about 24.

Lay-Off.- Most of the units surveyed had to lay-off their workers many a time during 1959 mainly due to lack of orders for manufacture of coir yarn and coir goods. Generally no compensation was paid for periods of involuntary unemployment except in a few well-established units, which normally guaranteed employment for three weeks during a period of six weeks. In these units, if work was available for less than three weeks during a continuous period of six weeks, compensation was payable for the days this period fell short of three weeks.

Recruitment.- Workers in the coir industry do not get work for all the working days during the year. Thus, there is always surplus labour which is available for recruitment by the various units. Out of the 47 sampled units, as many as 37 were recruiting their workers directly. Three units reported that they recruited their workers through labour unions and another three units recruited their workers through existing workers. The question of recruitment did not arise in four rope-making units which employed their entire labour through contractors.

Apprenticeship.- One sampled unit (Group III) reported that workers ~~not~~ laid off in any department of the unit were trained for a period of four weeks in creel mats weaving. During this period they were paid stipend at the rate of Rs.1.25 per day during the first week; 75 per cent of this rate during the second week; 50 per cent during the third week; and 35 per cent during the fourth week. In addition, a worker also received wages on the basis of his out-put during this period.

Length of Service.- Regarding length of service of permanent and temporary workers employed in the coir industry as on 31 December 1959 shows that workers having service below one year, one year or more but below five years, five years or more but below ten years, and ten years or more formed 6.6, 18.7, 32.8 and 41.9 per cent, respectively of the total direct labour. The percentages of workers having service below one year was quite low in Group III, viz., 0.8 and quite high in Group I viz., 30.5. Workers having service of five years or more accounted for 31.2 per cent, 62.4 per cent and 92.2 per cent in Groups I, II and III respectively.

Labour Turnover.- The yearly rates of accessions were 60.4 per cent, 20.2 per cent and 62.2 per cent for Groups I, II and III respectively as compared to 17.0 per cent for industry as a whole. On the other hand, the yearly rates of separations were 50.9 per cent, 25.2 per cent and 14.5 per cent for Groups I, II and III respectively as compared to 22.5 per cent for the industry as a whole. The monthly rates of accessions in the industry varied from 0.6 per cent in November, to 3.2 per cent in January. On the other hand, the monthly rates of separations in the industry varied from 0.2 per cent in January to 4.1 per cent in April. The highest rate of accession in any group was 12.6 in Group I in September. Similarly the highest rate of separations in any group was 12.0 per cent in Group I in December. The rates of monthly separations and accessions were comparatively low in Group III, the main reason being comparative stability of employment of labour in bigger units. Most of the separations in the industry were caused by termination of temporary appointments due to shortage of work in the units concerned. The percentage of separations due to termination of temporary appointments to total separations in the industry was about 66.5.

Absenteeism.- These data relate to a few of the sampled units which could furnish this information and therefore have not been estimated for the industry as a whole. It was observed that average rates of absenteeism for the year 1959 were 14.64 per cent in Group II, 16.01 per cent in Group I and 21.33 per cent in Group III. The monthly rates of absenteeism varied from 10.50 per cent in February to 26.31 per cent in January in Group I; from 9.80 per cent in October to 20.28 per cent in July in Group II; and from 16.21 per cent in December to 27.92 per cent in July in Group III. The main causes of absenteeism as reported by the various units were sickness, marriage and domestic affairs.

Wages and Earnings.- Daily emoluments of the lowest paid male and female workers during December 1959 are given below:-

Size-Group	Male			Female		
	Basic/consolidated Wages.	Dearness Allowance.	Total.	Basic/consolidated Wages.	Dearness Allowance.	Total.
I	0.81	1.16	1.97	0.69	0.98	1.67
II	1.37	-	1.37	1.25	-	1.25
III	0.81	1.13	1.94	0.69	0.96	1.65

These figures relate to time-rated workers in units employing both male and female workers. It will be seen from the table that the daily earnings of female workers were lower than those of the male workers in all Groups.

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Occupational Wage Rates.- The study gives details of the selected piece-rated and time-rated occupations, as prevalent during December 1959. Most of the occupations in the industry were piece-rated. The piece-rates for certain occupations, such as matting weaving, re-hanking, sorting, sizing and opening were standardised by an ad-hoc committee set up for the purpose by the Coir Industrial Relations Council. The standardised rates, however, depended on the design and quality of the product. As there was a wide range of qualities and designs, the actual rates determined by the Council, therefore, varied widely. Besides, the piece rates for non-standardised occupations also varied from unit to unit.

An analysis of average daily earnings in these occupations is given in the following paragraphs:-

(1) Matting Weaving.- The average daily earnings of workers employed on this occupation in units in all Groups were Rs.3.08. The earnings varied from Rs.2.92 in Group II to Rs.3.35 in Group III.

(2) Mats Weaving.- The average daily earnings of workers employed on mats weaving varied from Rs.1.79 in Group I to Rs. 2.29 in Group III whereas the average for the industry as a whole was Rs.2.16.

(3) Carpet Weaving.- The average daily earnings of workers employed on this occupation were Rs.2.74 for all groups. As regards the individual size-groups, these varied from Rs.1.33 in Group I to Rs.2.97 in Group II.

(4) Beaming.- The average daily earnings of workers employed on beaming were more or less the same in different size-groups; the average for the industry as a whole, being Rs.1.75.

(5) Spooling.- The average daily earnings of workers employed on spooling varied from Rs.0.81 in Group II to Rs.1.07 in Group III, the average for the industry being Re. 0.98.

(6) Dyeing.- The average daily earnings in different size-groups were more or less the same; the average for the industry being Rs.1.99.

(7) Passing.- The average daily earnings were quite high in Group II, i.e., Rs.3.32. These were Rs.1.43 in Group I and Rs.2.40 in Group III. The average for the industry as a whole was Rs.3.13.

(8) Shearing.- The average daily earnings of shearers were Rs.2.44 and Rs.5.12 in Groups II and III respectively; the data about earnings being not available in respect of one unit falling in Group I which employed shearers. The average for the industry as a whole was Rs.4.08.

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(9) Clipping.— The average daily earnings were Rs.2.11 in Group II and Rs.2.87 in Group III. This category of workers was not employed in any of the units falling in Group I. The average for the industry as a whole was Rs.2.47.

(10) Binding.— The average daily earnings varied from Rs.2.78 in Group I to Rs.3.10 in Group III, the average for the industry as a whole being Rs.2.96.

(11) Quilling.— The average daily earnings varied from Rs.1.08 in Group I to Rs.1.62 in Group II, the average for the industry as a whole being Rs.1.36.

(12) Stencilling.— The average daily earnings of workers employed on stencilling were Rs.2.74 for the industry as a whole. It was Rs.3.71 in Group II and Rs.2.09 in Group III; no worker having been employed in this category in any of the units falling in Group I.

(13) Packing.— The average daily earnings were Rs.3.83 and Rs.3.17 in Groups II and III respectively. This occupation did not exist in units falling in Group I. The average earnings for this occupation for the industry as a whole were Rs.3.44.

(14) Pressing.— The average daily earnings of workers employed on pressing for the industry as a whole was Rs.3.83. It was Rs.3.52 in Group II and Rs.4.04 in Group III; no worker having been employed in any of the units falling in Group I.

(15) Sorting.— The average daily earnings of sorters varied from Rs.1.34 in Group I to Rs.2.65 in Group III giving an average of Rs.2.20 for the industry as a whole.

(16) Rehanking.— The average daily earnings of workers employed in this category were more or less the same in the various size-Group; the average for the industry as a whole being Rs.2.18.

(17) Sizing.— ~~The~~ Workers on sizing were employed in Group III only; the average daily earnings being Rs.1.92.

(18) Opening.— There were considerable variations in the earnings of workers in this occupation from Group to Group. For instance, there were Rs.1.37 in Group I, Rs.2.15 in Group III and Rs.3.15 in Group II. The average for the industry as a whole came to Rs.2.12.

(19) Twisting.— The average daily earnings of twiststers for the industry as a whole were Rs.4.01. There were Rs.3.25 and Rs.4.45 in Groups I and II respectively; no worker having been employed in this occupation in any of the units falling in Group III.

(20) Baling.— This category of workers was employed by units in Group II only; the average daily earnings being Rs.2.02.

(21) Cleaning.— The average daily earnings were Rs.2.57 for the industry as a whole. Those were Rs.1.98 and Rs.2.85 in Groups I and II respectively; no worker having been employed on this occupation in any of the units falling in Group III.

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Dearness Allowance.- Workers in 9 units (7 in Group I and 2 in Group II) were getting consolidated wages. Dearness allowance in addition to basic wages was being paid to all workers in 28 units and to certain categories of workers in the remaining 10 units. Out of the 28 units, where all workers were getting dearness allowance, 17 units (4 in Group I, 7 in Group II and 6 in Group III) were paying dearness allowance which was linked to the Alleppey cost of living index. The formula for paying the dearness allowance was as follows:-

Having equated 400 points of the index to 128 per cent of the basic wages, the variation of dearness allowance was allowed at the rate of 4 per cent for every rise or fall of 10 points in the Index. Workers in two units (Group I) were getting dearness allowance at the rate of 1 anna and 2-1/2 annas per Rupee of the basic wage respectively whereas in five units it varied from Re.1 to Rupees 1/4/6 per Rupee of basic wage. In the remaining 4 units out of 28 referred to above, dearness allowance to workers employed in matting weaving was paid at a rate 12 per cent less than that paid in units where it was linked with the Alleppey cost of living index. For other categories of workers the rate was fixed in these units at Rs.1/3/- per Rupees of basic wages. Out of the 10 units which paid dearness allowance to certain categories of workers, only 2 were paying at the rate of 112-1/2 per cent of basic wages to workers employed in matting weaving only. Six units were paying dearness allowance to workers employed in matting weaving at a rate of 12 per cent less than that paid in units where it was linked with the Alleppey cost of living index. Two of these units were also paying dearness allowance to certain other categories at varying rates. In the remaining 2 units, workers employed on re-hanking, sorting and sizing were getting dearness allowance according to the Ernakulam cost of living index. The formula for paying the dearness allowance was as follows:- Having equated 400 points of the index to 128 per cent of the basic wages, the variation of dearness allowance was allowed at the rate of 4 per cent for any rise or fall of 10 points in the index.

Bonus.- Production bonus is prevalent in the industry. The rate of bonus is determined by the Coir Industrial Relations Council on the basis of a formula which takes into account the total business done by the industry during a year. The minimum rate of bonus has been prescribed at 5-3/8 per cent of the total earnings of the workers for total coir production up to 1,400,000 cwts. and an extra 1/4 per cent for each additional 35,000 cwts or part thereof. The bonus is generally paid in instalments at the time of festivals. As the final rate of bonus for 1959 had not been declared, an interim bonus at rates varying from 5-1/2 to 6-7/8 per cent of the total earnings during 1959 had been made by 40 of the sampled units. These rates were, however, subject to adjustment on declaration of the final rate of bonus by the Coir Industrial Relations Council. One of these units had also introduced a Scheme of Incentive Bonus to workers employed in the Pressing department only. According to it, the wage rates paid to workers in this department were double for the day on which the production of

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bales exceeded 100. Three other units had made final payment of bonus to their employees at a rate varying from 6 per cent to 6-1/4 per cent. This payment was made by the units in consultation with their employees as final payment. The remaining four units (two each in Group I and II), which were engaged in rope-making, and employed only on contract labour, had not paid any bonus.

Working Conditions:- Daily Hours of Work, Shifts, Etc.- Most of the units, i.e., 38 (20 in Group I, 15 in Group II and 5 in Group III) worked for 8 hours a day or 48 hours a week. The weekly hours of work were 47-1/2 in five units; 45 hours in two units and 44 hours in another unit. The hours of work were not fixed in the remaining unit although the daily hours did not exceed 8 on any week day. The female employees in one of the units were working only for 6-1/2 hours per day. The rest interval in the various units varied from one to two hours a day. All the 47 sampled units were granting weekly-off without pay to their workers.

Leave and Holidays with Pay.- Earned leave at the rate of one day for every 20 days worked was granted to workers only in 33 units (11 in Group I, 13 in Group II and 9 in Group III). All workers in 25 of these units, only permanent workers in 6 units and workers with three months continuous service in the remaining 2 units were eligible for such leave. However, in one unit workers were paid leave wages at the rate of 5 per cent of the total earnings in lieu of earned leave. Workers in five units (3 in Group II and 2 in Group III) were also entitled to sick leave as payable under the Employees' State Insurance Scheme.

National and Festival Holidays.- National holidays with pay were granted to workers in 42 sampled units (17 in Group I, 16 in Group II and 9 in Group III). The number of National holidays varied from one to three days per annum in the various units. Workers in 34 units (9 in Group I, 16 in Group II and 9 in Group III) were also granted 4 festival holidays during 1959. In another unit (Group I), however, workers were granted one festival holiday only.

Drinking Water.- All the 47 units sampled units provided drinking water facilities to workers in their factories.

Latrines and Urinals.- Forty units (16 in Group I, 15 in Group II and 9 in Group III) had made arrangements for latrines and urinals for their workers. Latrines and urinals in most of the units were pucca-built and separate arrangements for women existed in the units where female labour was employed.

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Welfare: Housing.- Housing facilities for workers had not been provided by any of the units surveyed.

Medical.- Thirtyfour units (17 in Group I, 14 in Group II and 3 in Group III) had provided first-aid boxes for workers employed in their factories. Workers in 8 units (two in Group II and six in Group III) were entitled to medical aid under the Employees' State Insurance Scheme. The remaining five units (Group I) did not provide medical facility of any kind to their workers.

Rest Shelters.- Rest shelters for workers had been provided in 7 units (3 in Group II and 4 in Group III). Three more units (Group II) reported that canteens in their units were being used as rest shelters also.

Creches.- Of the 47 units surveyed, 28 employed female labour. Six of these employed more than 50 women workers. All these six units (Group III) had provided creches. Qualified nurses in three units and ayas in the other three units looked after children in these creches. Milk and other food-stuffs were provided free to children.

Canteens.- Canteens for workers had been provided by 9 units only (8 in Group III and 1 in Group II). Tea and snacks at subsidised rates were being served to workers in such canteens in 8 units whereas in the remaining unit, food stuffs were served at cost price.

Maternity Benefits.- Of the 47 units surveyed, 28 employed female labour. Of these 20 units (2 in Group I, 10 in Group II and 8 in Group III) were paying maternity benefits to eligible female workers. Of these 20 units, 10 (4 in Group II and 6 in Group III) were covered by the Employees' State Insurance Scheme and maternity benefit was being paid at the prescribed rates under the Scheme. In 9 units, maternity benefit was being paid according to the rates as prescribed in the Kerala Maternity Benefit Act. (According to the Act, the period of benefit is 12 weeks, female workers to be paid maternity benefit at the rate of Rs.5.25P. perweek or at 7 1/2 ths of the average daily wage multiplied by seven for a week whichever is higher). In the remaining unit, maternity benefit was being paid to eligible female workers at the rate of 65 rupees for a total period of 12 weeks.

Provision for Future.- The Provident Fund facility did not exist in any of the units surveyed.

Gratuity was, however, being paid in 17 units (two in Group I, six in Group II and nine in Group III). This gratuity was paid to all workers in two units, to permanent workers only in seven units, to workers with one year's service in six units and to workers with ten years' service in the remaining ~~two~~ two units. The rate of gratuity, however, varied from unit to unit. In three units, the rate was Rs. 7-1/2 - 15 per year of service and in one unit half a month's basic wages per year of service. In eight units, the ~~rate~~ rate per year of service was Rs.17-1/2 for workers with average daily earnings below Rs.2.50 and Rs.22-1/2 for workers with higher earnings. In one unit an ad-hoc amount varying from Rs.15 to Rs.130 and in another unit 10 - 12 days' basic wages per year of service subject to a maximum of Rs.300 was paid. The rates in two more units were as follows:-

Period of Service.	Workers having	Workers having
	basic wages less than one rupee per day.	basic wages of one rupee or more per day.
	<u>Rs.</u>	<u>Rs.</u>
10 years or above but less than 15 years -----	100	150
15 years or above but less than 30 years -----	150	225
30 years or above -----	200	275

The rate of gratuity was not fixed in the remaining one ~~unit~~ unit.

Industrial Relations: Standing Orders.- Sixteen sampled units (nine in Group II and seven in Group III) had framed standing orders to regulate the conditions of service of workers employed by them. It was understood that the standing orders for the industry as a whole were being framed by the Coir Industrial Relations Council.

Industrial Disputes.- Five industrial disputes of minor nature were reported by five of the units (three in Group I and two in Group III) for 1959. The number of workers involved in these disputes were 94 and the total man-days lost were 7,685. The main causes of disputes were stated to be demands for increase in wages and payment of bonus.

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Labour Welfare Officer.- Labour welfare officers had been appointed only in six units (Group III) and they were attending to the workers' grievances, their recruitment, conciliation and welfare activities.

Trade Unions.- The workers in 43 of the sampled units were organised into trade unions. The number of trade unions varied from one to three in the various units. Most of the trade unions were registered and recognised by the managements.

(Indian Labour Journal, Vol.I, No.12,
December 1960, pp. 1377-1396).

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Delhi Shops and Establishments (Amendment) Bill, 1960.

Shri Gulzarilal Nanda, Minister for Labour and Employment, Government of India, introduced in the Rajya Sabha on 19 December 1960 a Bill further to amend the Delhi Shops and Establishments Act, 1954, According to the Statement of Objects and Reasons of the Bill under section 15 of the Delhi Shops and Establishments Act, 1954, passed by the late Delhi Legislative Assembly, a shop or commercial establishment cannot be opened in the morning earlier than seven o' clock in summer or eight o' clock in winter and closed in the evening later than ten o' clock in summer or nine o' clock in winter. There has been an increasing demand for a change in these rigid timings. It is accordingly proposed to do away with this rigidity by substituting a new section for section 15 so as to confer powers on the Chief Commissioner to fix different opening and closing hours for different classes of shops or commercial establishments or for different areas or for different times of the year after holding an inquiry in the manner prescribed by rules. Opportunity has also been taken to make certain amendments of a clarificatory or consequential nature.

(The Gazette of India, Extraordinary,
Part II, Sec. 2, 19 December 1960,
pp. 919-922).

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The Repealing and Amending Bill, 1960

Shri Asoke K. Sen, Union Minister for Law, Government of India, introduced in the Rajya Sabha on 28 November 1960 a Bill to repeal certain enactments and to amend certain other enactments. The Bill is one of those periodical measures by which enactments which have ceased to be in force or have become obsolete or the retention of which as separate Acts is unnecessary are repealed or by which formal defects detected in enactments are corrected.

Among the Acts to be repealed are included the Minimum Wages (Amendment) Act, 1954, the Factories (Amendment) Act, 1954, the Industrial Disputes (Amendment) Act, 1954, sections 2 to 29 and 32 of the Industrial Disputes (Amendment and Miscellaneous Provisions) Act, 1956, the Industrial Disputes (Amendment) Act, 1956, the Industrial Disputes (Amendment) Act, 1957, the Employees' Provident Funds (Amendment) Act, 1956, the Minimum Wages (Amendment) Act, 1957, the Employees' Provident Funds (Amendment) Act, 1958, and the Industrial Disputes (Banking Companies) Decision Amendment Act, 1958.

The Bill also seeks to make certain minor amendments to certain enactments. The Bill seeks to make the following amendments to the Workmen's Compensation Act, 1923, and the Merchant Shipping Act, 1958.

(1) Workmen's Compensation Act, 1923.

(i) In clause (m) of sub-section (2) of section 32, the word "and" at the end shall be omitted.

(ii) To Schedule I, the following Note shall be added, namely :-

"Note - Complete and permanent loss of the use of any limb or member referred to in this Schedule shall be deemed to be the equivalent to the loss of that limb or member."

(2) The Merchant Shipping Act, 1958.

(i) In sub-section (3) of section 45, for the words "in any case", the words "in case" shall be substituted.

(ii) In sub-section (4) of section 55, for the word "sub-section" in the first place where it occurs, the word "section" shall be substituted.

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Motor Transport Workers Bill, 1960: Report of Joint Committee
presented to Parliament.

The Report of the Joint Committee on the Motor Transport Workers Bill, 1960 (vide pages 82-84 of the report of this Office for May-June 1960) was presented to the Lok Sabha on 5 December 1960.

The Joint Committee has amended the measure extending its application to every motor transport undertaking employing five or more persons and has specified 31 December 1961 as the time limit for enforcing the provisions in all States.

The Bill in its original form covered undertakings employing ten or more, and had left the enforcement to the discretion of the State Governments.

The committee has dropped the provision classifying motor transport workers into three categories - city service, long distance passenger service and long distance freight service - as it felt that the hours of work and other conditions of employment of the workers engaged in different types of services were identical.

It has also enlarged the powers of the inspector to stop a transport vehicle for as long as might be reasonably necessary and search premises, seize or take copies of registers or documents he might consider relevant in respect of any offence committed by an employer.

Other recommendations of the committee are:

A new clause stipulating that except in unforeseeable circumstances the hours of work of an adult transport worker should not be spread over more than 12 hours a day, including the period of rest, and in the case of adolescents not more than nine hours, including the rest interval.

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Conductors and time-keepers should be specifically enumerated among motor transport workers.

The responsibility of employers to provide uniforms should be restricted to drivers, conductors and line checking staff. No washing allowance would be payable by employers where adequate arrangements had been made for washing uniforms at their own cost.

Two minutes of dissent have been appended to the report, one by Shri Ramsinghbhai Verma (C) and another jointly by Shri T.B. Vital Rao, Shrimati Parvathi Krishnan and Shri K.L. Narasimham (Communists).

Shri Verma and other members in their minutes felt that the spread-over period of 12 hours of work fixed by the committee was on the high side.

Shri Vital Rao and others said that the hours of work for those engaged in big cities and hill districts should be fixed at not more than seven hours in any day and 42 hours in a week in view of the arduous nature of their work. They also wanted the annual leave to be increased to 20 days in a year.

(The Statesman, 6 December 1960;
The Gazette of India, Extraordinary, Part II,
Sec. 2, 5 December 1960, pp. 829-855).

Abolition of Contract Labour in Coal Mining Industry:
Court of Inquiry Constituted.

The Government of India has constituted a court of inquiry to examine the question of abolition of contract labour in the coal mining industry, Shri M.G. Palit presiding officer, Central Government Industrial Tribunal, Dhanbad, will be its sole member.

The court of inquiry, according to an official Press release, will examine whether the system of employment of labour through ~~any~~ contractors in the coal mining industry can be abolished without impairing productivity and, if so, in which sectors of employment and within what period.

It will also consider what measures, statutory or otherwise, should be devised to ensure ~~fair~~ fair wages and conditions of work to labour employed through contractors and sub-contractors, to the extent the contract system cannot be abolished in the industry.

(The Hindustan Times, 3 November 1960).

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Abolition of Casual Labour: Non-Official Bill debated.

The Lok Sabha on 25 November 1960 discussed inconclusively Shri Aurobindo Ghosal's Bill seeking to provide for the abolition of the system of casual labour for work of a permanent character.

While the Bill received wide support from all sections of the House, some members thought that a more comprehensive measure was required to eliminate the exploitation of workers in the name of "casual labour" by denying them the benefits of labour legislation.

Commending his Bill to the House, Shri Ghosal said that thousands of workers were being treated as casual workers in industries, the Railways and other spheres. That led to corruption as the casual labourers, who were employed afresh every month, had to pay something to the contractors who recruited them. The malpractice was creeping into clerical services also in certain areas.

In the name of casual labour, they were denied benefits of labour legislation and other emoluments that they were entitled to. There were cases of thousands of workers who had been in a particular job for more than five years and were still treated as casual labourers. The evil was widespread among workers who were employed for the maintenance of railway tracks and loading and unloading of steamers. "This injustice must be stopped", he said.

The Bill or the principle underlying it were supported by Shri S.M. Bannerji (Ind.), Dr. G.S. Melkote (C.), Shri Mool Chand Jain (C), Shri Raghunath Singh (C) and Shri K.K. Warrior (Com.).

~~The House then adjourned.~~

(The Statesman, 26 November 1960).

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51. Hours of Work.

India - November-December 1960.

Working Hours in Jute Mills Reduced.

There will be a further reduction of working hours of the jute mills in West Bengal with 45 to 42-1/2 hours a week from 30 December 1960. This decision was taken by the Committee of the Indian Jute Mills Association in consultation with the Union and the West Bengal Government.

The Indian Jute Mills Association says in a statement, that the industry greatly regrets the decision in view of its effect on labour, on overseas buyers and on its own production costs, but it "is hoped that it will be the last step in implementing the Association's policy of adjusting the industry's production to the availability of raw jute to ensure that supplies will last until the arrival of the new jute crop and that the output of manufactured goods will be maintained at a constant level".

It was stated that the cut in production of standard goods was not expected to lead to any shortage of goods for export or for internal consumption. The internal demand for jute goods would be substantially reduced by the permission recently given to the cement industry to pack cement in used bags. With the industry's present stocks of ready goods at over 80,000 tons, there would be an adequate buffer to absorb for several months any excess of demand over current production from February 1961.

(The Statesman, 30 December 1960).

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

India - November-December 1960

Coal Mines Welfare Fund: Increase in Rate of Cess.

The Government of India has decided to fix the excise duty on all coal and coke despatched from collieries at 49.21 naye paise per metric ton from 1 January 1961. At present the cess is 36.9 naye paise per metric ton.

The increase in the cess has been necessitated by the growing tempo of welfare activities undertaken by the Coal Mines Labour Welfare Fund Organisation. The Fund derives its income from this cess, which is being collected under the Coal Mines Labour Welfare Fund Organisation. The Fund derives its income from this cess, which is being collected under the Coal Mines Labour Welfare Fund Act, 1947. The Act provides for a levy of the cess up to a maximum of 50 nP per ton (49.21 nP per metric ton).

The Fund is utilised for providing housing accommodation, medical facilities, education, recreation and other welfare measures to colliery workers and their families.

(Press Note dated 17 December 1960
issued by the Government of India).

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56. Labour Administration.

India - November - December 1960.

Madras: Working of the Factories Act, 1948, during 1958*.

Coverage.- The Factories Act, 1948, applies to power factories employing 10 or more persons and to all non-power factories employing 20 or more persons. The Act was extended by special notification under Section 85 to minor engineering factories and to certain other categories of factories such as rice mills, oil mills, structural workshops, etc., employing less than 10 workers with power, or less than 20 workers without power.

At the beginning of the year, 5,149 factories remained within the purview of the Act. During the year, 563 factories ~~of the year~~ were brought on and 369 factories removed from the registers. At the end of the year, 5,343 factories were covered by the Act in the State of which 5,103 factories were in commission as against 4,941 factories in commission during 1957. There was thus an increase of 162 factories in commission during 1958. The details of the factories in commission are furnished below:-

(1) Factories using power and employing 10 or more persons (Section 2(m)(i))-----	3,469
(2) Factories not using power but employing 20 or more persons (section 2(m)(ii)).....	967
(3) Premises notified by the Government under Section 85.....	667
Total.	<u>5,103</u>

* Report on the Working of the Factories Act in the State of Madras for the Year 1958: Printed by the Controller of Stationery and Printing, Madras, 1960. Price Rs.10.40n.p., pp. 269 + 3.

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Employment.- The average daily number of workers employed in the 5,103 factories which were in commission at the end of the year was 319,056. (This figure includes the approximate number of workers employed in factories in respect of which returns were not received as against 4,941 factories and 319,396 workers in the previous year).

All the Units from whom the prescribed returns were received have worked 88,625,793 mandays as against 86,454,611 mandays during the previous year.

There were 150 factories in the Public Sector (Government and Local Fund Factories) at the end of the year, employing 44,129 workers as against 125 factories employing 40,197 workers in the previous year. There was thus an increase of 25 factories and 3,932 workers in the Public Sector. The factories in Public Sector have worked 12,305,842 mandays during the year.

Health and Safety.- As in the previous years, special attention was paid by Inspectors of Factories to protection of workers against industrial diseases and to maintenance of their general health. Adequate steps were taken wherever necessary to mitigate dust nuisance in textile mills, rice mills, decorticating factories, tea and coffee curing factories, and also to prevent, as far as possible, inhalation of dust by employees working in processes emanating dust.

Fencing and guards for dangerous parts of machinery, etc., were provided and maintained fairly well in almost all factories. Safety posters issued by the Chief Adviser, Factories, New Delhi were distributed to factories free of cost for display in conspicuous places in the factories.

Hours of Work.- Compliance with the provisions of the Act relating to hours of work was generally found to be satisfactory. The figures relating to weekly hours of work are given below:-

Weekly Hours of Work.	Men Number of Facto- ries.	Average daily number of workers employed.	Women Number of Factories.	Average daily number of Workers employed.
Upto 42 hours....	72	2,429	49	450
42 - 45 hours....	121	16,898	23	237
45 - 48 hours.....	4,374	235,472	2,115	46,091
Above 48 hours....	29	947	9	21

The table shows that 92 per cent of the workers in 92 per cent of the factories was found working above 45 and upto 48 hours, 7 per cent ~~at the factories~~ above 42 and upto 45 hours, one per cent up to 42 hours and a negligible per-centage above 48 hours.

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Rest Intervals.- Rest intervals as required by Section 55 of the Factories Act, 1948, were given in all factories.

Weekly Holidays.- Sundays or substituted days were observed as weekly holiday in all the factories except those that were exempted from the provisions of Section 52 of the Act on account of the manufacturing processes being of a continuous nature. Compensatory holidays for the weekly holidays so lost by the workers were given in all cases as required by Section 53 of the Act.

The report points out that the provisions under the Act relating to leave and compensatory holidays were generally well observed.

Wages, labour welfare.- The report gives the wage rate prevalent for the various categories of workers in various industries in the State, and the welfare amenities, including housing, provided.

Accidents.- The total number of accidents reported for the year 1958 was 16,571 involving 16,484 men and 87 women. Of the accidents reported 23 were fatal as against 29 during the previous year.

The report says that not less than 75 per cent of the fatal accidents was due to indifference on the part of workers to observe safety precautions, etc. Recently, a study was undertaken in order to find out the number of accidents caused due to carelessness or negligence on the part of the workers in observing the safety provisions of the Act, in respect of engineering industry in Madras and in respect of textile industry in Coimbatore district, the results of which are shown below:-

Industry	Accidents caused due to				Total.
	Negligence or carelessness of the worker.	Failure to use safety appliances.	Machinery.	Others.	
Engineering --	382	197	224	364	1,167
Textiles --	248	15	114	283	660

It will be seen from the above that for ~~the~~ every 12 accidents in the engineering industry, four are due to negligence or carelessness of the workers, two to failure to use safety appliances, two to machinery and four to other causes. Similarly in textiles, for every 50 accidents 19 are due to carelessness of the worker, one to failure to use safety appliances, nine to machinery, and 21 to various other ~~causes~~ causes.

The table below analyses by causes of accidents during the last five years:-

Causation groups.	1954	1955	1956	1957	1958
Struck by falling body.....	1,218	1,465	2,069	2,765	2,978
Stepping on or striking against objects.....	648	605	1,336	1,495	1,852
Power driven machinery.....	976	1,200	1,776	1,897	2,468
Handing of goods...	520	684	960	1,554	1,879
Use of hand tools..	455	656	892	1,290	1,398
Persons fallings....	316	362	505	508	615
Molten metal or other corrosives.....	309	554	417	598	898
Miscellaneous.....	1,572	2,069	2,585	3,313	4,483
TOTAL.	6,014	7,395	10,540	13,420	16,571

Mandays lost.- The details of mandays lost due to accidents are tabulated below from the year 1954. During the year 1958, 256,823 mandays were lost due to industrial accidents.

Year.	Number of Mandays Lost.
1954	85,701
1955	81,938
1956	88,729
1957	113,725
1958	256,823

Inspection.- Of the 5,343 factories which were on the registers during the year, 1,616 factories were inspected once, 3,382 factories were inspected twice, 98 factories thrice and 12 factories more than three times. The hundred thirtyfive factories were not inspected during the year. The reasons for not inspecting those factories as reported by the inspectors were that the factories were found closed during their visits on more than one occasion.

In addition to the above, the inspectors made 8,529 Sunday, surprise, special and night visits to factories to check employment of workers outside their specified hours of work and on their weekly holidays.

Prosecutions and convictions.- Generally speaking penal action was resorted to only after ~~present~~ persuasive methods failed. During the year 440 prosecutions were taken up against occupiers and managers of factories for non-compliance with various provisions of the Act. Four hundred thirtysix cases were disposed of realising a fine of 24,416 rupees. The prosecutions chiefly relate to notices, registers, returns, fencing, etc.

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Chapter 6. ^{General Rights of Workers.} ~~Problems peculiar to certain categories~~
~~of workers.~~

63. Individual Contracts of Employment

India - November-December 1960

Industrial Employment (Standing Orders) Amendment Bill, 1960.

Shri Gulzarilal Nanda, Minister for Labour and Employment, Government of India, introduced in the Lok Sabha on 22 November 1960 a Bill further to amend the Industrial Employment (Standing Orders) Act, 1946. According to the statement of objects and Reasons of the Bill the Industrial Employment (Standing Orders) Act, 1946 at present applies to establishments employing 100 or more workmen. In order to widen the coverage of the Act it is proposed to empower the Central Government to extend its provisions to industrial establishments employing less than 100 persons after giving them not less than two months' notice of its intention so to do. It is also proposed to provide for the appointment of additional Certifying Officers to ensure that the work of certifying standing orders is not unduly held up.

Section 6(1) of the Act which provides for a period of 21 days for filing an appeal is proposed to be amended to provide for a limit of thirty days, as the present time limit has been found to be rather short.

Opportunity has also been taken to amend the Act so as to empower the Central Government to delegate any of its powers as the "appropriate Government" to State Governments whenever considered necessary. Few other formal amendments in the Act have also been made.

(The Gazette of India, Extraordinary, Part II,
Sec. 2, 22 November 1960, pp. 733-737).

Industrial Employment (Standing Orders)(Madras Amendment)
Act, 1960, comes into force.

In exercise of the powers conferred under the Industrial Employment (Standing Orders)(Madras Amendment) Act, 1960, the Government of Madras has appointed the 15 December 1960 as the date on which the said Act shall come into force.

(Notification No.II-1 No.2818 of 1960,
G.O. Ms. No.5686 Industries, Labour and
Co-operation dated 10 December 1960;
the Fort St. George Gazette, Part II,
Sec.1, 14 December 1960, page 959).

Madhya Pradesh Industrial Workmen(Standing Orders)
Act,1959, comes into force.

In exercise of the powers conferred under the Madhya Pradesh Industrial Workmen (Standing Orders) Act,1959, (vide pages 61-62 of the report of this Office for August 1959), the Government of Madhya Pradesh has notified the 31 December 1960 as the day on which the said Act shall come into force.

(Notification No.9950-XVI dated 31 December 1960, Madhya Pradesh Gazette, Extraordinary, 31 December 1960, page 1345).

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

INDIA - November-December 1960

Uttar Pradesh: Working of the Payment of Wages Act, 1936, during the year 1954.

According to the annual report on the working of the Payment of Wages Act in Uttar Pradesh for 1954, the Act extended to all factories covered by the Factories Act, 1948, and also to printing presses. The report, however, does not include statistics of 21 railway factories which were to submit returns direct to the supervisor, Railway Labour, and also of 77 factories under the control of Ministry of Defence.

Out of 1,670 (1,671) industrial establishments, 1,370 submitted returns while 86 industrial establishments did not work during the year under review. Two hundred and fourteen establishments did not submit returns, out of which 9 were found to be habitual offenders and had to be prosecuted while 32 were Government and Local Bodies owned factories, and attention of the authorities concerned were drawn for strict compliance of the provisions of the relevant rules.

Total Wages Paid:

During the year under report, the average total number of persons employed daily in all the industrial concerns was 1,78,595 (1,82,162). The slight decrease in the average total number of operatives is attributed to a general trade depression prevalent in the country. The total amount of wages paid to workers (including all deductions) was Rs.16,64,59,978.75 (Rs.172,114,278.62) amount to an average of Rs.78.74 for the year 1953. There was a slight decrease in the average monthly earnings which may be attributed to the following causes:

- (1) Decrease in the cost of living index figure, which had gone down from 453 to 408 during the period under report as compared with the year 1953.
- (2) To a certain extent a decrease in the total number of workers employed in the year 1954 as compared to the year 1953.
- (3) Replacement of highly paid staff by comparatively low-paid staff.

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The table given below gives comparative study of total average number of workers, total amount of wages paid and average wage paid for each worker per month:

Year	Class of factories	Total average no. of persons employed daily.	Total amount of wages paid including deductions		Average wage paid per worker per month	
			Rs.	a. p.	Rs.	a. p.
1954	2(m)(i)	1,70,820	15,97,69,687-13-6		77-15-1	
	2(m)(ii)	7,618	65,88,343-5-11		72-1-1	
	Printing Presses	157	1,01,947-9-0		54-1-9	
1953	2(m)(i)	1,73,911	16,50,08,660-5-3		79-1-1	
	2(m)(ii)	8,091	69,99,875-9-3		72-1-6	
	Printing Presses	160	1,05,742-12-0		55-1-2	

Inspections:

As usual, inspections under the Act were made along with inspections under the Factories Act. One thousand and ninety-six establishments (999) establishments including 253 factories amenable to the Factories Act, 1948 and the Payment of Wages Act, 1948 but to whom licences could not be issued during the period under report for their having not complied with certain formalities, were found contravening the provisions of the Payment of Wages Act, 1936 and rules made thereunder. In almost all the cases the attention of the management was drawn for strict compliance of the provisions of the Act and rules made under it and in a majority of them the irregularities were got rectified. 11 prosecutions had to be launched against factories which were found persistent in contravening the provisions.

During the year under report, a strict vigilance was kept towards compliance of the provisions of section 5 of the Act regarding disbursement of wages within the prescribed time-limits, as a result of which, signs of improvement over last years position were visible in spite of unfavourable circumstances.

Wage Period: The provisions of Section 4 of the Act were generally found complied with.

Deductions from Wages: No permission for deduction from wages under section 7(2)(i) i.e. deductions for subscription to the Provident Fund was given to any establishment during the year under report. The table below gives comparative details of deductions made as fines or for loss or damage of goods etc., during the years 1953 and 1954, in the factories, Registered and licensed under section 2(m)(i) and 2(m)(ii) of the Factories Act, 1948:

Details of deductions	No. of factories		No. of cases		Total amount		Average per case	
	1953	1954	1953	1954	1953	1954	1953	1954
Fines	26	18	15,092	4,473	Rs. a.p. 9548-11-9	Rs. a. p. 1674-15-3	Rs.a.p. 0-10-2	Rs. a. p. 0-5-11
Deductions for damage or loss of goods	21	17	11,581	9,421	Rs. a.p. 15079-10-3	Rs. a. p. 13808-15-3	Rs.a.p. 1-4-10	Rs. a. p. 1-7-5
Deductions for breach of contract	3	2	1,333	989	Rs. a.p. 23893-3-9	Rs. a. p. 17584-14-6	Rs.a.p. 17-14-9	Rs. a. p. 17-12-5

Prosecutions:

During the year under report, 11 prosecutions were launched out of which 10 were for non-submission of Annual Returns for the year 1953 within the time mentioned in section 5 and one for non-disbursement of wages. Out of these, conviction was obtained in two cases and nine cases were still pending for decision. Out of 3 pending cases for the year 1953, conviction was obtained in two cases during the year under report. Besides these three cases for the year 1947, three for 1948, two for 1952 and one for 1953 remained pending for decision.

Complaints:

Three hundred and four (362) complaints for non-payment of wages, delayed payment of wages or illegal deductions, etc. were received in this office. Out of these, 288 complaints were disposed of. Besides this; 15 complaints were received during the previous year were also disposed of. Thus only 16 complaints which were received at the end of the year under report were left pending for disposal in the next year.

(Note: Figures shown within brackets pertain to the year 1953).

(Annual Report on the working of the Payment of Wages Act, 1936, in Uttar Pradesh for the year 1954).

67. Conciliation and Arbitration

India - November-December 1960

Kerala: Industrial Relations Board's Appeal for Industrial Peace.

At a meeting held in Trivandrum on 12 December 1960, the Industrial Relations Board of Kerala has unanimously appealed for industrial peace during the Third Five Year Plan period. The appeal came after the Governor, Mr. V.V. Giri, played the unconventional role of a participant in the day-long deliberations of the Board after inaugurating it.

It is understood that the representatives of both employers and employees showed keen interest in the Governor's appeal for industrial truce. Representatives of the All-India Trade Union Congress are understood to have stated that they were prepared for a "wage freeze" in non-profit-making industrial concerns to help maintain industrial peace.

A resolution adopted by the Board said that employees and employers should emphasise that, as a first step towards industrial peace, disputes should be settled by joint consultation and mutual negotiations.

If consultations and negotiations fail, voluntary conciliation and arbitration should be resorted to.

The resolution said that the co-operation of labour and management was essential for speedy industrial development of Kerala and for the expansion of employment opportunities.

During the discussions, Mr. Giri suggested that "a small permanent machinery" should be set up to deal with problems confronting industry. This machinery should aid the Industrial Relations Board and the industrial relations committees in doing "good work" at the industrial level.

The Chief Minister, Mr. Pattom Thanu Pillai, the Home Minister, Mr. P.T. Chacko, the Minister for Industrial Mr. K.A. Damodara Menon, and the Labour Minister, Mr. K.T. Achutan, who were present at the meeting, supported the plea for industrial truce in the State.

Inaugurating the meeting of the Board, Mr. Giri said that industrialisation should be carried out largely by the private sector in the State. The private sector could thrive only if there was a suitable industrial climate for it, he added.

The Governor reiterated his opposition to compulsory adjudication which "seriously and adversely affected the healthy growth of the trade union movement in the country".

Mr. Giri appealed to labour leaders in Kerala to do away with "inter-union rivalry" and evolve a code of conduct which would eliminate such rivalry. He said that, for a small State, with a few industries, 1700 unions were too numerous.

(The Times of India, 13 December 1960)

Madhya Pradesh Industrial Relations Act, 1960 (No.27 of 1960)

The Madhya Pradesh Industrial Relations Bill (vide pages 61-64 of the report of this Office for May 1959) as passed by the Madhya Pradesh Legislature received the assent of the President on 17 November 1960 and has been gazetted as Madhya Pradesh Act No. 27 of 1960. A brief summary of the statement of provisions of the Act is given below.

Extent.- The Act extends to the whole of Madhya Pradesh and section 1 and section 112 (relating to repeals) shall come into force at once and the State Government may by notification bring all or any of the remaining provisions into force in respect of any or all industries or undertakings in industries on such date as may be specified therein.

Authorities.- Chapter II of the Act deals with authorities to be constituted or appointed under the Act. The State Government shall appoint a person to be the Commissioner of Labour for the State and may appoint a Deputy Commissioner of Labour and Assistant Commissioner of Labour to assist the Commissioner of Labour- Provision is made for the appointment of a Chief Conciliator for the State, Conciliator for any or all industries, Registrar of representative unions, Assistant Registrar of representative unions, Labour Officer and Deputy Labour Officers, all under the general guidance and supervision of the Commissioner of Labour.

Labour Judiciary.- (i) Labour Courts.- The State Government shall constitute one or more labour courts banning jurisdiction in such local areas as may be specified. Each Labour Court shall be presided over by a single person to be appointed by the State Government. A Labour Court shall have powers to decide (a) disputes regarding which application has been made to it under sub-section (3) of section 31 of the Act relating to change in industrial matter specified in Schedule II, (b) industrial disputes (i) referred to it by the State Government or Representative Union, (ii) in respect of which it is appointed as the Arbitrator by a submission; (c) whether a strike, lockout, stoppage, closure or any change is illegal under this Act.

A Labour Court has powers to require any employer - (a) to withdraw any change or lockout which is held by it to be illegal; or (b) to carry out any change provided such change is a matter in issue in any proceeding before it under this Act; (c) to require any employer to withdraw a strike which is held by it to be illegal; and to try offences punishable under this Act and where the payment of compensation on conviction for an offence is provided for, determine the compensation and order its payment.

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(ii) Industrial Court.- The State Government shall constitute an Industrial Court for the State consisting of such number of persons as it may deem fit. The Industrial Court shall decide appeals and disputes and other matters referred to it under this Act or the rules made thereunder. The Industrial Court shall, in respect of all matters subject to its appellate or revisional jurisdiction have superintendence over Labour Courts constituted under this Act and may call for returns in respect thereof.

For appointment of judges of Labour courts and Industrial Court the State Government shall constitute a Committee consisting of the President of the Industrial Court, the Chairman of the Public Service Commission or a member of the Public Service Commission nominated by the Chairman; the Secretary to Government in the Law Department; and the Secretary to Government in the Labour Department for the purpose of preparing a list of persons who are eligible for appointment as members of a Labour Court under section 8 and in the opinion of the committee are fit for such appointment; and a list of persons who are eligible for appointment as members of the Industrial Court and in the opinion of the committee are fit for such appointment.

(iii) Board of Arbitration.- The State Government may, by notification, constitute a Board of Arbitration. The State Government shall, in the prescribed manner, prepare panels of members representing the interests of employers and employees, who may be appointed members of the Board. The Board shall consist of an equal number of persons nominated by the State Government from the respective panels of the parties submitted by them and the chairman jointly nominated by them.

Representation of Employees.- The representative union shall be a single bargaining agent for all employees in an industry in a local area where conditions exist for recognition of such a union; otherwise the representation will be by every union registered under the Indian Trade Unions Act for its own members as in the Central law and where no such union exists, by the Labour Officer.

Joint Committee.- Where there is a Representative Union a Joint Committee may be constituted in an undertaking in the prescribed manner with the consent of the employer and the Representative Union for the industry for the local areas. Where there is no Representative Union a Joint Committee may be constituted in an undertaking in the manner prescribed, if so required by Government.

3. It shall be the duty of the Joint Committee to promote measures for securing amity and good relations between the employer and employees and to that end to consult on matters of their common interest or concern and endeavour to compose any material differences of opinion in respect of such matters, provided that matters in Schedule I shall be outside the purview of this committee.

Changes.- Chapter VI of the Act prescribes the procedure for employers intending to effect any change in respect of industrial matters specified in Schedule I of the Act. An employer intending to effect any change in respect of an industrial matter specified in Schedule I shall give notice of such intention in the prescribed form and manner to the representative of employees and to such other persons as may be prescribed.

Schedule I lists the following:

1. Reduction intended to be of permanent or semi-permanent character in the number of persons employed or to be employed in any process or department or departments or in a shift not due to force majeure.
2. Permanent or semi-permanent increase in the number of persons employed or to be employed in any process or department or departments.
3. Dismissal of any employee except as provided for in the standing orders applicable to the undertaking.
4. Rationalisation or other efficiency system of work whether by way of experiment or otherwise.
5. All matters pertaining to shift working which are not covered by the Standing Orders applicable to the undertaking.
6. Withdrawal or grant of recognition to unions of employees.
7. Withdrawal of any customary concession or privilege or change in usage.
8. Introduction of new rules of discipline or alteration of existing rules and their interpretation except in so far as they are provided for in the standing orders applicable to the undertaking.
9. Wages including the period and mode of payment.
10. Hours of work and rest intervals.
11. All matters pertaining to leave and holidays, other than those covered by standing orders.

4. A representative of employees desiring a change in respect of an industrial matter, which is neither covered by standing orders nor is specified in Schedule II shall give notice thereof in the prescribed manner to the employer concerned and to such other persons as may be prescribed. A representative of employees or an employee desiring a change in respect of an industrial matter specified in Schedule II or any other matter arising out of such change may make an application to the Labour Court in such manner as may be prescribed. No such application shall lie unless the representative of employees or the employee, as the case may be, has in the prescribed manner approached the employer with a request for the change and no agreement has been arrived at in respect of the change within the prescribed period.

Schedule II lists the following:

1. The propriety or legality of an order passed or action taken by an employer acting or purporting to act under the standing orders.
2. Adequacy and quality of materials and equipment supplied to the employees.
3. Health, safety and welfare of employees (including water, dining sheds, rest sheds, latrines, urinals, creches, restaurants and such other amenities).
4. Matters relating to trade union organisation, membership and levies.
5. Construction and interpretation of awards, agreements and settlements.
6. Employment including (i) reinstatement and recruitment; (ii) unemployment of persons previously employed in the industry concerned.
7. Payment of compensation for closure lay-off and retrenchment.
8. Assignment of work and transfer of employees within the undertaking.

If an agreement is arrived at in regard to the proposed change, the memorandum of such agreement shall be forwarded to the Registrar and on receipt of such memorandum the Registrar shall enter the same in a register maintained for the purpose unless on enquiry he is satisfied that the agreement was in contravention of the provisions of the Act or was the result of mistake, misrepresentation, fraud, undue influence, coercion or threat. A registered agreement shall come into operation on the date specified therein and if no date is specified on its being recorded by the Registrar.

5. Conciliation Proceedings.- If any proposed change in respect of which notice is given under the Act is objected to by the representative of employees or the employee the party who gave notice shall forward to the conciliator a full statement of the case within 15 days from the date of service of such notice on the other party. It shall be the duty of the conciliator to endeavour to bring about the settlement of the industrial dispute within one month from the date of commencement of proceedings.

Arbitration.- Any employer and a Representative Union or where there is no Representative Union a representative of employee may, by a written agreement, agree to submit any present or future industrial dispute or any class or classes of such industrial disputes to the arbitration of a Labour Court, the Industrial Court, a Board or any other person, or to arbitration without any arbitrator being named therein. Such agreement shall be called a submission and a copy of every such submission shall be sent to the Registrar who shall record it in the register to be maintained for the purpose and inform the parties of the date of registration. If no person is named in the submission the arbitrator shall be the Labour Court, the Industrial Court or a Board as the Government may direct.

Notwithstanding anything contained in this Act, a Representative Union may refer in the prescribed manner any industrial dispute for arbitration to a Board or the Industrial Court, if it relates to matters in Schedule I or otherwise to a Labour Court. No such dispute shall be referred (i) after two months from the date of the completion of the proceedings before the Conciliator; (ii) where the employer has offered in writing before the Conciliator to submit the dispute to arbitration under this Act and the union has not agreed to do so; (iii) unless the dispute is first submitted to the Conciliator and the conciliation proceedings are completed or the Conciliator certifies that the dispute is not capable of being settled by conciliation.

The award shall become enforceable on the date specified therein in this behalf or if no such date is specified on the expiry of three days from the date of its publication.

The Government is also empowered at any time, to refer on its own initiative any industrial dispute to the arbitration of a Labour Court or the Industrial Court or a Board if it is satisfied that serious disorder or a breach of the public peace or serious or prolonged hardship to a large section of the community is likely to result or that the industry is likely to be seriously affected and employment curtailed or that it is necessary in the public interest to do so.

6.

Illegal Strikes and Lock-Outs.- A lock-out or strike shall be illegal if it is commenced or continued (a) in cases where it relates to an industrial matter specified in Schedule II or regulated by any standing order for the time being in force; (b) without giving notice in accordance with the provisions of the Act, (c) in cases where notice of change is given and where no agreement in regard to such change is arrived at, before the statement of the case referred to is received by the Conciliator for the industry concerned for the local area; (d) in cases where conciliation proceedings in regard to the industrial dispute to which the strike relates have commenced, before the completion of such proceedings and during a period of ten days thereafter; (e) in cases where a conciliation proceeding in regard to any industrial dispute to which a strike or lockout relates has been completed at any time after the expiry of two months after the completion of such proceedings; (f) in cases where a submission relating to such dispute or such type of dispute is registered before such submission is lawfully revoked; (g) in cases where an industrial dispute has been referred to arbitration of a Labour Court, the Industrial Court or a Board before the date on which the arbitration proceedings are completed or the date on which award comes into operation whichever is later; (h) in contravention of the terms of a registered agreement or a settlement or an effective award.

A closure or stoppage shall be illegal, if it is commenced or continued (a) with the object of compelling the Central or State Government or any public servant to take or abstain from taking any particular course of action in regard to an industrial matter, where the Central or State Government is not an employer in the industry concerned; or (b) if such closure or stoppage is in support of or in sympathy with a lockout or a strike which is illegal under this Act or the Industrial Disputes Act, 1947 (XIV of 1947) or any other law for the time being in force, whether or not in the same industry or undertaking.

The State Government may make a reference to a Labour Court or the Industrial Court for a declaration whether any proposed strike, lockout, closure or stoppage will be illegal.

Protection of employees.- No employer shall dismiss or discharge or ~~dismiss~~ punish any employee by reason of the circumstance that the employee is an officer or member of a representative union or is entitled to the benefit of a registered agreement or a settlement or award, or has given evidence in any proceeding under the Act or has taken part in any trade union activity or has gone on strike which has not been held illegal.

7.

Repeals.- The Act repeals the Central Provinces and Berar Industrial Disputes Settlement Act, 1947, and the Madhya Bharat Industrial Relations (Adaptation) Act, Samvat 2006 (31 of 1949).

Other provisions of the Act deal inter alia with representation of employers and employees and appearances on their behalf, powers and duties of labour officers and courts of enquiry, penalties, record of industrial conditions, powers of industrial courts to decide all matters, powers of board, industrial court, etc. to pass interim orders, etc.

(Madhya Pradesh Gazette, Extraordinary,
31 December 1960, pp. 1345-1385.).

Madhya Pradesh Industrial Relations Act, 1960,
Extended to 22 Industries

In exercise of the powers conferred under the Madhya Pradesh Industrial Relations Act, 1960 (vide page of this Report) the Government of Madhya Pradesh has decided that all the provisions of the Act except sections 1 and 112 shall come into force on 31 December 1960 in respect of the following undertakings wherein the number of employees on any day during 12 months preceding or on the date of the notification or any day thereafter was or is more than 100. The undertakings listed in the notification are:

1. Textile, including cotton, silk, artificial silk, staple fibre, jute and carpet.
2. Iron and Steel
3. Electrical goods.
4. Sugar.
5. Rice Mills.
6. Oil Mills.
7. Cement.
8. Potteries.
9. Lime industry.
10. Electricity generation, transmission and distribution
11. Printing Presses.
12. Paper and Straw board.
13. Asbestos Cement.
14. Shellac.
15. Public Motor Transport
16. Engineering.
17. Flour Mills.
18. Biscuit and Confectionery.
19. Glass.
20. Starch.
21. Vegetable Oil.
22. Rubber.

(Notification No. 9952-XVI dated 31 December 1960, Madhya Pradesh Gazette, Extraordinary, 31 December 1960, pp. 1390-1391).

Industrial Disputes (Amendment) Bill, 1960:
Non-Official Bill introduced in Lok Sabha.

Shri T.B. Vittal Rao, Member Lok Sabha (Andhra Pradesh - People's Democratic Front) introduced in the Lok Sabha on 25 November 1960 a Bill to amend the Industrial Disputes Act, 1947.

The Bill seeks to insert a new chapter VAA dealing with rights of workers for gratuity and retirement benefits. A new section 25K 25L provides that whenever a workman whose name is on the muster rolls of an industrial establishment retires or is forced to retire on reaching the age of superannuation or quits or is forced to quit the service on the ground of continued ill-health or dies he shall be paid by the employer gratuity or retirement benefits which shall be equivalent to one month's average pay for every completed year of service or any part thereof in excess of six months. Nothing in this connection shall affect the right of any workman to better terms of gratuity or retirement benefits under any award for the time being in operation or any contract with the employer. Another section 25K provides that section 25L shall not apply to the industrial establishments owned by or under the authority of any department of the Central Government or a State Government.

(The Gazette of India, Extraordinary, Part II, Sec. 2,
25 November 1960, pp. 744-746).

Chapter 7. Problems peculiar to certain categories
of Workers.

74. Indigenous Labour

India- November-December 1961

Study Group appointed on the Welfare of Weaker Sections of Rural Communities.

The Central Government has constituted a study group "on the welfare of weaker sections of the village community." Mr. Jayaprakash Narain will be the chairman of the seven member group, which includes Mr. LM Shrikant, Commissioner for Scheduled Castes and Scheduled Tribes.

The Group will study as to how far and in what manner the community development organisation and panchayat raj institutions at the village, block and zila levels can promote the economic development and welfare of the weaker sections of the community. It will suggest measures by which the development schemes of the Central and State Governments and local authorities and the financial assistance available and can be effectively utilised for the benefit of the weaker sections of the community.

(The Hindustan Times, 10 December 1960)

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - NOVEMBER-DECEMBER 1960.

81. Employment Situation.

Employment Exchanges: Working during August 1960.

General employment situation.- According to the Review of the activities of the Directorate-General of Employment and Training, the number of applicants on the Live Register of employment exchanges recorded an increase of 24,289 over the figure of the previous month and stood at 1,587,851 at the end of August 1960. The number of employers utilising the services of the employment exchanges rose from 9,209 in July 1960 to 9,475 in August 1960. The number of vacancies notified was 45,124 as against 51,303 in July 1960 showing a decrease of 6,179. The number of placements effected increased from 28,869 in July 1960 to 30,011 in August 1960.

Employment situation in general was reported to be satisfactory during the month of August 1960 as compared with the previous month in the States of Andhra Pradesh, Madras and Uttar Pradesh, while a slight decline was observed in the States of Delhi, Gujarat, Madhya Pradesh and West Bengal. It remained static in Assam, Bihar, Himachal Pradesh, Maharashtra and Punjab.

Shortages and Surpluses.- Shortage was experienced in respect of accountants, typists and stenographers, medical personnel such as doctors, nurses, midwives, compounders and laboratory technicians, trained teachers and physical training instructors, engineer and draughtsmen, skilled craftsmen such as turners and electricians. On the other hand, surpluses persisted in respect of untrained teachers, unskilled office workers, clerks and labourers.

Collection of Employment Market Information.- Quarterly Employment Market Reports relating to one area in Andhra Pradesh (Warangal), two areas in Bihar (Singhbhum, Patna), three areas in Uttar Pradesh (Lucknow, Allahabad, Meerut), one area in Orissa (Cuttack), one area in Kerala (Ernakulam), one area in Rajasthan (Jaipur) and one area in Madras (Coimbatore) were issued during the month. Reports on employment in the public sector in Maharashtra and Madhya Pradesh for the quarter ended March 1960 were also issued during the month.

Development of retrenched workers.- The Central Coordinating Unit rendered employment assistance to retrenched workers in various projects and establishments during the month of August 1960 as below:-

	<u>Number</u> <u>retrench-</u> <u>ed.</u>	<u>Number</u> <u>placed.</u>	<u>Number</u> <u>awaiting</u> <u>assistance.</u>
Damodar Valley Corporation --	55	18	365
Bhakra Nangal Project --	-	-	16
Special Cell of the Ministry of Home Affairs. --	9	72	Class I - 16 Class II - 230 Class III - 10 Class IV - 3 Total: <u>-259</u>

Employment Exchange Procedure.- Instructions on the undermentioned subjects connected with Employment Exchange policy and procedure were issued during the month of August, 1960:

i) Recruitment in the Oil and Natural Gas Commission.- The Oil and Natural Gas Commission agreed to recognise the Employment Service as their normal channel of recruitment. Vacancies in lower cadres will be notified to employment exchanges and advertised only if the employment exchanges are unable to sponsor suitable candidates. Vacancies in Class I and Class II posts will be advertised and simultaneously intimated to the Directorate General of Employment and Training.

ii) Recruitment of personnel for General Reserve Engineer Force - Border Road Development Projects.- The large-scale recruitment in connection with Border Road Development Projects according to agreement with the Ministry of Defence, would be mainly conducted through the Recruiting Organisation of that Ministry but in close collaboration with employment exchanges. Necessary instructions were issued to all employment exchanges.

Both the Boarder Road Development authorities and the Recruiting Organisation have been put in ~~task~~ touch with the Damodar Valley Corporation, Bhilai and Rourkella Steel Plants for the selection of surplus persons from there.

iii) Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 - enforcement of. - Since the provisions of the Employment Exchanges (Compulsory Notification of Vacancies) Act have already come into operation all employers in the public and private sectors are notifying vacancies to employment exchanges and will be rendering the prescribed returns on due dates. Detailed instructions have been issued to exchanges in regard to the manner in which these vacancies should be handled and information furnished in the returns should be utilised. Standard forms were also prescribed for addressing employers in connection with the Act.

iv) Recruitment to clerical and allied cadres in the Post and Telegraphs Department. - Details of the procedure agreed upon for recruitment of clerical and allied cadres in the Post and Telegraphs Department through employment exchanges have already been notified to the exchanges. The procedure in regard to selling Post and Telegraph Forms at exchanges and for maintenance of sales accounts was under consideration by the Post and Telegraphs Department.

Development - Opening of New Employment Exchanges. - A total of 280 employment exchanges are functioning in the country at the end of August 1960.

(Review of the activities of the Directorate-General of Employment and Training for the Month of August 1960: Ministry of Labour and Employment, Government of India, New Delhi).

Employment Exchanges: Working during September 1960.

General employment situation.- According to the Review of the activities of the Directorate-General of Employment and Training, the number of registrations effected during the month of September 1960 was 222,196 which was 32,406 less than the figure for August 1960. The number of registrants on the Live Register stood at 1,584,868 as against 1,587,851 at the end of August 1960. The number of employers utilising the services of the employment exchanges also decreased from 9,475 in August 1960 to 9,111 in September 1960. The number of vacancies notified by these employers was 47,147 which was 2,023 more than the figure for the last month. The number of candidates placed fell to 24,718 during the month under report.

The employment situation in general was reported to have improved in the States of Assam, Madras and Uttar Pradesh during the month of September 1960, while a downward trend was noticed in the States of Andhra Pradesh, Kerala, Mysore and Rajasthan. No significant change was reported in the States of Maharashtra and Madhya Pradesh.

Shortages and Surpluses.- Shortage was experienced in respect of stenographers, nurses, midwives, compounders, doctors, trained teachers, engineers, skilled turners, electricians, laboratory technicians, accountants and physical training instructors. On the other hand surpluses persisted in respect of clerks, untrained teachers, motor drivers, unskilled office workers and unskilled labourers.

Collection of Employment Market Information.- Employment market reports relating to Dhanbad, Hyderabad, Bangalore, Nagpur (March 1959); Gwalior, Cuttack, Meerut, Allahabad (December 1959); and Jaipur, Gwalior (September 1959) were issued during the month.

Two special reports entitled (i) Employment in Delhi (April 1956 - March 1959) and (ii) Employment of Women in Delhi (April 1956 - March 1959) were also issued by the Director of Employment and Training, Delhi.

Vocational Guidance and Youth Employment Counselling.- One more vocational guidance section was opened during the month of September 1960, bringing the total to 47.

Deployment of retrenched workers.- The Central Coordinating Unit rendered employment assistance to retrenched workers in various projects and establishments during the month of September 1960 as shown below:-

	Number retrenched.	Number placed.	Number awaiting assistance.
Damodar Valley Corporation. ---	54	15	415
Bhakra Mangal Project-	-	-	-
Bhilai Steel Project--	-	-	-
Special Cell of the Ministry of Home Affairs -----	35	19	Class I - 16 Class II- 230 Class III- 10 Class IV- - Total: 256

Employment Exchange Procedure.- The Instructions on the undermentioned items relating to employment exchange policy and procedure were issued during the month of September 1960:-

i) Employment Assistance to the Trainees of the Training Centre for Adult Blind, Dehra Dun.- Consequent upon a decision to take over the Employment Office of the Training Centre for Adult Blind functioning at Madras and organising it as a special employment exchange for physically handicapped persons on the lines of the Special Employment Exchange at Bombay, it was decided that the work of ~~finding suitable employment for the visually handicapped persons on completion of their training at the Training Centre for Adult Blind, Dehra Dun should be handled by all employment exchanges in the country.~~ finding suitable employment for the visually handicapped persons on completion of their training at the Training Centre for Adult Blind, Dehra Dun should be handled by all employment exchanges in the country. The instructions to exchanges specially emphasised that special efforts should be made to find suitable employment for the visually handicapped persons on their Registers.

ii) Procedure of recruitment of Scheduled Caste and Tribe candidates through Employment Exchanges.- At a meeting of the Liaison Officers held in September 1959 it was represented that the current procedure of recruitment to vacancies reserved for Scheduled Castes and Tribes through employment exchanges involved delay and that the procedure should be suitably streamlined. The question ~~with~~ was examined by the Ministry of Home Affairs in consultation with the Directorate General of Employment and Training and it was agreed that while reserved vacancies should continue to be notified to employment exchanges, in appropriate cases such vacancies might also be simultaneously advertised by the recruiting authorities.

iii) Recruitment of Shift Assistant Trainees in the All India Radio.- To suit the special needs of All India Radio a slightly special procedure was agreed upon for recruitment of Shift Assistant trainees. The vacancies will be advertised requiring candidates to get themselves registered at employment exchanges and forward their applications through exchanges.

(Review of the activities of the Directorate-General of Employment and Training for the Month of September 1960: Ministry of Labour and Employment, Government of India, New Delhi).

83. Vocational Training.

India - November-December 1960.

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

According to the Review of the activities of the Directorate-General of Employment and Training during the month of August 1960, there were 158 institutes for training of craftsmen, 5 orientation centres for educated unemployed, and 12 centres holding evening classes for industrial workers. The total number of seats in all these centres and undertakings was 43,573 whereas the total number of persons undergoing training stood at 33,829.

Central Training Institute, Kanpur.- A decision was taken to start a new Central Training Institute at Kanpur with 152 seats in the beginning in the premises of Industrial Training Institute, Kanpur. The first session will commence with effect from 1 July 1960 with 9 months course. The non-Engineering trades with 58 seats will be transferred from Central Training Institute, Koni to Kanpur.

Stores and Equipment.- Russian equipment worth Rs.73,388 was reported to have been received under the U.N.T.A.A.(ILO) Aid Programme during August 1960. The total value of Aid received upto August 1960 is 1.63 million rupees.

(Review of the activities of the Directorate-General of Employment and Training for the month of August 1960: Ministry of Labour and Employment, Government of India, New Delhi).

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

According to the Review of the activities of the Directorate-General of Employment and Training for the month of September 1960, there were 180 institutes for training of craftsmen, 9 orientation centres for educated unemployed, 68 undertakings imparting apprenticeship training and 13 centres holding evening classes for industrial workers. The total number of seats in all these centres and undertakings was 44,882 whereas the total number of persons undergoing training stood at 37,969.

Stores and Equipment.- Under the T.C.A. Aid Programme, equipment worth Rs. 167-33nP. was received during September 1960 raising the total value of the aid received upto 30 September 1960 to ~~Rs. 3.0456~~ 3.0456 million rupees. With this receipt all the items of equipment indented for under the T.C.A. Aid Programme have been accounted for and the total value of the aid received is identical with the rupee equipment of the P.I.C. as finally deobligated.

Russian equipment and Machinery worth Rs. 2242-00 was reported as received during September 1960 under the U.N.T.A.A. (I.L.O.) Aid Programme. The total value of Aid received upto the end of September 1960 is Rs. 1,631,230-00 nP.

(Review of the activities of the Directorate-General of Employment and Training for the month of September 1960: Ministry of Labour and Employment, Government of India, New Delhi).

CHAPTER 9. SOCIAL SECURITY.

INDIA • NOVEMBER • DECEMBER 1960.

91. Pre-legislation Measures.

Bombay: Provident Fund Scheme for Employees of Shops and Commercial Establishments Recommended.

The Committee appointed by the Government of Bombay (since bifurcated into the States of Maharashtra and Gujarat) in December 1958 to enquire into the question of a provident fund scheme for the employees of shops and commercial establishments as defined in the Bombay Shops and Establishments Act, 1948, has submitted its report*, recommending a provident fund scheme for such categories of employees.

Terms of reference.— The Committee, which was tripartite in character, had the following terms of reference:—

(1) to examine the practicability of having a provident fundscheme for the employees employed in 'Shops' and 'Establishments' as defined in the Bombay Shops and Establishments Act, 1948, in cities with a population of ~~and~~ 100,000 or more persons;

(2) to suggest a provident fund scheme broadly on the lines of the Employees' Provident Fund Scheme, 1952; and

(3) to suggest the classes of 'Shops' and 'Establishments' to which the scheme should be applied, in the first instance and the manner of its extension to other classes and areas.

* Report of the Provident Fund Scheme Committee (Shops and Establishments) 1960: Printed in India by the Manager, Government Central Press, Bombay, Published by the Director, Government Printing, Publications and Stationery, Maharashtra State, Bombay: Price - Re.0.46 or 9d., pp. 74.

Subsequently, the Government informed the Chairman of the Committee that the Government desired that since the question of extending the Employees' Provident Fund Act, 1952 and the scheme framed thereunder to hotels and restaurants was being considered by the Government of India separately, these establishments might be excluded by the Committee from the purview of its enquiry.

Need for Retirement Benefits. The report states that the need for some provision which would take care of old age when the earning capacity is impaired is obvious. The individual left to himself is hardly likely to lay by anything for the rainy day when present needs are pressing. With the break-up of the joint family the respect for and care of the old by the young are no longer universally prevalent. In absence of a universal old age pension scheme, the best way to provide for this would be a contributory provident fund scheme, to which both the employers and the employees would have compulsorily to contribute, and which would normally be available in its entirety to persons on their retirement, when they could no longer continue to serve. Obviously however such a fund could, also be of use if for one reason or other the employee was no longer in a position of gainful employment. It would have the incidental advantage of being useful to family members on untimely death of the earner. At present for the category of employees covered by the terms of reference there is no general compulsory provident fund scheme.

The Committee's enquiries with the Commissioners of Income-Tax showed that the Bombay State area excluding the Nagpur income-tax zone for which information could not be had, already there were as many as 1176 provident fund schemes recognised under Chapter IXA of the Indian Income-Tax Act, 1922. Among the associations of employers and that had sent replies to the Committee's questionnaire, there were a few who positively favoured the introduction of a scheme while some others accepted the desirability of having a scheme of retirement benefit, though they would not favour its immediate introduction because of the smallness of the size of most of the establishments, the financial burden involved and the complicated maintenance of contribution cards and accounts, the responsibility pertaining to the timely submission of returns by failure of which they would ~~invite~~ invite penalties. The unions of employees, of course, pressed for ~~the~~ the immediate introduction of the Scheme.

The Committee was greatly impressed with the need of having compulsory provident fund scheme on as wide a basis as possible. Naturally, however, before the Committee could make any recommendation in this regard it had to be satisfied that the employers had the capacity to bear this additional burden and that a scheme was administratively simple.

In view of the earlier experience that most of the members of the Committee had in their enquiries pertaining to shops and commercial establishments, it was obvious to the Committee that the provident fund scheme could not be made to apply to all shops and establishments falling within the terms of reference, as their financial ability to pay even a minimum wage was limited and as in many cases the firms coming within the category had a high incidence of mortality. It was apparent that the retailers who accounted for a high ~~incidence~~ percentage of the units coming in the category had small turnover and small profits and employed a very small number of employees. It was not feasible to apply the benefits of the scheme, however otherwise desirable, to their employees.

The industrial establishments covered in this category worked in many cases in close competition with the factories covered by the Factories Act. Many of them were greatly handicapped because of their small size and it was the declared policy of the Government of India to encourage small scale units. If, therefore, for one reason or the other the Government of India did not think it desirable to extend the benefits of the the Employees' Provident Fund Act to factories employing less than 50 persons it would obviously be unfair to levy the burden of the provident fund contributions on the employees of industrial establishments who were not covered by the Factories Act and were employing less than 20 persons.

It was clear to the Committee that there was no reason for exempting shops and establishments which were employing 50 persons or more. Presumably the shops and commercial establishments employing such a large number of employees would have ability to contribute their quota to the provident fund scheme as industrial establishments or factories in a similar predicament. There might, however, be a few shops and establishments which, because of the nature of their trade, might have ability to pay, even though the number of employees was small. The Committee, therefore, devoted some time and attention to see if such shops and establishments could be located. At one stage, it had thought of awaiting the results of an enquiry into all shops and establishments registered for the purposes of the sales tax. Unfortunately, due to limitation on time it could not be done.

It was therefore decided to take the safe line and recommend that the provident fund scheme should be applied only to shops and establishments employing 50 or more persons in all cities with a population of 100,000 and more. The Central ~~Govt~~ Government has been thinking of extending the benefits of ~~the~~ its provident fund scheme to factories employing 20 and more persons. As and when the State Government may like to follow such a course in the case of shops and establishments, the Committee urges that before taking a decision, full enquiry on the lines contemplated by it should be undertaken by Government.

Recommendations.- The Committee is of the view that a provident fund scheme for the employees in all shops and establishments employing 50 or more persons is practicable. The scheme should be applied to all cities having a population of 100,000 or more.

Before making the scheme applicable to smaller shops and establishments a proper enquiry into their capacity to bear the burden and to maintain registers, forms and other records should be made. The collection of information should be undertaken departmentally by Government, in addition to a general invitation and circulation of a questionnaire to those concerned or interested in the enquiry.

The provident fund scheme should provide for the following important matters: (i) The contribution to the fund by employers and employees should be equal. (ii) The rate of contribution should be on par with the one prescribed for industrial establishments employing 50 or more employees under the Employees' Provident Fund Act, 1952 of the Central Government. (iii) Every employee irrespective of the amount of the consolidated wages pay-drawn by him, on completion of one year's service shall be admitted to the provident fund scheme. (iv) Any amount with interest thereon standing to the credit of the members in the account of the fund may be withdrawn, not more than once in every six months to make a payment towards the policy of life insurance, subject to such rules as the Government may make in that behalf. (v) Whenever an employee is entitled to obtain the benefit of the provident fund he shall get his contribution plus interest at such rate as laid down by the labour commissioner, who, ~~may~~ should administer the fund for the state government. He shall however be entitled to employers' contribution only if he has put in a service of five years. (vi) As regards the assignment of the provident fund and limitation of right to it by family members, they should be the same as provided in the Employees' Provident Fund ~~Act~~ Scheme of Government of India. (vii) There are provident funds which are recognised under Chapter IX-A of the Indian Income-Tax Act, 1922. If in the opinion of the Government, they conform to the provisions of the statutory provident fund scheme for shops and establishments they may be specifically permitted to continue. All other existing provident funds whether recognised or otherwise shall be transferred to the Shops and Establishments Statutory

Provident Fund. (viii) The administration of the fund shall be vested in the State Government which should create a separate division under the Commissioner of Labour for the purpose. (ix) The Commissioner of Labour should have a board to advise him in the matter of administration of the Fund. The investment policy of the fund should be prescribed by the State Government. (x) The Commissioner of Labour should be the chairman of the advisory board which should consist of three representatives each of the employers and employees and three independent members. (xi) No administrative charge should be levied on the employer for the management of this scheme. The administrative expenses should be considered as a social obligation of the State. (xii) As regards the maintenance of contribution cards and submissions of returns etc. as provided under the central scheme, the details in that behalf under the Shops and Establishments Statutory Provident Fund Scheme should be worked out in consultation with the representatives of employers.

In all other matters the provisions under the Employees Provident Fund Scheme, 1952, of the Government of India should be embodied in the Shops and Establishments Statutory Provident Fund Scheme.

(One of the appendices to the report reproduces communication from the Social Security Division, Geneva, concerning information on law and ~~usage~~ practice regarding provident funds in small establishments).

92. Legislation

India - November-December 1960

Employees' Provident Fund Act, 1952, extended to Employees in Rice Milling, Flour Milling and Dal Milling Industries.

In exercise of the powers conferred under the Employees' Provident Funds Act, 1952, the Central Government has directed that with effect from 31 December 1960 the following industries shall be added to schedule I of the said Act:

1. Rice Milling
2. Flour Milling
3. Dal Milling

(Notification G.I.R. 1443 dated 24 November 1960, the Gazette of India, Part II, Sec.3, sub-sec(i), 3 December 1960, p. 1819).

92. Legislation

India - November-December 1960

VIII. Maternity Benefits

The Maternity Benefit Bill, 1960.

Shri Gulzarilal Nanda, Minister for Labour and Employment, Government of India, introduced in Lok Sabha on 6 December 1960 a Bill to regulate the employment of women in certain establishments for certain periods before and after child-birth and to provide for payment of maternity benefit to them.

According to the Statement of Objects and Reasons of the Bill, maternity protection is at present provided under the different State Acts on the subject and three Central Acts, viz., the Mines Maternity Benefit Act, 1941, the Employees' State Insurance Act, 1948 and the Plantations Labour Act, 1951. There is considerable diversity in their provisions relating to qualifying conditions, period and rate of benefit, etc. The proposed legislation seeks to reduce as far as possible the existing disparities in this respect. It will apply to all establishments, including mines, factories and plantations, except those to which the Employees' State Insurance Act, 1948 applies and its provisions approximate as nearly as possible to those of that Act.

The proposed legislation applies, in the first instance, to all establishments being factories, mines or plantations as defined in the Factories Act, 1948, the Mines Act, 1952, and the Plantations Labour Act, 1951, respectively including such establishments belonging to Government. The State Governments have also been empowered to apply the legislation to any other establishment or class of establishments, industrial, commercial or agricultural. However, it will not apply to any factory or establishment to which the Employees' State Insurance Act, 1948 applies.

Clause 4 prohibits the employment of, and work by, a woman during the six weeks immediately following the day of her delivery or her miscarriage. It also provides that a woman, on her request, will not be employed on arduous work during a period of one month before proceeding on maternity leave.

Clause 5 entitles a woman to receive maternity benefit at the rate of her average daily wage subject to a minimum of seventy-five naye paise per day for a maximum period of 12 weeks, including 6 weeks following the day of her delivery. The qualifying condition is employment for 240 days in the twelve months immediately preceding the expected date of delivery, but there is no such restriction as to entitlement in the case of an immigrant woman who is pregnant when she first arrives in Assam.

Clause 8 entitles a woman to receive a medical bonus of Rs.25 if no pre-natal, confinement and post-natal care is provided for by the employer free of charge.

Clause 9 provides for grant of leave with wages at the rate of maternity benefit for six weeks in the case of miscarriage.

Clause 10 provides for grant of additional leave with wages at the rate of maternity benefit for a maximum period of one month in case of illness arising out of a pregnancy, delivery, premature birth of child or miscarriage.

Clause 11 provides for grant of two nursing breaks a day in addition to the daily interval for rest to mothers for feeding infants.

Clause 12 prohibits dismissal of a woman during or on account of absence on maternity leave and ensures that the conditions of her service will not be varied to her disadvantage during her absence. It also provides that a woman shall not be deprived of the maternity benefit to which she may be entitled, on account of dismissal at any time during her pregnancy, except in cases of dismissal for gross misconduct.

Clause 18 provides for forfeiture of maternity benefit in respect of the period for which a woman may work in any establishment during maternity leave.

Clauses 29 and 30 provide for repeal of (i) the provisions of the Plantations Labour Act, 1951, relating to maternity benefit and (ii) the Mines Maternity Benefit Act, 1941. Necessary action to repeal the State Maternity Benefit Acts will be taken by the State Governments.

Employees' Provident Funds (Amendment) Bill passed by Parliament.

The Employees' Provident Funds (Amendment) Bill (vide pages 76-77 of the report of this Office for September 1960) was passed by the Lok Sabha on 14 November 1960 and by the Rajya Sabha on 1 December 1960.

The Bill enlarges the scope of the Provident Fund Act which will now be applied to establishments employing 20 or more persons. At present, the Act is applicable only to establishments employing 50 or more persons.

The registered co-operative societies employing less than 50 persons and working without the aid of power have, however, been excluded from the purview of the Bill. Small-scale and cottage industries employing between 20 and 50 persons have been granted exemption for a period of five years.

The exemption provision was strongly opposed by several members who participated in the discussion. Some speakers pleaded for raising the contribution rate from 6-1/4 per cent to 8-1/3 per cent and extending the benefits of the Act to clerical employees covered by the Shops and Establishment Act.

Of interest was a suggestion by a Congress member that the Bill be circulated for eliciting public opinion which the House rejected.

Shri Abid Ali, Deputy Labour Minister, who piloted the Bill, said that a technical committee was considering the question of raising the contribution rate to 8-1/3 per cent. While he favoured this demand, it was not without certain dangers. If an increase in the rate was to result in closure of some establishments, that would not be good for workers.

Justifying the exemption clause the Deputy Minister said the intention was to help the large number of co-operative societies run by the workers themselves.

The Bill was welcomed in the Rajya Sabha by all members who took part in the ~~debate~~ debate as a "progressive" measure which would make available the benefits of the provident fund scheme to a wider section of workers.

The members, however, urged strict enforcement of the law and the creation of adequate machinery to safeguard the interests of the employees and ensure prompt realisation of their provident fund dues.

(The Hindustan Times, 15 November 1960 and 2 December 1960)

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Employees' Provident Funds (Amendment) Act, 1960
(No. 46 of 1960).

The Employees' Provident Funds (Amendment) Bill (vide pages 76-77 of the report of this Office, September 1960) as passed by the Parliament received the assent of the President on 11 December 1960 and has been gazetted as Act No. 46 of 1960.

The Amendment Act enlarges the scope of the Employees' Provident Funds Act which will now apply to establishments employing 20 or more persons. Registered co-operative societies employing less than 50 persons and working without the aid of power are exempted from the purview of the Act. Small-scale establishments employing 50 or more persons are exempted for a period of three years and establishments employing between 20 and 50 persons exempted for a period of five years.

Another new section 2A provides that where an establishment consists of different departments or has branches situated in the same place or different places, all such departments or branches shall be treated as parts of the same establishment.

An amendment to section 6 makes the 'retaining allowance' liable for provident fund contributions.

(The Gazette of India, Extraordinary,
Part II, Sec. 1, 13 December 1960,
pp. 675-677).

Employees' Provident Funds (Amendment) Bill, 1960:
Non-Official Bill Introduced in Lok Sabha.

Shri T.B. Vittal Rao, Member, Lok Sabha (Andhra Pradesh - People's Democratic Front) introduced in the Lok Sabha on 25 November 1960 a Bill to amend the Employees' Provident Funds Act, 1952.

According to the Statement of Objects and Reasons of the Bill, some sections of workers receive as consolidated wages two rupees or less a day or sixty rupees or less a month. Any contribution by such workers towards provident fund causes hardship and they, therefore, require exemption from contribution. Workers, receiving daily wages below one rupee, do not make any contribution to the Employees' ~~xxx~~ State Insurance Fund. It is considered that the same procedure should be followed regarding provident fund contribution in the case of workers receiving not more than two rupees per day or sixty rupees per month as consolidated wages. The Bill seeks to achieve this purpose.

(The Gazette of India, Extraordinary,
Part II, Sec. 2, 25 November 1960,
pp. 747-749).

93. Application.

India - November- December 1960.

Employees' State Insurance Corporation Annual Report for 1959-1960.

The annual report of the Employees' State Insurance Corporation for the year 1959-60* has been published recently. A review of the main features of the report is given below.

General. The progress made during the year 1959-60 in regard to the extension of the Scheme to new areas as also in regard to the extension of medical care to the families of insured persons was fairly satisfactory. As against an additional 78,000 employees and 226,000 family units who benefitted during the year 1958-59, the Scheme covered an additional number of 81,450 employees and 213,400 family units during the year under review. A sum of about 30,500,000 rupees was disbursed by way of ~~cash~~ cash benefits during 1959-60.

Progress in Implementation. During the year under review, the Scheme was implemented in Warrangal and Sirpur in Andhra Pradesh; Dalmianagar, Hanjai and Japla in Bihar; Kazhikode, Feroke, Fort Cochin and Mattancherry area in Kerala; Bhopal and Nagda in Madhya Pradesh; Peelamedu, Perianaickenpalayam, Shivakasi, Rajapalayam and Dalmiapuram in Madras; Hubli in Mysore; Cuttack, Barang, Choudwar, Brajaraj-nagar and Rajgangpur in Orissa and Khasa and Dhariwal in the Punjab covering about 81,450 employees. After taking into account the additional employment of ~~an~~ reduction in the number of employees in the already implemented areas, the total number of employees covered at the close of the year, stood at about 1,544,600.

* Employees' State Insurance Corporation: Annual Report for the Year 1959-1960. Issued by the Director-General Employees' State Insurance Corporation, New Delhi, pp.95.

Extension of medical care to families.— Medical care was extended to the families of insured persons in the implemented areas of Uttar Pradesh, the Union Territory of Delhi, Warrangal in Andhra Pradesh, Bhopal and Nagda in Madhya Pradesh, Khasa and Dhariwal in Punjab and Dholpur and Sriganganagar in Rajasthan, covering about 213,400 additional family units. The total number of family units covered upto the end of the year was 447,500 in different areas of eight States and the Union Territory of Delhi. In addition, the families of insured persons in the Sirpur in Andhra Pradesh, Banjari, Dalmianagar and Japal in Bihar, Hubli in Mysore and in Orissa where the Scheme was implemented during the year, would become entitled to medical care early next year.

Programme for future extension.— The phased programme which had been drawn up last year for the implementation of the Scheme and coverage of families in all centres with insurable population of 1,500 and above in the country before the end of the Second Five Year Plan period could not be adhered to. A revised tentative programme of implementation during the remainder of the Second Plan period was prepared and considered at the Labour Ministers' Conference held in January 1960.

Provision of Medical Benefit.— During the year under report, 3,751,872 new and 11,284,395 old cases were treated at the various State Insurance dispensaries and clinics of panel practitioners as against 3,357,321 and 9,841,674 respectively during the year 1958-59. The number of cases referred for admission to hospitals and for specialist investigation also increased to 33,752 and 278,264 respectively as against the corresponding figures of 30,850 and 206,947 for the last year. The number of medical certificates issued was 4,147,192 as against 3,595,828 during the last year. The State-wise distribution of these cases is shown in Appendix II of the report. The average daily percentage of incidence of new and old attendances at the State Insurance Dispensaries/clinics of panel practitioners in various areas is also shown in that Appendix. The rate of new attendances per 100 insured persons showed a little change and stood at 277 as against 260 in the last year. The incidence of new attendances per 100 which was between 131 and 453 last year varied between 145 and 476 during the year under review. The rate of attendance was particularly high in Andhra Pradesh, Kerala, Madhya Pradesh, Mysore and in Calcutta and Howrah Districts in West Bengal.

Along with the provision of medical treatment to insured persons migration from one State to another, a master plan was drawn up for the construction of hospital beds in separate hospitals and annexes to the existing hospitals to meet the requirements of hospital beds for insured persons for all areas.

The Corporation paid to the State Governments a sum of Rs.21,928,045-33nP. as its share of expenditure incurred by the State Governments on the provisions of medical benefit under the Scheme.

Morbidity Data.— The average numbers of new spells of sickness per worker came to 2.79 during 1959-60 as against 2.60 in 1958-59. During the year under review common cold, bronchitis and influenza together accounted for nearly 24 per cent ~~total~~ of total sickness as against 18 per cent in the previous year. Diseases of the digestive system formed a major block, in which dysentery, diarrhoea and diseases of the stomach and duodenum predominated. Diseases of the skin covering boils, abscess, cellulitis and others came next in importance from the point of view of heaviness of incidence. Malaria continued to account for a substantial portion of the total sickness. Arthritis and rheumatism, acute pharyngitis and tonsillitis ~~is~~ were fairly common. Other specific diseases commonly met with are diseases of the eye, avitaminosis and other deficiency states.

Tuberculosis and venereal diseases are generally the major problems in industrial health. During 1959-60 the rate of incidence of pulmonary tuberculosis was practically the same as that experienced last year and stood at 10 per thousand as against 9.28 last year. Tuberculosis of other forms was 2 per thousand as against 2.14 in 1958-59. Gonococcal infection recorded a rate of 11.46 per 1000 and syphilis 6.41 as against the higher rate of 13.7 and 7.8 respectively in the previous year. In the case of these diseases it is, however, likely that the workers might not have fully availed of the medical aid under the Scheme because of the social stigma attached to these diseases. Cancer had only a rate of 0.48 per thousand but this disease derives its importance from the protracted misery it causes to the victim.

Payments of Cash Benefits.— The Corporation made about 1,700,000 payments of cash benefits to insured persons through its local/sub-local/pay offices throughout the country during 1959-60, giving an average of about 141,000 payments per month.

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Sickness Benefit. As a result of the implementation of the Scheme in new areas between July 1958 and June 1959, an additional 96,500 insured workers became eligible for cash sickness benefit during the year under report. The total number of employees entitled to the sickness cash benefit at the end of the year was about 1,463,000. The payment of sickness benefit made during the year amounted to 21.6 million rupees as against 18.0 million rupees paid last year, i.e. there has been an increase of 20 per cent over the amount paid in the last year. The increase was partly due to the increase in the coverage of workers. From 1 June 1959 insured persons suffering not only from tuberculosis but also from leprosy, mental and other malignant diseases became eligible for extended sickness cash benefit at a reduced rate for an additional period of 18 weeks. During the year, an amount of 620,000 rupees was paid to insured persons on this account as against 564,000 rupees paid in the previous year.

Maternity Benefits. There has been an increase of about 8 per cent in the number of women covered mainly as a result of extension of the Scheme to new areas. The amount paid as maternity benefit was 1.360 million rupees during the year which showed an increase of about 32.5 percent over the last year's. The average cash benefit paid per case also increased from 189 rupees in the last year to 238 rupees during the year under review. The number of cases per 1,000 insured women decreased from 59 in 1958-59 to 57.6 during the year. The average number of benefit days per claim also decreased from 73 days in 1958-59 to 71 days in 1959-60.

However, the average daily rate of benefits has increased from Rs.2.6 in 1958-59 to Rs.3.3 in 1959-60 which principally accounted for the increase in the average cash benefit per claim paid in 1959-60 as stated above. This might be principally due to the effect of the enhancement in the rate of maternity benefit being reflected for a full financial year for the first time during the year under review. As in previous year, the insured women's failure to comply with the requirements of the Regulations due to ignorance or other bona fide reasons was liberally condoned during the year under review as well.

Temporary Disablement Benefit.- During the year, 81,450 more workers became entitled to temporary disablement benefit thus raising the total number of employees covered for the benefit to 1,544,600. A sum of 2.201 million rupees was paid as temporary disablement benefit during the year as against 1.687 million rupees paid last year. The increase was partly due to the increase in the number of insured employees covered for the benefit and also partly due to the amendment of Workmen's Compensation Act reducing the waiting period for eligibility for Temporary Disablement Benefit from 7 days to 3 days with effect from 1 June 1959. The average number of benefit days per annum per employee in 1959-60 was 0.74, which indicated a slight increase over the corresponding figure of 0.61 for the last year.

Permanent Disablement Benefit.- The coverage of workers for this benefit was the same as for temporary disablement benefit. The number of fresh cases admitted during the year was 1,811 as against 1,721 in the last year, but the incidence rate per thousand insured employees showed a decrease from 1.3 in the last year to 1.26 in the year under review.

As permanent disablement benefit is in the form of a life annuity and the Scheme has been generally expanding, the number of beneficiaries on funds and the amount of benefit disbursed increased rather sharply from 5,763 to 7,039 and from 470,000 rupees to about 784,000 rupees respectively during the year.

The permanent disablement benefit reserve fund as at the close of the year under review was 9.365 million rupees (net) after adding interest on investments and deducting the payments made.

Dependants' Benefit.- The coverage of the workers for this benefit was the same as in the cases for temporary disablement benefit. The number of death cases admitted for dependants' benefit increased from 100 in 1958-59 to 119 during the year and the total amount paid as benefit for the dependants increased from 191,000 rupees to 278,000 rupees.

At the end of the year under report, 1,057 dependants of diseased insured persons, were on the funds. The dependants' benefit reserve fund as at the close of the year was 2.929 million rupees (net) after adding interest on investments and deducting the payments made during the year.

Other benefits given to the insured persons were: (i) payment of conveyance charges and/or compensation for loss of wages to insured persons required to appear before a medical board, medical referee or at the hospital; (ii) supply of artificial limbs and travelling and other expenses in connection therewith; and (iii) remittance of cash benefit by money order at the cost of the Corporation.

An amount of about 134,100 rupees was spent during the year on these benefits of which 13,400 rupees was for supply of artificial limbs.

Total cash benefits paid.- The total amount of cash benefits paid to insured persons during the year and comparative figures for the previous year are as follows:-

(Figures in thousands of rupees)

Year	*Sick- ness benefit.	Mater- nity benefit.	Tempo- rary Disable- ment benefit.	Depen- dants' benefit.	Permanent disable- ment benefit.	Other bene- fits.	Total Cash benefit.
Up to 1957-58.	370,26	11,57	46,05	2,65	6,19	1,23	437,95
For 1958-59.	185,43	10,26	16,87	1,91	4,70	98	220,15
For 1959-60.	222,14	13,59	22,01	2,78	7,84	1,34	269,70
Total							
Up to 1959-60.	777,83	35,42	84,93	7,34	18,73	3,55	927,80

*Including Extended Sickness Benefit.

Income from Contributions.- The total amount of employees' contribution and employers' special contribution received during the year was 40,809,252 rupees and 31,853,731 rupees respectively as shown against 38,111,950 rupees and 29,024,081 rupees respectively, received in the last year.

Cost of Administration.- The statement below shows the comparative cost of administration per insured employee during the last 4 years from 1956-57 to 1959-60:-

Year	Rs.	Per insured employee.
1956-57	Rs.4.59	
1957-58	Rs.5.16	-do-
1958-59	Rs.5.28	-do-
1959-60	Rs.6.1	-do-

(The annual report of Employees' State Insurance Corporation for the year 1958-59 was reviewed at pp.81-87 of the Report of this Office for the month of September 1959).

VI. Compensation in case of Employment Injury or
Occupational Disease.

Bombay State: Annual Report on the Working of the
Workmen's Compensation Act, 1923, during 1959.

According to the 35th Annual Report on the Working of the Workmen's Compensation Act, 1923, for the year 1959 in Bombay State*, the year opened with 1,113 cases (both applications and agreements) pending from last year and 2,482 were received during the year. Out of these 3,595 cases, 2,548 were disposed of during the year under report and, 1,047 were pending at the end of the year as against 2,106 and 1,105 respectively last year. The difference in the figures of cases shown as pending at the commencement of the beginning of the year is due to the corrections made by some of the ex-officio commissioners while submitting returns. Out of 2,548 cases disposed of during the year, 605 related to fatal accidents, 1,878 to non-fatal accidents of which 1,620 resulted in permanent disablement and 258 in temporary disablement and the remaining 65 were miscellaneous. The total compensation paid by the employers covered by the notifications issued under section 16 of the Workmen's Compensation Act was 1,843,529 rupees (586,798 rupees for death, 730,816 for permanent disablement and 575,915 rupees for temporary disablement).

Proceedings before Commissioners.- The total number of cases disposed of during the year was 1,224 as against 1,084 last year, of which 694 were cases of award under section 10, 465 of voluntary deposits under section 8 and the remaining 65 were miscellaneous. Out of 465 cases of deposits, in twelve cases a sum of 18,617 rupees was refunded to the employers under section 8(4) of the Act as no claimants came forward to claim the amount deposited. The Court fees recovered in all applications was Rs.3,470.09nP. as against Rs.3,543.64nP. last year.

Cases of Agreements.- The total number of cases disposed of during the year was 1,324 as against 1,022 last year, of which 1,265 were registered without any modification, 10 after modification and in 49 registration was refused. The total compensation paid in respect of 1,275 agreements registered during the year was Rs.504,711.75nPs. as against Rs.461,504.00 paid last year when the number of agreements registered was 972.

* Annual Report on the Working of the Workmen's Compensation Act, 1923, for the year 1959, in Bombay State, 1960. Price Rs.00.09nPs., pages 13.

Wages of Groups of Workmen.- The total number of persons in respect of whom ~~compensation~~ compensation was awarded during the year was 761 as against 703 last year of whom 711 were male adults and 50 were women. In 73 cases the injuries resulted in temporary disablement, in 294 cases in permanent disablement and in 394 cases in death. This year also the wage group most numerously represented was 100-200 rupees with 80-100 rupees as the next group.

As usual, forms of returns were sent to 10,531 employees covered by the notifications issued under section 16 of the Act, out of which 274 were received back with the remarks "closed or left". Returns were received from 6,459 employers.

The total ~~number~~ compensation reported by the employers in respect of all accidents amounted to Rs.1,843,529.00nP.as against 1,479,857.00nP. last year.

Reports of Fatal Accidents.- At the beginning of the year 150 reports were under investigation, 51 of which were submitted by employers under section 10-B and remaining 99 were received from ~~thaxk~~ other sources. During the year under report 229 reports were received, 99 from employers under section 10-B and 130 from other sources. Of the total number of 379 reports, in 17 cases deposits were received voluntarily and in 62 after issue of notices under section 10-A. In cases in which liability was denied, applications were received from dependants in 49 cases and in one case no dependant existed. The number of reports in which investigation was not completed at the end of theyear was 250.

The total number of cases dealt with during the year including those pending from last year, was 3,595 as against 3,211 for the last year. The number of cases disposed of during the year was 2,548 as against 2,108 last year. The cases of agreements and those of deposits disposed of were 1,324 and 465 as against 1,022 and 586 last year, the number of contested and non-contested cases disposed of being 414 and 345 as against 340 and 208 last year.

Appeals.- There were 11 appeals pending at the beginning of the year and 27 were filed during the year. Out of these 38 appeals, one was allowed, 13 were dismissed, in one order was modified, one was remanded to Commissioner, one was withdrawn and 21 were pending at the end of theyear.

No reference under section 27 was made by any Commissioner to the High Court during the year under report.

Chapter 11. Occupational Safety and Health.

112. Legislation, Regulations, Official Safety and Health Codes.

India - November-December 1960

The Making of Heavy Packages (Amendment) Bill, 1960.

Shri Raj Bahadur, Minister of State, Ministry of Transport and Communications, Government of India, introduced in Lok Sabha on 21 December 1960 a Bill to amend the Marking of Heavy Packages Act, 1951. According to the Statement of Objects and Reasons of the Bill, section 3 of the Marking of Heavy Packages Act, 1951 (39 of 1951) requires every person consigning a heavy package for transport by sea or inland waterway from any place in India to have marked thereon plainly, durably and conspicuously the gross weight of the package. Section 4 prescribes the penalty for the contravention of the provisions of section 3. The Act does not, however, contain provisions for the appointment of officers or authorities for the enforcement of its provisions or defining their powers or for the procedure for the trial of offences under the Act. The Bill seeks to amend the Act to provide for these matters.

New section 4 provides that the Central Government may, by notification in the Official Gazette, appoint such persons as it thinks fit to be inspectors for the purposes of this Act and assign to each of them one or more areas to be specified in the notification, or to two or more of them the same area to be so specified.

New section 5 provides that subject to any rules made by the Central Government in this behalf, ~~an~~ an inspector may -

(a) enter, with such assistants as he considers necessary, and inspect any place or vessel and examine any packages found therein;

(b) if, on such examination, any heavy package is found not to have been marked in accordance with the provisions of of section 3, direct that the package shall not be transported by sea or inland waterway until it has been marked in accordance with those provisions:

Provided that, instead of issuing any direction as aforesaid, the inspector may himself cause the package to be marked in accordance with the provisions of section 3; and in any such case, the expenses incurred by him for such marking shall be recoverable as an arrear of land revenue from the person consigning the package for transport.

New section 6 provides that if any person contravenes -

- (a) the provisions of section 3, or
- (b) any direction given by an inspector under clause (b) of section 5,

he shall be punishable with fine which may extend to five hundred rupees.

If any person wilfully obstructs an inspector in the exercise of his powers under this Act, he shall be punishable with fine which may extend to two hundred rupees.

(The Gazette of India, Extraordinary,
Part II, Sec. 2, 21 December 1960,
pp. 927-928).

LIST OF PRINCIPAL LAWS FROMULGATED DURING THE
PERIOD COVERED BY THE REPORT FOR NOVEMBER-DECEMBER
1960.

INDIA - NOVEMBER - DECEMBER 1960.

CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

- (a) Indian Trade Unions (Amendment) Act, 1960 (No. 42 of 1960):
(Gazette of India, Extraordinary, Part II, Sec. 1, 22 September,
1960, pp. 567-570).
- (b) Indian Trade Unions (Madhya Pradesh Amendment) Act, 1960
(No. 28 of 1960): (Madhya Pradesh Gazette, Extraordinary,
31 December 1960, pp. 1385-1390).

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

Madhya Pradesh Industrial Relations Act, 1960 (No. 27 of 1960):
(Madhya Pradesh Gazette, Extraordinary, 31 December 1960,
pp. 1345-1385).

CHAPTER 9. SOCIAL SECURITY.

Employees' Provident Funds (Amendment) Act, 1960 (No. 45 of 1960):
(Gazette of India, Extraordinary, Part II, Sec. 1, 13 December,
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- *(b) "Report (February 1958 to November 1960)": ~~Report~~ Presented by Shri Kanti Mehta, General Secretary, at the Sixth Annual Conference held at Asansol, West Bengal, 4 December 1960: Indian National Mineworkers' Federation. pp.32.
- *(c) "Resolutions": Adopted at the Sixth Annual Session held at Asansol, West Bengal, 4 and 5 December 1960: Indian National Mineworkers' Federation, pp.5.
- *(d) "Presidential Address of Shri Michael John, M.P.": At the Sixth Annual Conference held at Asansol, West Bengal, 4 December 1960: Indian National Mineworkers' Federation; pp.12.

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- *(a) "All India Seminar on Industrial Estates at Industrial Estate, Guindy - September 20-22, 1960": Report of the Proceedings: Department of Industries and Commerce, Government of Madras, pp. 70 +XVIII.
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- *(c) "Industrial Estate Guindy": Government of Madras: Issued by the Directorate of Industries and Commerce, Government of Madras, (with two charts) of "Dimensions of Type H.S. and H.D. Speed Readers - Gears India.
- *(d) "Productivity Project in Small-Scale Industries - Hyderabad (July-August 1960)": Productivity Centre, Ministry of Labour and Employment, Government of India, Industrial Assurance Buildings, Churchgate, Bombay-1, pp.33. (Revised).
- *(e) "Pattern of Investment by Scores of Capital of Small Industrial Units in Eight Industrial Estates": Small Scale Industry Statistical Report No.2: Central Small Industries Organisation: Ministry of Commerce and Industry, Government of India, New Delhi, Price Re.0.40 np. or 8d. pp.48.

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

- * (a) "Annual Administration Report of Animal Husbandry and Fisheries Department, Uttar Pradesh from July 1st 1958 to June 30th 1957": Allahabad: Superintendent, Printing and Stationary, U.P., 1960. pp. 88, price Rs. 9.50nP.
- * (b) "Annual Administration Report of Animal Husbandry and Fisheries Department, U.P. College of Veterinary Science and Animal Husbandry, Mathura and Mechanized State Farm, U.P., Lucknow for 1954-55": Lucknow: Superintendent, Printing and Stationary, U.P., 1959. pp. 72, price Rs. 4.25nP.
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- * (e) "Report on Land Holdings (2) (Operational Holdings in Rural India)": The National Sample Survey: Eight Round July 1954-April 1955: Number 30: Issued by the Cabinet Secretariat, Government of India, 1960. pp. 93.
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- * (i) "Administration Report 1959-60": Bombay Port Trust. pp. XXXVI + 27.

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- *(b) "Indian Institute of Science, Bangalore, March 1957": pp.42.
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CHAPTER 8. MANPOWER PROBLEMS.

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