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INTERNATIONAL LABOUR OFFICE
BRANCH OFFICE, NEW DELHI.

Industrial and Labour Developments in
January-February 1967.

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

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I.L.O. REGISTRY-GENEVA

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - JANUARY-FEBRUARY 1967.

11. Political Situation and Administrative Action.

Parliament Not Empowered to take Away Fundamental Rights of the Constitution of India : Decision of Supreme Court.

According to a majority judgment of the Supreme Court announced on 27 February 1967, the Parliament has no power to take away or abridge any of the fundamental rights guaranteed by the Constitution by the process of constitutional amendment. These rights are given a transcendental position and kept beyond the reach of parliamentary legislation.

The Constitution First, Fourth and Seventeenth Amendment Acts protecting legislation relating to the acquisition of property by the State from judicial review on the ground of violation of fundamental rights was beyond Parliamentary competence. Great social and economic changes, however, had been made on the basis of these laws and having regard to the requirements of justice the Court would limit the effect of its judgment to future legislation only. The existing amendments to the Constitution were therefore declared valid.

The Chief Justice of India giving judgment for himself and four other judges of the Supreme Court dismissed on 27 February 1967 the petitions by Golak Nath and others against the State of Punjab and summarized his main conclusions as follows:-

"1. The power of Parliament to amend the Constitution is derived from Articles 245, 246 and 248 of the Constitution and not from Article 368, which only deals with procedure. Amendment is a legislative process.

"2. Amendment is 'law' within the meaning of Article 13 of the Constitution and, therefore, if it takes away or abridges the rights conferred by Part III governing fundamental rights, it is void.

"3. The Constitution (First Amendment) Act 1951, Constitution (Fourth Amendment) Act, 1955, and the Constitution (Seventeenth Amendment) Act 1964,

abridge the scope of fundamental rights. But, on the basis of earlier decisions of this Court, they were valid.

"4. On the application of the doctrine of "Prospective over-ruling" this decision will have prospective operation only, and therefore, the said amendments will continue as valid.

"5. Parliament will have no power from the date of this decision to amend any of the provisions of Part III of the Constitution so as to take away or abridge the fundamental rights enshrined therein.

"6. As the Constitution (Seventeenth Amendment) Act holds the field the validity of the Punjab Security & Land Tenures Act 1953 and the Mysore Land Reforms Act 1962 challenged in these proceedings cannot be questioned on the ground that they offend Articles 13, 14, or 31 of the Constitution."

The Chief Justice giving his reasons in support of the judgment said that a correct appreciation of the scope and place of Fundamental Rights in the Constitution would give the right perspective for solving the problem presented to the Court. The Fundamental Rights to equality, freedom, property and equality were embodied in Part III of the Constitution. After declaring the Fundamental Rights the Constitution enjoins the State by Article 13(2) not to make any law which takes away or abridges these rights and declares such laws void.

While recognising the immutability of Fundamental Rights the Constitution provides for their modification in social interest and even suspension during an emergency. Both Shri Jawaharlal Nehru and Dr. Ambedkar were of the view that the Fundamental Rights could not be amended. In this background and upon the interpretation of Articles 368 and 13(2) of the Constitution, his lordship felt that the Fundamental Rights could not be amended by Parliament.

(The Statesman, 28 February, 1967).

President's address to Joint Session of
Both Houses of Parliament, 11 March 1967.

Dr. Radhakrishnan, President of India, addressed on 11 March 1967, a joint session of both houses of Parliament comprising of newly elected and re-elected members consequent upon the Fourth General Election held in India during the month of February 1967. Addressing the session the President said that for the first time since Independence, Governments of political complexions different from that of the Government at the Centre had been formed in several States and in a federal democratic policy, this was to be expected. Constitution has provisions defining and regulating the relationship between the Union and the States and their mutual obligations. The President assured the House that the Government would respect the Constitutional provisions in letter and in spirit without any discrimination and endeavour to strengthen the arrangements for a cooperative approach to thenational problems.

Dr. Radhakrishnan told the House that the Government have decided upon ~~from~~ four major objectives in the economic sphere. These were: To end dependence on food assistance from abroad by the end of 1971; to do all that was possible to ensure that the rising trend in prices of the basic necessities of life was halted and conditions of stability were achieved in the shortest possible time; to obtain and sustain an adequate rate of economic need for external assistance by 1976; and to pursue the national programmes of family planning.

The President said that the success of all the plans and projects depended upon the efficiency and integrity of the ~~administration~~ administration. To ensure efficiency in performance changes would be made in the administrative set-up. The Planning Commission would be re-organised. The working of controls would also be reviewed; those found unnecessary would be withdrawn and others re-adjusted as might be required to make ~~them~~ them more purposeful and efficient.

(The Statesman, 14 March 1967).

Fourth General Elections: Ruling Party
Loses Absolute Majority in Eight States:
Majority reduced in Lok Sabha.

The Fourth General Elections in India began on 15 February 1967 and were practically completed on 21 February by which date over 251 million strong electorate in the country cast its votes for 16,215 candidates for the State Assemblies and 2,334 for the Lok Sabha.

At the Centre the ruling party, the Indian National Congress, was returned with a considerably reduced majority.

In the States the Congress has formed Governments in Andhra, Assam, Gujarat, Jammu and Kashmir, Madhya Pradesh, Maharashtra, Mysore and Nagaland. In Madras the Dravida Munnetra Kazhagam has formed the Government with a big majority, while in Bihar, Haryana, Kerala, Orissa, Punjab, Uttar Pradesh, and West Bengal, various opposition parties have combined to form the Governments. In Rajasthan President's Rule has been imposed. In the other States and Union Territories, the Congress lost in Delhi, Goa, Daman and Diu but won in Himachal Pradesh, Manipur, Tripura and Pondicherry.

The names of the Central Council of Ministers and their portfolios are given below:-

Members of the Cabinet

Mrs. Indira Gandhi	-	Prime Minister and Minister for Atomic Energy.
Mr. Morarji R. Desai	-	Deputy Prime Minister and Minister of Finance.
Mr. Fakhruddin Ali Ahmed	-	Industrial Development and Company Affairs.
Mr. M.C. Chagla	-	External Affairs.
Mr. Y.B. Chavan	-	Home Affairs.
Mr. Dinesh Singh	-	Commerce.
Mr. Jai Sukh Lal Hathi	-	Labour and Rehabilitation.
Mr. Jagjivan Ram	-	Food and Agriculture.
Dr. Karan Singh	-	Tourism and Civil Aviation.
Mr. Asoka Mehta	-	Planning, Petroleum and Chemicals and Social Welfare.
Mr. P. Govinda Menon	-	Law.
Mr. C.M. Poonacha	-	Railways.

Dr. Ram Subhag Singh	- Parliamentary Affairs and Communications.
Dr. V.K.R.V. Rao	- Transport and Shipping.
Dr. M. Chenna Reddy	- Steel, Mines and Metals.
Dr. Triguna Sen	- Education.
Mr. K.K. Shah	- Information and Broadcasting.
Mr. Satya Narayan Sinha	- Minister without Portfolio.
Mr. Swaran Singh	- Defence.

Minister of State

Mr. B.R. Bhagat	- Defence.
Dr. S. Chandrasekhar	- Health and Family Planning.
Mr. Parimal Ghosh	- Railways.
Mrs. Phulrenu Guha	- Department of Social Welfare.
Mr. Jagannath Rao	- Works, Housing and Supply.
Mr. L.N. Mishra	- Labour and Rehabilitation.
Mr. K.C. Pant	- Finance.
Mr. K. Raghuramaiah	- Law.
Dr. K.L. Rao	- Irrigation and Power.
Mr. Raghunath Reddy	- Industrial Development and Company Affairs.
Mr. P.C. Sethi	- Steel, Mines and Metals.
Professor Sher Singh	- Education.
Mr. Anna Sahib Shinde	- Food and Agriculture.
Mr. V.C. Shukla	- Home Affairs.

Deputy Ministers

Mr. Bhakt Darshan	- Transport and Shipping.
Mr. Rohanlal Chaturvedi	- Department of Parliamentary Affairs.
Mr. D.R. Chava	- Ministry of Law.
Mr. D. Ering	- Ministry of Food, Agriculture, Community Development and Co-operation.
Mrs. Jahanara Jaipal Singh	- Ministry of Tourism and Civil Aviation.
Mr. S.C. Jamir	- Ministry of Railways.
Dr. (Miss) Sarojini Mahishi	- No portfolio.
Mr. B.S. Murthy	- Health and Family Planning.
Mr. Mohd Shafi Qureshi	- Commerce.
Mr. K.S. Ramaswamy	- Home Affairs.
Mr. J.B. Muthyal Rao	- Department of Parliamentary Affairs.
Mrs. Nandini Satpathy	- Ministry of Information and Broadcasting.

Mr. Bhanu Prakash Singh - Industrial Development
and Company Affairs.
Sardar Iqbal Singh - Works, Housing and
Supply.
Mr. Surendra Pal Singh - Ministry of External
Affairs.

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CHAPTER 2. INTERNATIONAL AND NATIONAL
ORGANISATIONS.

INDIA - JANUARY-FENRUARY 1967.

21. United Nations and Specialised Agencies.

South-East Asian Experts' Conference on
Co-operative Marketing held at New Delhi,
15 January 1967: Expansion of Consumer
Market Recommended.

A Conference of South-East Asian Experts on Cooperative Marketing was held at New Delhi under the auspices of the International Cooperative Alliance, on 15 January 1967. The Conference was inaugurated by Mr. Cedric Day, Deputy Regional Representative of the Food and Agricultural Organisation. Among others, the Conference was addressed by Shri Braham Parkash, General Secretary of the National Cooperative Union of India and, Dr. S.K. Saxena, Regional Officer of the International Cooperative Alliance. The Conference was attended by delegates from Ceylon, India, Japan, the Republic of Korea, the Philippines, Singapore and Thailand and observers from various international organisations.

Shri N.N. Kaul attended the Conference on behalf of the I.L.O.

(Documents and Report of the Conference were sent to the Headquarters vide this Office minute F.42/301/67 dated 30 January 1967).

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26. Organisations of Foremen and of Manager of Undertakings.

India - January-February 1967.

Textile Labour Association: Its Activities and Contribution towards Improvement of Workers' Welfare.

According to an article which has been published in the Statesman, 15 February 1967, a textile worker in Ahmedabad today is the highest paid among his colleagues elsewhere in the country. He ~~was~~ getting about 20 per cent. less wages than that prevailing in Bombay in 1920 when the Textile Labour Association came into being. But today his is 10 per cent. more. This ~~is~~ the TLA leaders claim, is entirely attributable to the long spell of industrial peace in Ahmedabad, which, in its turn is the result of its general adherence to the principle of arbitration in settling labour disputes. In this respect, the TLA can certainly claim to be the pace-setter.

With its 1.2 million rupees annual budget, a highly efficient secretariat to assist workers in their day-to-day grievances about service conditions, a bank the working capital of which rose to over 53 million rupees in 1963 from a mere 3.1 million rupees 15 years ago; a 200-strong paid cadre mainly to be among the workers in the mills and to act as liaison between them and the employer; and with over 100 co-operative societies run under its aegis, the Association has today an outfit easily comparable to the very best evolved by a trade union in a Western country.

Benefits.- In Ahmedabad and its industrial suburbs, the TLA's presence is pervasive. On one of ~~the~~ his days off from work, a textile labourer can put up his case against the employer for examination, admit his son to a school, buy his weekly ration ~~from the~~ after withdrawing some money from the bank, send his wife to hospital for a check-up and end his busy day with an hour in the community centre or the reading room.

All these benefits and many more are provided by the TLA.

The Majdoor Sahakari Bank run by the TLA functions more as an apex co-operative bank than a banker. With over 37,000 members each with a minimum investment of Rs.10 in its shares, the bank has to attend to about 400 transactions daily. The bank's total deposits rose from 0.95 million rupees in 1948 to 3.2 million rupees in 1963. It has so far advanced 4 million rupees as loans to about 7,000 members against personal security of immovable properties.

This bank also assists about 15 consumers' co-operative and 32 credit societies run by the Association, and has encouraged with material help as many as 60 housing societies. These co-operative housing colonies with electricity and pipe water supply consists mostly of two-roomed tenements, each costing 12,000 rupees to 16,000 rupees and can easily be classed among the very best of their type in any other part of the country. Indeed, they are much better in lay-out and more utilitarian than any conceived so far in Bombay or Calcutta under the Industrial Housing Schemes. Land for most has been obtained free from the Government.

Apart from intervening effectively in the grievances of the employers and the employees, the Association makes available victimization and unemployment benefit and legal and medical aid. It runs a number of schools, particularly for trade union education, and its burden in this respect has been largely lightened by the Government taking over charge of primary education recently. It has its own printing press. Its headquarters has as many as 14 departments, each specialized in particular aspects of the TLA's activities. One of them is entrusted with research. It keeps track of the movement of the industry's profit curve so that the Association is not outwitted by the employers individually or collectively.

(The Statesman, 15 February, 1967).

Chapter 3. Economic Questions.

32. Public Finance and Fiscal Policy.

India - January-February 1967.

Interim Budget for 1967-68 Presented to
Parliament on 20 March 1967: Deficit
of 3,500 Million Rupees Estimated: Big
Allocation for Agriculture.

The Union Finance Minister, Shri Morarji Desai presented to Parliament on 20 March 1967 an interim budget for 1967-68, which envisages a revenue and expenditure of 30,710 million rupees. On the revenue side, it anticipates a surplus of 2,320 million rupees with receipts at ~~2,932~~ 29,322.4 million rupees and expenditure at 26,990 million rupees. The capital budget stands balanced at 23,802.7 million rupees after taking into account the revenue surplus. The budget being an interim one contained no taxation proposals.

The Union Finance Minister painted a dismal picture of the budgetary position and regretted that in spite of an economy of 910 million rupees in administrative expenditure, the budget for 1966-67 would show a deficit of 3,500 million rupees against 320 million rupees anticipated earlier. This was attributed to an increased expenditure ~~to an increased~~ of 2,350 million rupees on the purchase and sale of foodgrains and of 2,610 million rupees of special assistance to States, including 1,130 million rupees of loans to them to clear their unauthorised overdrafts on the Reserve Bank.

Next year's anticipated revenue receipts of 30,700 million rupees at the existing level of taxation meant an increase of 2,140 million rupees over the revised estimates for 1966-67.

The Finance Minister expected an increase of 860 million rupees from excise duties on petroleum products; 580 million rupees from customs; 150 million rupees from income-tax; and 370 million rupees from interest receipts. Of the total revenue receipts the State's share of Central excise duties would be 3,700 million rupees.

The Central Plan outlay during the current financial year ~~would~~ would be 17,650 million rupees - 1,170 million rupees more than budgeted earlier. Defence spending would be higher by 290 million rupees and interest charged by 480 million rupees.

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The Finance Minister estimated next year's defence expenditure at 9,690 million rupees - 8,454.9 million rupees on revenue account and 1,233.8 million rupees on capital account.

Agriculture programmes will get 4,050 million rupees including 1,050 million rupees by way of fertilizer credits to the States, and family planning 280 million rupees.

A summary of the estimates is given below:-

CAPITAL BUDGET

Receipts.	Budget 1966-67	Revised 1966-67	Budget 1967-68
	(In Million Rupees)		
		?	
Revenue Surplus.	3,039.7	1,744.9	2,328.4
Public Debt (excluding PL 480 Loans).	7,438.5	9,215.3	11,863.0
(a) Raised in India.	2,840.0	2,792.9(X)	3,513.0
(b) Raised abroad.	4,598.5	6,422.4	8,350.0
PL 480 Receipts.	2,060.0(Y)	3,232.6	2,850.0
(a) PL 480 Loans.	3,250.0	3,500.0	1,500.0
(b) PL 480 Deposits.	- 1,190.0	- 267.4	1,350.0
Floating Debt(Net)(Other than Treasury Bills - mainly securities issued to IMF, IBRD, IDA & ADB).	- 12.1	3,485.9	24.9
Repayment of loans.	3,700.0	3,840.0	4,300.0
(a) States & U Territories.	2,880.0	2,750.0	3,430.0
(b) Others.	820.0	1,090.0	870.0
Small Savings.	1,350.0	1,250.0	1,300.0
Other Debt heads (Net) (Z).	1,631.4	2,176.7	1,136.4
TOTAL RECEIPTS.	19,207.5	24,945.4	23,802.7

(To be continued to next page)

CAPITAL BUDGET

	Budget 1966-67	Revised 1966-67	Budget 1967-68
	(In Million Rupees)		
<u>Disbursements</u>			
Capital Expenditure (Z).	6,273.8	10,770.9	8,083.9
(a) Civil:			
(i) Developmental.	3,178.4	3,261.7	3,334.8
Govt. Cos. & Corpns.	1,116.7	1,162.9	1,591.6
Other expenditure.	2,061.7	2,098.8	1,743.2
(ii) Other Items.	- 159.1	4,333.2	1,606.0
Foodgrains & Fertilizers (Net).	- 102.0	2,245.2	1,589.4
Trading losses written off to Revenue.	- 184.5	- 182.9	- 234.7
Addl. subscription to IMF, IBRD, IDA & ADB consequent to Devaluation.	..	2,061.5	..
Other expenditure.	1,806.0 127.4	208.4	251.3
(b) Railways.	1,806.0	1,751.4	1,617.5
(c) Posts and Telegraphs.	242.5	276.0	286.8
(d) Defence.	1,206.0	1,149.6	1,238.8
Loans and Advances.	10,109.3	14,133.4	11,184.0
(a) States & U. Territories.	6,659.3	9,208.7	7,392.5
(b) Others.	3,450.0	4,924.7	3,791.5
Repayment of Debt.	3,141.9	2,541.1	1,534.8
(a) Raised in India.	1,936.0	1,859.6	2,580.4
(b) Others Raised Abroad.	1,205.9	1,681.5	1,954.4
TOTAL DISBURSEMENTS.	19,525.0	28,445.4	23,802.7
OVERALL DEFICIT.	- 317.5	- 3,500.0	..

REVENUE BUDGET

RECEIPTS

(In Million Rupees)

Heads of Revenue.	1965-66 Accounts.	1966-67 Budget	1966-67 Revised	1967-68 Budget
<u>Tax Revenue:</u>				
Customs.	53.897	56.020	59.600	65.400
Union Excise duties.	89.792	101.059	103.021	111.588
Corporation Tax.	30.484	37.207	34.500	35.000
Taxes on Income.	27.180	29.290	28.000	29.000
Estate Duty.	0.666	0.810	0.675	0.725
Taxes on Wealth.	1.206	1.400	1.225	1.250
Expenditure Tax.	0.042	0.015	0.011	0.009
Gift Tax.	0.226	0.129	0.185	0.150
Other Heads.	2.574	2.697	2.899	3.200
Total.	206.067	228.627	230.116	246.322
<u>Non-tax Revenue:</u>				
Debt Services.	30.767	36.000	37.173	40.911
Administrative Services.	0.925	0.945	0.939	0.930
Social & Developmental Services.	1.938	2.256	2.223	2.287
Multi-purpose River Schemes, etc.	0.012	0.012	0.014	0.015
Public Works, etc.	0.459	0.415	0.431	0.460
Transport & Communications.	0.773	0.845	0.959	1.095
Currency and Mint.	6.367	6.494	6.580	7.802
Miscellaneous.	2.700	1.907	2.208	2.142
Contributions & Miscella- neous Adjustments.	3.370	4.334	4.146	4.164
Extraordinary Items.	8.667	3.066	0.853	0.948
Total.	55.978	56.336	55.526	60.754
Total - Gross Revenue.	262.045	284.963	285.642	307.076
Deduct - States Share -				
Income Tax.	(-) 12.334	(-) 13.045	(-) 13.710	(-) 13.158
Estate Duty.	(-) 0.679	(-) 0.780	(-) 0.454	(-) 0.694
Total.	(-) 13.013	(-) 13.825	(-) 14.164	(-) 13.852
Total- Net Revenue.	249.032	271.138	271.478	293.224
Deficit on Revenue Account.
Total.	249.032	271.138	271.478	293.224

(Table to be continued to next page)

REVENUE BUDGET

Heads of Expenditure.	<u>Expenditure</u> (In Million Rupees)			
	1965-66 Accounts.	1966-67 Budget	1966-67 Revised	1967-68 Budget
Collection of Taxes & Duties.	3.007	3.084	3.241	3.453
Debt Services.	37.062	41.483	46.281	50.997
Administrative Services.	9.540	11.008	12.290	12.377
Social & Developmental Services.	17.972	19.557	19.592	24.744
Multi-purpose River Schemes, etc.	0.128	0.203	0.233	0.316
Public Works, etc.	2.324	2.383	2.579	2.839
Transport & Communications.	1.107	1.094	1.292	1.399
Currency and Mint.	1.719	1.782	2.055	2.145
Miscellaneous.	12.375	15.235	18.302	17.350
Contributions & Miscellaneous Adjustments.	47.475	61.407	63.921	68.723
Extraordinary Items.	8.129	3.738	1.514	1.048
Defence Services (Net).	76.218	79.767	82.729	84.549
Total- Expenditure.	217.056	240.741	254.029	269.940
Surplus on Revenue Account.	31.976	30.397	17.449	23.284
Total.	249.032	271.138	271.478	293.224

Finance Minister's Speech.— Presenting the budget, Shri Morarji Desai said that the aspirations and hopes for economic well-being and a higher standard of living for millions of people laid in accelerating the tempo of development. But this ~~had to~~ had to be done without generating further inflationary pressures, and on the basis of a realistic assessment of the resources that could be mobilised in a non-inflationary manner. The Government's energies would be directed towards attaining their objective in the shortest possible time.

Non-Plan Grants.— The Finance Minister said that non-Plan grants to States and Union Territories next year would be 2,410 million rupees including 1,410 million rupees granted under the Finance Commission's award and 160 million rupees in lieu of tax on railway passenger fares. Non-Plan expenditure of the Centre under developmental heads next year was estimated at 1,830 million rupees — an increase of 190 million rupees over this year mainly under Education, Scientific Research and Public Works. The total interest charges next year were estimated at 5,100 million rupees which would be 470 million rupees more than the Revised. The administrative expenditure was placed at 1,640 million rupees as against 1,540 million rupees this year.

Shri Desai pointed out that the need for economy had been taken into account in making the budgetary provisions for next year on the expenditure side. He assured Parliament that the objective of the utmost economy in expenditure consistent with efficiency would continue to be pursued as a matter of the highest priority.

The resources for the Plan for 1967-68 would be 17,110 million rupees including 1,890 million rupees to be found by public sector undertakings from their own resources. Of these, the States would get 5,350 million rupees for their Plan schemes and the balance had been retained for the Central Plan including the Plan of the Union Territories.

He said the Central assistance to States would include 1,720 million rupees for agricultural programmes and 1,450 million rupees for irrigation and rural electrification schemes. Union Territories would get 80 million rupees for such programmes. The Central Plan also included 510 million rupees for agricultural programmes and 250 million rupees for the Agricultural Refinance Corporation.

In all, the Central Budget included 4,050 million rupees for programmes of agricultural importance. In addition, 1,050 million rupees had been provided for giving fertiliser credits to States. A provision of 280 million rupees for family planning had also been made in the Central Plan.

Shri Desai said that the Budget outlook during the current year (1966-67) had been dominated by the setback in agriculture. Considerable scarcity relief assistance to the States, subsidizing of large import of foodgrains, increased outlays on agricultural schemes and additional burden of dearness allowance were some of the causes for increased expenditure.

State Overdrafts— The Assistance of 1,130 million rupees to some of the States because of their overdrafts from the Reserve Bank had merely had the effect of increasing the deficit at the ~~Central~~ Centre. He, however, pointed out that if there were some States which had contributed to the deficit at the Centre, there were others whose financial position had been sound.

The Reserve Bank, in consultation with the Central Government, had informed the States last December that in case an unauthorised overdraft persisted in future, the Bank would issue a notice to the State calling upon it to take adequate steps to eliminate such overdraft within a period of three weeks failing which it would be open to the Bank to stop payments on account of the State.

Simultaneously, the facilities for temporary accommodation were also suitably enlarged to give the State Governments greater flexibility in their ways and means position. "It is my earnest hopes", he said, "that with these arrangements, we will begin a new phase in which deficit financing by the State Governments will be a thing of the past."

(The Hindustan Times, 21 March, 1967).

Interim Railway Budget for 1967-68
Presented to Parliament on 20 March
1967: Deficit of 152.7 Million Rupees
during 1966-67: Gross Traffic Receipts
at 8,260 Million Rupees estimated.

According to the interim Railway Budget presented by Shri C.M. Poonacha, Minister for Railways, in the Lok Sabha on 20 March 1967, a serious fall in the earnings from traffic and a steep increase in working expenses have resulted in the Railway accounts showing a deficit of 152.7 million rupees for the current year (1966-67) as against the surplus of 221.9 million rupees anticipated.

For the budget year 1967-68, the Railway Minister placed the gross traffic receipts at 8,260 million rupees - an increase of 422.5 million rupees over the revised estimate for the current year. The estimated increase would be made up of about 330 million rupees under goods earnings and about 80 million rupees under passenger earnings. The goods earnings assume about $8\frac{1}{2}$ million tonnes as additional originating traffic next year.

The following table gives a summary of the Railway Budget:-

(Please see table on the next page)

	Actuals 1965-66	Budget Estimates 1966-67	Revised Estimates 1966-67	Budget Estimates 1967-68
	(In Million Rupees)			
Gross Traffic Receipts.	7,335.7	7,953.3	7,837.5	8,260.0
Ordinary revenue working expenses (net) i.e. after taking credit or recover- ies.	4,858.5	5,086.8	5,357.4	5,532.1
Appropriation to Depre- ciation Reserve Fund from Revenue.	850.0	1,000.0	1,000.0	990.0
Appropriation to Pension Fund.	120.0	135.0	135.0	149.0
Net miscellaneous expendi- ture (including cost of works charged to revenue).	158.8	174.7	166.9	170.5
Total.	5,987.3	6,396.5	6,659.3	6,841.6
Net Railway revenue.	1,348.4	1,556.8	1,178.2	1,418.4
Dividend to general revenues.	1,162.8	1,334.9	1,330.9	1,418.4
Net surplus (Plus)/ deficit (minus).	+ 185.6	+ 221.9	- 152.7	-

Railway Minister's Speech.— Reviewing the financial results, Shri C.M. Poonacha revealed that in 1965-66, the Railways actually showed a surplus of 185.6 million rupees against 299.9 million rupees anticipated in the revised estimates. The shortfall of 114.3 million rupees was on account of a decrease of 82.3 million rupees in traffic revenue and an increase of 32.0 million rupees in working expenses. Similarly the anticipated traffic revenue during 1966-67 had not been coming up to estimates.

Against the expectation of an additional 12 million tonnes of traffic, the actual materialisation was expected to be not more than 4.5 to 5 million tonnes. During the first ten months of the current year, revenue earning traffic on the Railways increased by only about 4 million tonnes. This shortfall was expected to affect revenue to the extent of 115.8 million rupees. The revised estimates of goods traffic receipts for the current year had thus to be brought down to 7,837.5 million rupees.

The Railway Minister told the House that the Railways had intensified efforts to effect economy in operating costs consistent with efficiency and safety. In August 1966, a complete ban had been placed on the recruitment of ministerial staff for administrative offices. Procedures were being rationalised and simplified and unproductive works were being eliminated. Revision of schedules for periodical maintenance of railway buildings and a watch on fuel consumption, besides extension of work study techniques to a number of railway establishments had all been yielding favourable results.

Shri PDoncha also referred to the cordial relations existing between the Railway administration and the two Federations of railwaymen. He paid a glowing tribute to railwaymen all over the country who had stood the hard test and faced stiff challenges in times of external threat and internal emergency and he was confident that the same spirit and enthusiasm would pervade their actions in the days to come.

(The Hindu, 21 March, 1967).

34. Economic Planning, Control and Development.

India - January-February 1967.

Larger Size of Companies Recommended: Study by Economic and Scientific Research Foundation.

The Economic and Scientific Research Foundation, after a study of the working of 200 companies, has concluded that if Indian companies have to hold their own in international business, they have to grow bigger, not smaller. According to the study, the Indian companies are not only small in size as compared to companies in other countries, but also in relation to the size of the country's economy by international standards.

According to the study, the sales of the top 10 companies in India account for 19 per cent. of the country's total industrial output as against 43 per cent. in the Great Britain and 30 per cent. in the United States and Japan. As a proportion of national income, the Indian figure is still smaller: only 4 per cent. as compared to 19 per cent. in Britain and 12 per cent. in Japan.

In regard to sales the ranking is as follows: Hindustan Steel, Tata Iron and Steel Company, Indian Iron and Steel Company, Hindustan Lever, State Trading Corporation, Imperial Tobacco, Indian Oil, TELCO, Associated Cement Companies, Delhi Cloth Mill.

The Foundation's study, which is expected to be an annual guide to the performance of Indian companies, gives complete financial information about the top 200 companies, viz., sales, net assets, net worth, gross profit and net profit, along with their rankings under each of these heads.

(The Hindustan Times, 23 January, 1967).

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Joint Council to be set up to Assist
Industrialisation of Nepal.

According to a joint communique issued at New Delhi on 28 December 1966, consequent upon week-long talks in Kathmandu between the official delegations of India and Nepal, an Indo-Nepalese Joint Industrial Councils will be set up shortly to assist Nepal's efforts at industrialisation.

An inter-governmental joint committee has been set up to resolve, for the mutual benefit of the two countries, such difficulties as may arise in practice. This committee will meet once every quarter alternately in Kathmandu and New Delhi.

The two delegations discussed the question of Nepalese tariff discriminatory to India and of the refund of additional and special excise duties to Nepal and agreed to further discuss the matter later with a view to arriving at a mutually satisfactory solution.

To provide further facilities for transit traffic across India and to remove the difficulties which have been experienced by the Nepalese importers and exporters, it has been agreed that all import cargo arriving at the port of Calcutta will be moved in the first instance to the transit shed, from where it will expeditiously cleared by the Customs authorities in Calcutta. It has also been agreed that Indian laws will not apply to the transit trade of Nepal.

(The Hindustan Times, 29 December, 1966).

Report of the Steering Group on Incomes and
Prices published: Incomes Ceilings not
favoured.

The report of the Steering Group on incomes and prices policy set up in June 1964 under the presidentship of Dr. B.K. Madan, Deputy Governor of the Reserve Bank of India, has been published recently. The report has concluded that it is not possible in Indian conditions to enforce either a floor or ceiling on incomes. However, it has suggested a permanent body to study and recommend workable policies from time to time in relation to general economic conditions.

Social Justice.—The Group's report says that, while a national minimum income is desirable from the point of view of social justice, under the existing conditions of unemployment, under-employment and low incomes, even a modestly defined minimum income cannot be enforced by regulation over the economy as a whole. Such enforcement would require fiscal or administrative transfers of incomes ~~which~~ which are not practicable. Progress towards a national minimum has, therefore, to come largely through increases in investment, employment and productivity in all sectors of the economy taken together.

A ceiling for personal income was likewise impracticable for various reasons. It would involve limitation of total property rights and distinguished from property in specific form. It would also involve restricting freedom of contract if incomes had to be regulated at the stage of accrual.

Ceiling will Entail 100 per cent Taxation.—An indirect ceiling on incomes would require 100 per cent. taxation of incomes above the ceiling. This obtains in India at present, in a way, since the combined incidence of various existing direct taxes can work out to 100 per cent. of incomes above a certain level. But it led to tax avoidance and evasion. In practice it could be applied effectively only to salary earners, and not to self-employed and professional classes, like businessmen and others. The Steering Group has come to the conclusion that a formal ceiling will operate unevenly in this situation, and a 100 per cent. tax on incomes will give "a tremendous fillip to tax evasion and thus act as a major deterrent to productive activity".

The Steering Group gives an additional reason why such a ceiling should not be imposed. It is practicable only among the salaried class, and it is here that there is need for incentives for high productivity - in both the public and private sectors. An incomes policy that involves a direct ceiling on incomes would further aggravate the brain drain at a time when technological skills are desperately needed in India. It would impede the present mobility in the higher ranges of the salaried class. This would in turn impede productivity.

Salaries in Private Sector.- Dealing with the demand that salary incomes in the private sector should be curbed since the public sector cannot afford to pay such high salaries, the report of the Steering Group observes that the rationalisation of the salary structure in both public and private sector employment has to be viewed against the background of not only technological developments but the emergence of the growing business sector in Government, which also requires persons of high calibre as the private sector does.

In this connection, the Steering Group has drawn attention to "the progressive erosion of the real worth of the salaries of public servants over the years of planned development".

In the private sector, the Group concluded that there is little room for direct restriction of salaries by Government regulation. Managing agencies are being replaced by a competent managerial class which has to be paid commensurately with the responsibilities which it now carries for promotion of enterprises.

The Steering Group has drawn attention to the fact that even an academic discussion of incomes policy can relate only to the urban half of India's national income. In the rural half of it, measures for directly influencing and regulating incomes are even more meaningless. Here the reliance should continue to be on the price policy as the medium for influencing incomes, consumption and savings.

As regards the machinery for evolving and implementing an incomes policy, the Steering Group says that it should be a two-tier organisation: the first would work at the expert level. The second would be a representative body of employees, employers and the Government. On them would fall the responsibility of making the agreed incomes policy acceptable to the various sections of the general public.

(The ~~H~~indu, 25 January, 1967).

Recommendations made by UN Team to Boost
Exports from India.

The United Nations Team on export production headed by Mr. B.F. Coggan, which visited about 200 industrial plants in Bombay, Bangalore, Calcutta, Cochin, Poona and Madras in the engineering, chemical and other fields, has, among other things, recommended a reduction in shipping freight, reduction in costs of export commodities and improvement in their quality. The Team has emphasised the need for India to display quality products at inter/national fairs. At present India is known abroad ~~only~~ only as an agricultural country.

The Team has identified 20 industries which have considerable export potential. These are: machine tools; processing plant equipment and other steel fabricated products; oil engines; rubber products; electrical equipment and instruments; steel castings and forgings; rail and road transport equipment; re-exportable 'labour additive' foreign products having high labour content; cutting tools and diamond tools; electronics components; agricultural equipment; wired and figured glass; pharmaceuticals; agricultural chemicals; dyes and dye intermediates; essential oils; mica; mineral ores; fishery products; and sports goods.

The Team has recommended the following measures:

(1) Development of quality control systems, procedures and equipment to ensure that Indian products are maintained at or above international standards;

(2) Introduction of proper cost control methods and mechanized equipment to reduce the cost of Indian products to competitive international cost;

(3) Projection of a new international image of India as a high quality industrialised nation;

(4) Adoption of internationally competitive packaging methods;

(5) Launching of an aggressive overseas marketing programme both by the Government and by the private sector; and

(6) Rapid development of Indian ports so that they can compete with major ports elsewhere in the world.

A detailed report will be submitted by the Team to the Government of India sometime towards the end of next month.

(The Hindustan Times, 21 February, 1967).

Assistance for Export Promotion to be
given to India by USAID.

The United States Agency for International Development is setting up a special division known as Export Promotion Division with a view to provide to India technical assistance to increase exports, particularly to the hard currency areas, including the U.S. The Division will work in close co-ordination with the Ministry of Commerce and other official bodies devoted to promoting exports.

The first assignment the division will undertake will probably be to survey the prospects for creating larger foreign markets for India's major export such as tea, jute and iron ore. For example, in the case of jute, the division will employ experts to determine whether new lines of jute products can be manufactured or whether even a new type of fibre with a greater use potential can be produced from this crop.

Besides commodity surveys, which it will entrust to Indian economic and business institutions, with the assistance of foreign experts if necessary, the division will carry out a comprehensive survey of foreign markets.

It is felt that the export potential of certain types of traditional and non-traditional Indian goods is very great, provided the task of export promotion is taken up more seriously and with a great sense of direction.

The division will not take a direct hand in exporting Indian goods, but it will provide advice and expert information to policymakers in the Commerce Ministry and other Government agencies connected with the export trade.

While its functions will be mainly advisory, it may also help develop collaboration arrangements with import agencies in the U.S. which will be useful to Indian exporters.

(The Hindustan Times, 19 February, 1967).

36. Wages.

India - January-February 1967.

Report on the Working of the Fair Wage Clause and C.P.W.D. Contractors' Labour Regulations for the Year 1965*.

The main object of the Fair Wage Clause and C.P.W.D. Contractors' Labour Regulations is to safeguard the interests of workers, employed by the contractors and sub-contractors in the building and construction works executed by the Central Public Works Department, who are mostly illiterate, unorganised and migratory. The Regulations cover matters like payment of fair wages, timely payment of wages without unauthorised deductions, weekly day of rest, working hours and overtime and certain minimum welfare measures.

Enforcement.- The enforcement machinery during the year consisted of 9 Labour Officers, 39 Assistant Labour Commissioners and 118 Labour Enforcement Officers. These officers are required to make on the spot enquiries at the work-sites and report the irregularities noticed to the Executive Engineer concerned for securing rectification thereof by the contractors. A copy of the inspection report is also handed over on the spot, to the contractor or his representative by the Inspecting Officer.

The Regional Labour Commissioners are the appellate authorities under Regulation 14 in their respective regions for hearing appeals against the decisions or recommendations of Labour Officers, Assistant Labour Commissioners, or Labour Enforcement Officers, as the case may be. The Chief Labour Commissioner, and the Deputy Chief Labour Commissioner are the authorities for deciding any question as to the application, interpretation or the effect of these regulations.

* Indian Labour Journal, Vol.VIII, No.2,
February 1967, pp. 121-123.

There were as many as 6,575 contractors' establishments covered by the Clause and the Regulations during the year as against 5,607 during the previous year. The average daily number of workers in the establishments covered by the Clause and the Regulations during the year 1965 was 36,105 as against 28,261 during 1964. During the year under report 2,441 establishments were inspected by the Labour Officers of the Central Public Works Department and 647 establishments were inspected by the Officers of the Central Industrial Relations Machinery as against 2,474 and 423 establishments respectively during the previous year. Thus, the percentage of inspections conducted in relation to the total number of establishments by the Labour Officers and by the Officers of the Central Industrial Relations Machinery came to 37.12 and 9.84 respectively. The total number of inspections made during the year was 5,799 as against 4,673 during 1964. The workers covered by the inspections made by the Labour Officers and Officers of the Central Industrial Relations Machinery were 42.72 per cent. and 63.67 per cent. respectively of the total number of workers employed in the establishments, as against 56.34 per cent. and 21.95 per cent. covered during the previous year.

In all 10,022 irregularities were detected during the year under review as against 11,690 during the previous year. The largest number of irregularities i.e. 2,004 related to non-maintenance of wage registers, which accounted for about 20 per cent. of the total irregularities. The next in order were non-display of notice regarding wages and hours of work (1,259), miscellaneous (1,122), delay in payment of wages (1,119), non-maintenance of wage slip/card (1,082), non-display of acts and omissions for which fines can be imposed (1,003), non-maintenance of fine register (904), non-maintenance of deduction register (894) and non-submission of returns (500). Of the total irregularities noticed, 7,635 irregularities or 76.18 per cent. were rectified during the year. The corresponding percentage for the previous year was about 81. (The figures in brackets show the number of irregularities).

During the year, 13 appeals were filed by the contractors before the Regional Labour Commissioners and 5 appeals were pending from the previous year. Thus, there were 18 appeals for disposal, of these, 14 were disposed of during the year.

The Inspecting Officers investigated the cases of non-payment and short payment of wages and submitted their reports to the Executive Engineer concerned specifying the amounts to be withheld from the contractors' bills on this account. As a precautionary measure the contractors' are required to obtain clearance certificates in this regard from the Labour Officers before their bills are finally passed for payment and their security deposits are refunded. As many as 2,201 clearance certificates were issued by the Labour Officers during the year. An amount of about Rs.69,517 was actually withheld in 54 cases from the contractors' bills during the year under review as against an amount of about Rs.69,583 in respect of 62 cases during the previous year.

Welfare Facilities.— Certain model rules for the protection of health and provision of sanitary arrangements for workers employed by the C.P.W.D. and their contractors are incorporated in the standard form of contract entered into by the C.P.W.D. with the contractors and are binding on the contractors in the same manner as other conditions of contract contained in the standard form. These rules are applicable to building and construction works in which on an average 50 or more workers are employed. They require the contractors to provide first aid facilities, drinking water, washing and bathing places, latrines and urinals (separate for men and women), rest shelters, creches and canteens. As most of the contractors are small and of short duration, the welfare facilities provided by contractors are generally scanty and the far from satisfactory. However, Inspecting Officers also examined these items in their periodical inspections of contractors establishments and pointed out the defaults in this regard to the contractors as well as to the Executive Engineers concerned for necessary action. The Maternity Benefit Rules provided 8 weeks maternity leave to women workers in case of confinement, four week upto and including the day of delivery and four weeks following delivery and three weeks maternity leave in case of miscarriage from the date of such miscarriage. Under these rules the women workers get wages for the period on maternity leave at the rate of their average normal earnings preceding the leave or at the rate of 75 paise per day whichever is higher. During the year under report, 727 cases of defaults in this regard were reported by the Labour Officers to the Executive Engineers concerned. The Executive Engineers concerned took action in 700 cases leaving a balance of 27 cases at the end of the year.

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

INDIA - JANUARY-FEBRUARY 1967.

41 Agriculture.

Mysore Prevention of Fragmentation and
Consolidation of Holdings Act, 1966
(Mysore Act No. 1 of 1967).

The Government of Mysore gazetted on 2 February 1967 the text of the Mysore Prevention of Fragmentation and Consolidation of Holdings Act, 1966, which received the assent of the President on 5 January 1967. The Act defines 'fragment' to mean a holding of land of less extent than the appropriate standard area determined under the Act and provides that after the commencement of the Act all fragments in a village shall be entered in the Record of Rights or in prescribed village records. Provision is made for the sale of ~~fragments~~ fragments to owners of contiguous survey numbers and transfer, portion of land to ~~each~~ create a fragment is ~~prohibited~~ prohibited. The Act prescribes in detail the procedure for consolidation of holdings, and deals with the effect of consolidation proceedings and of consolidation of holdings. Other provisions of the Act relate inter alia, to powers of consolidation officers, appointment of officers and staff and delegation of powers.

(The Mysore Gazette, Part IV, Sec. 2B,
2 February 1967, pp. 1-31).

Tea Industry: Committee set up to undertake
a comprehensive review of the economic conditions
and problems of the Industry.

A Resolution dated 9 January 1967 of the Ministry of Commerce, Government of India, says that having regard to the important place that tea occupies in the National Economy, the Government of India has decided to set up a Committee for undertaking a comprehensive review of the economic conditions and problems of this Industry, in all its aspects, and, (bearing in mind the reports of the Plantation Enquiry Commission and the Tea Finance Committee), to make recommendations regarding the measures required to be taken for its appropriate development on the right lines, during the Fourth Plan Period. In particular, the Committee shall look into -

- (a) the question of devising ways ~~and~~ and means for the quantitative as well as qualitative increase in production, (such as, through expansion of acreage and improvement of yields per hectare) to levels required to meet the rising demand for consumption whether at home or abroad;
- (b) the urgent problems of marketing, financing and research that are facing the Industry and which may be standing in the way of its appropriate development, and;
- (c) any other aspect which in the Committee's opinion, is germane to the broad purpose of this Enquiry.

The Committee consists of 13 persons including representatives of tea planters' associations with Shri P.C. Barooah, Member of Parliament as Chairman.

The Committee, shall submit its report to Government as early as possible and in any case not later than three months from the date of its appointment.

(The Gazette of India, Extraordinary,
9 January 1967, Part I, Sec.1, pp.13-14).

Food Self-Sufficiency by 1970-71:
Crash Production Programme approved
by Government.

After a Cabinet meeting held at New Delhi on 10 February 1967 at which the agricultural situation and the question of food imports in the current year were discussed, the Union Government decided to stop concessional imports of ~~wheat~~ after 1971 when the target of food self-sufficiency is expected to be achieved. It also approved a crash programme to increase food production in 1967-68 through extension of the programme of high-yielding varieties of seeds to 15 million acres of irrigated land against 6.2 million acres covered during the year.

The Government has also decided to provide all necessary support in the form of inputs and organisation to achieve food self-sufficiency by 1970-71.

The two major "encouraging" factors what have enabled the Government to take this decision are stated to be the keenness of the farmers to use chemical fertilisers and the success of the high yielding varieties programme.

Although the total fertiliser requirement in terms of nitrogen next year will be 1.3 million tonnes, indigenous production will amount to only 500,000 tonnes. Arrangements for the import of the remaining quantity have been made. The requirements of phosphatic fertilisers are estimated at 300,000 tonnes, of which 0.275 million tonnes will be locally available.

This programme will be supplemented by a new multiplecropping programme under which additional crops in about 7.5 million acres of irrigated land will be raised. The emphasis will be on growing short duration grains and legumes to be introduced during the intervals or as overlapping growth of existing crop. The necessary fertilisers for this programme are also being arranged. An additional areas of about 200,000 acres will be brought under intensive production for raising potatoes and vegetables and for the package approach which will be made applicable to oil seeds and sugarcane, among other things.

A comprehensive minor irrigation and water utilization programme will form part of the intensified efforts. During 1967-68 an additional 3 to 3.5 million acres of land will be provided with minor irrigation facilities through 0.23 million pumps, 23,400 tubewells and 1.5 million masonry dug wells, besides kutchha wells.

The programme of rural electrification is being suitably augmented for meeting the needs of agriculture. Special attention will be paid to water utilisation in the command area of both major and minor irrigation works. A special unit has been set up in the Department of Agriculture and an Ayacut Development Programme has been drawn up.

Soil conservation measures, which covered 3.8 million acres in 1966-67, will be stepped up in the light of current discussions with State Governments. Similarly, plant protection measures, which covered only 63 million ~~acres~~ acres in 1966-67, will be extended to 126 million acres.

In co-operation with the Ministry of Industry and Department of Co-ordination, arrangements are being made for stepping up the indigenous production of agricultural machinery. Agro-Industries Corporations will be set up in the States and these corporations will organise in the interior areas facilities for hire purchase of agricultural machinery for growers.

The operational measures that are being discussed by the Central teams with the States will concentrate on specification of tasks, assignments or responsibilities at different levels, organisation of resources and inputs and drawing up of time-tables for performance of various tasks.

(The Hindustan Times, 11 February, 1967).

42. Co-operation.

India - January-February 1967.

Third Asian Agricultural Cooperative Conference
held at New Delhi, 23 January 1967.

The third Asian Agricultural Cooperative Conference was held at New Delhi on 23 January 1967. The Conference which was convened by the National Cooperative Union of India, the International Cooperative Alliance and the Afro-Asian Rural Reconstruction Organisation, was attended by about 70 delegates from Asian countries. Shri P.M. Menon, Director of this Office attended the Conference on behalf of the I.L.O.

A report of the Conference together with documents was sent to Geneva on 31 January 1967 vide this Office minute C.1/366/67 of the same date.

(The Hindustan Times, 24 January, 1967).

CHAPTER 5. WORKING CONDITIONS AND LIVING
STANDARDS.

INDIA - JANUARY-FEBRUARY 1967.

50. General.

Review of the Working of Legislation
Governing Conditions of Employment in
Shops and Commercial Establishments
during 1964*.

The working conditions of the employees in shops and commercial establishments in India are governed largely by Acts passed by the State Governments and the Rules framed thereunder. These Acts regulate, inter alia, the daily and weekly hours of work, rest intervals, opening and closing hours of establishments, payments of wages, overtime pay, holidays with pay, annual leave, employment of children and young persons etc. Besides the State Acts, there is also a Central Act known as "Weekly Holidays Act 1942" which provides for the grant of weekly holidays to persons employed in shops, commercial establishments, etc.

Number of Establishments and Persons covered.— The largest number of establishments covered was in West Bengal (295,721), followed by Maharashtra (269,403), Uttar Pradesh (209,113), Punjab (188,812), Madras (181,384), Gujarat (139,174), Andhra Pradesh (130,204), Rajasthan (118,382) and Mysore (109,906). The number of persons covered was the highest in Maharashtra (555,153). Next in order comes West Bengal (546,735), Uttar Pradesh (217,508), Madras (208,068), Delhi (168,134), Gujarat (144,167), Andhra Pradesh (124,720), Mysore (117,286) and Punjab (114,028).

* Indian Labour Journal, Vol.VIII, No.1,
January 1967, pp. 1-10.

Enforcement.- In the total number of establishments reported, i.e., 1,915,913 as many as 2,164,187 inspections were made - the highest number of inspections was recorded being 684,134 in Madras. Irregularities detected during the year pertained to non-payment of wages, arrears, overtime, leave wages, non-maintenance of prescribed records and registers, non-display and non-observance of working hours, weekly holidays, etc. In some States, exemptions from the provisions of the Acts were granted for some specified time to facilitate shopping on the eve of festivals, as was done in earlier years.

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

India - January-February 1967.

Servants of the Workers' Society of India
to be set up.

At a meeting of prominent ~~trade~~ trade unionists of Bihar held in Patna on 26 January 1967, an all India body to safeguard the interests of industrial workers is in the offing there. Its name will be the Servants of the Workers' Society of India. The society plans to train a cadre of social workers willing to dedicate at least 15 years to the welfare of industrial labour as whole time workers. Their aim is to establish a socialist society by selfless work.

(The Hindustan Times, 30 January, 1967).

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

INDIA - JANUARY-FEBRUARY 1967.

60. General.

Industrial Disputes in India during 1965*.

The figure of man-days lost is taken as a measure for comparing the degree of industrial unrest between States, Industries etc., because it takes into account both the number of workers involved and the duration of the work-stoppage. The following table compares the time-loss per 1,000 workers on account of industrial unrest for the year 1963, 1964 and 1965:-

Year	No. of Man-days lost in (in '000)	Estimated employment (in '000)	Time-loss per 1,000 workers.
(1)	(2)	(3)	(4)
<u>MANUFACTURING SECTOR</u>			
1963	.. 2,525	4,149(R)(E)	609
1964	.. 5,893	4,358(E)(P)	1,352(E)(P)
1965	.. 4,756	4,358*(E)(P)	1,091(E)(P)
<u>PLANTATIONS</u>			
1963	.. 110**	N.A.	N.A.
1964	.. 435**	N.A.	N.A.
1965	.. 306**	N.A.	N.A.
<u>COAL MINES</u>			
1963	.. 42	451	93
1964	.. 282	431(R)(E)	654
1965	.. 166	431*(E)	385(P)(E)

(P) - Provisional. N.A. Not Available. (E) - Estimated.
 (R) - Revised. *Figures for 1965 are not available and hence figures for 1964 have been repeated. ** Relates to all Plantations.

* Indian Labour Journal, Vol.VIII, No.1, January 1967, pp. 11-53.

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The above table reveals, that in both the 'Coal Mines' and 'Manufacturing' sectors, time-loss per 1000 workers was the lowest in 1963.

Analysis by States.— The following table gives State-wise number of disputes, workers involved and mandays lost during 1965 and 1964:—

State/Union Territory.	1965			1964		
	No. of dis-putes.	No. of workers involved.	No. of mandays lost.	No. of dis-putes.	No. of workers involved.	No. of mandays lost.
1	2	3	4	5	6	7
Andhra Pradesh.	109*	24,720*	203,859*	106	67,697	517,135
Assam.	39	21,571	52,327	38	17,150	52,368
Bihar.	78	19,760	251,474	104	62,164	536,716
Gujarat.	38	7,475	50,853	76	15,535	120,599
Goa.	12	3,201	27,882	17	8,717	78,455
Jammu & Kashmir.	—	—	—	2	1,235	4,700
Kerala.	200	156,110	868,690	210	78,707	868,734
Madhya Pradesh.	81	31,395	190,786	60&	27,782&	235,494&
Madras.	137	47,749	377,790	236	77,978	444,552
Maharashtra.	586	379,956	1,203,388	636	285,395	1580,243
Mysore.	75	59,657	726,777	110	53,431	217,393
Orissa.	23**	7,651**	91,128**	25	9,436	130,532
Punjab.	26	4,106	54,120	46	5,822	61,087
Rajasthan.	25	5,618	37,217	54	12,486	62,341
Uttar Pradesh.	115	45,696	447,391	171	78,227	735,317
West Bengal.	238	152,315	1,745,944	211	190,306	2015,055
Andaman & Nicobar Islands.	6	1,006	1,522	9	2,382	11,658
Delhi.	36	18,448	134,358	36	8,045	49,839
Himachal Pradesh.	—	—	—	—	—	—
Manipur.	—	—	—	—	—	—
Pondicherry.	6	3,566	823	1	62	248
Tripura.	5	1,158	3,663	3	398	2,228
Total.	1,835&&	991,158&&	6469,992&&	2,151&	1,002,955&	7724,694&

*The figure for the State Sphere of Andhra Pradesh were subsequently revised by the State Government. The revised figures of number of disputes, workers involved and mandays lost for the State as a whole, are, 133; 38,874 and 512,583 respectively. The break-up of the additional 24 work-stoppages involving 14,154 workers and resulting in a time-loss of 308,724 mandays is not available and hence not included in the table above.

** The information excludes 51 work-stoppages involving 23,297 workers and resulting in a time-loss of 124,807 mandays in the State Sphere of Orissa as the detailed break-up of the same is not available and hence not included in Table above.

&& The inclusion of the additional figures in respect of Andhra Pradesh and Orissa (State Sphere) as mentioned above, the revised all-India figures for numbers of disputes, workers involved and mandays lost would be, 1,910; 1,028,609 and 6,903,523 respectively.

& The figures for the State Sphere of Madhya Pradesh were subsequently revised by the State Government. The revised figures for the State as a whole are 62; 25,750 and 209,795 respectively. As such the revised figure all-India figures would be 2,153; 1,000,923 and 7,698,995 respectively.

Source: State Governments and Regional Labour Commissioners (Central).

It will be seen from the above table that in 1965 West Bengal, Maharashtra and Kerala States together accounted for 55.8 per cent. of the total number of disputes, 69.5 per cent. of the total number of workers involved and 59.0 per cent. of the total number of mandays lost (time-loss). As compared to 1964 the time-loss decreased in all the States/Union Territories except Mysore, Delhi, Pondicherry and Tripura during the year 1965.

Average per dispute.— The following table gives the average time loss per dispute, average number of workers involved per dispute and average duration of disputes in 1965 and 1964 for All Sections and Plantations, Mines and Manufacturing Industries:—

Item.	1965				1964			
	All Sec-tors.	Manu-factur-ing indust-ries.	Mines.	Plan-ta-tions.	All Sec-tors.	Manu-factur-ing indust-ries.	Mines.	Plan-ta-tions.
	2	3	4	5	6	7	8	9
Average time-loss per dispute (Mandays).	3,526	3,924	4,103	2,686	3,591	4,273	2,203	3,923
Average No. of Workers involved per dispute.	549	593	437	641	466	500	359	404
Average duration of dispute (Days).	6.5	6.6	9.4	4.2	7.7	8.5	6.1	9.7

Analysis by lockouts. Out of 1,835 disputes reported during the year, lockouts were declared at some stage or the other, in 138 cases involving 101,798 workers with a time-loss of 1,853,180 mandays. The disputes which resulted in lockouts accounted for 28.6 per cent. of the total time-loss in all industrial disputes during the year 1965, although by number they formed only 7.5 per cent. The average time-loss per lockout was 13,429 mandays as against the average time-loss of 2,721 mandays for strikes. The highest number of lockouts was reported from West Bengal which accounted for 51.3 per cent. of the total time-loss due to lockouts. In 1965 there was no lockout in Goa, Gujarat, Jammu and Kashmir, Rajasthan, Himachal Pradesh and Manipur.

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The 'manufacturing industries' were responsible for as many as 118 of the 138 lockouts involving a time-loss of 1,593,268 out of the total of 1,853,180 mandays. In 76 cases involving 55,743 workers and time-loss of 1,053,746 mandays the lockouts were declared by employers subsequent to strikes. In the remaining 62 disputes, lockouts were not preceded by strikes.

Analysis by Industries.— The 'Manufacturing Division', accounted for 73.5 per cent. of the total time-loss during the year 1965. Among other sectors, 'Mining and Quarrying', accounted for 9.9 per cent., 'Agriculture, Forestry, Fishing, etc.' for 5.1 per cent., 'Construction' for 3.1 per cent., 'Electricity', Gas, Water and Sanitary Services' for 3.1 per cent., 'Services' for 2.7 per cent., 'Transport and Communications (other than Workshops)' for 1.8 per cent., 'Activities not Adequately Described' for 0.6 per cent., and 'Commerce' for 0.2 per cent. In the 'Manufacturing Division', the highest time-loss was recorded by the group "Textiles" (37.7 per cent.). As compared to the preceding year, the time-loss decreased in all but three major industry groups, viz., 'Mining and Quarrying', 'Construction' and 'Services'.

Important Industrial Disputes.— During the year under review, there were 20 disputes involving a time-loss of more than 50,000 mandays. West Bengal accounted for most of the important disputes—involving amongst them alone, a time-loss of about 900,000 during the year 1965.

Analysis by Causes.— In 1965 among the disputes classified by these groups of causes, "Wages and Allowances" accounted for the highest number (612) of disputes followed by "Others" and "Personnel" which accounted for 489 and 454 cases respectively. Disputes relating to "Wages and Allowances" and "Personnel" constituted together 58.4 per cent. of the total number of disputes for which the relevant information was available and accounted for 59.1 per cent. of the total time-loss. The corresponding percentages for 1964 were 61.6, 49.1 and 58.4 respectively. As compared to 1964 it will be seen that there was a decrease in percentages to the total number of disputes and mandays lost due to "Wages and Allowances", "Personnel" and "Others" while there was a slight increase in the case of "Bonus", "Retrenchment" and "Leave and Hours of Work".

Analysis by Results.- Of the total number of terminated disputes in 1965 for which relevant information was available, 30.7 per cent. were 'successful', 13.5 per cent. were 'partially-successful' and 35.9 per cent. were 'unsuccessful'. In 19.9 per cent. of the disputes, work was resumed without any final decision having been reached. In such cases the matter might have been under further negotiation or under reference to an Industrial Tribunal, etc. As compared to the previous year, the percentages of disputes which were 'successful' increased during the year 1965 while the disputes which were 'unsuccessful' increased during the same period.

Analysis by Duration.- Of the work-stoppages which terminated in 1965, and for which relevant information was available, 62.0 per cent. lasted up to 5 days. The disputes continuing for over a month accounted for only 9.5 per cent. of all the disputes. The percentages of disputes with duration 'a day or less', 'more than 5 days up to 10 days' and 'more than 10 days up to 20 days' decreased as compared to 1964 and increased in respect of disputes of longer duration.

Analysis of Terminated Disputes Classified by Normal Employment - Size of Units Affected.- 31.3 per cent. of the disputes involved units employing '100 or more, but less than 500' workers. However, the units employing '1000 or more' workers were responsible for 65.5 per cent. of the total time-loss.

Analysis of Terminated Disputes by Method of Settlement and Results.- The disputes which terminated as a result of 'Government intervention' formed 44.0 per cent. of the total for which relevant information was available. Another 23.9 per cent. of the total number of disputes terminated through 'mutual negotiations' and in 28.5 per cent. of the disputes, the workers resumed their duties voluntarily. Most of the cases of 'voluntary resumption of work by the employees' were 'Unsuccessful' or 'indefinite' from the point of view of the workers, whereas a large proportion of disputes terminating through 'Conciliation and mediation by Government' was 'successful'. In cases of disputes terminating through 'mutual settlement' also a large proportion was 'Successful' from the workers' point of view.

Analysis of Terminated Disputes Classified by Workers Involved and Time-loss.- A large number of disputes constituting 83.3 per cent. of the total disputes for which relevant information was available, involved less than 500 workers. Only 7.7 per cent. of the total work-stoppages involved 1,000 or more workers. Most of such work-stoppages, however, accounted for larger time-loss, as can be normally expected. Of the total work-stoppages, 93.8 per cent. accounted for a time-loss of less than 10,000 mandays. Only 1.1 per cent. of all the disputes resulted in a time-loss of 50,000 or more mandays.

Analysis of Disputes in Central Sphere Undertakings:- Disputes in this sphere accounted for 12.2 per cent. of the total number of disputes, 10.2 per cent. of the total number of workers involved, and 11.7 per cent. of the total number of man-days lost. During the preceding year, these percentages were 14.6, 12.9 and 8.5 respectively. During the year under review 66.8 per cent. of the total number of disputes in the Central Sphere occurred in the 'Mining Sector' involving 66.0 per cent. of the total number of workers involved and 84.1 per cent. of the total mandays lost.

Analysis of Disputes according to the Affiliation of the Workers' Unions to the Central Organisation of Workers.- Nearly 35.1 per cent. of the total disputes, 54.6 per cent. of the workers involved and 41.3 per cent. of the total mandays lost were accounted for by the affiliates of the I.N.T.U.C.. The A.I.T.U.C. and the H.M.S. together accounted for 31.6 per cent. of the total time-loss during the year 1965. The disputes sponsored by more than one Central Organisation, accounted for only 22.8 per cent. of the total time-loss involved.

Nearly 46.6 per cent. of the total terminated disputes for which the relevant information is available, were 'successful' or 'Partially successful' from the workers' point of view and these accounted for about 48.5 per cent. of the total time-loss due to all the Central Workers' Organisations. All India Trade Union Congress (A.I.T.U.C.) and Indian National Trade Union Congress (I.N.T.U.C.) together accounted for 78.1 per cent. of the 'successful' or 'partially successful' ~~disputes~~ disputes to the total of such disputes. Out of a total of 987,203 mandays lost due to all 'unsuccessful' industrial disputes as much as 360,045 mandays, i.e., 36.5 per cent. were accounted for by the Multiple Unions.

Analysis of Disputes by Wages and Value of Production Lost.— The information regarding wages and value of production lost is incomplete as out of 1,835 disputes, the information was reported for 1,624 cases for 'wages lost' and 921 for 'value of production lost'. In these cases, there was a wage-loss of 24.3 million rupees and a loss of production worth 153.1 million rupees.

Public Sector Undertakings.— The total time-loss in the undertakings which were reported to be in the public sector, in 1965 was 704,326 man-days. The time-loss was the highest in the month of January followed by that in the month of December.

Analysis of Political and Sympathetic Strikes.— Among the States, the highest time-loss was ~~report~~ noticed in the State of Punjab. There were in all 153 political and sympathetic strikes involving a maximum number of 266,334 workers and a total time-loss of 841,738 man-days.

(A review of the Industrial Disputes during 1964 was reported vide pp. 51-57 of the report of this office for December 1965).

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

India - January-February 1967.

Mysore: Payment of Wages Act, 1936, extended
to Persons employed in Loading and Unloading
Operations in Docks.

In exercise of the powers conferred under the Payment of Wages Act, 1936, the Government of Mysore has by a notification dated 18 February 1967 extended the provisions of the said Act to persons employed in loading and unloading operations in docks, wharves or getties of the Karwar and Mangalore ports.

(Notification SO 380 dated 18 February 1967, Mysore Gazette, Part IV, Section 2c-ii, 26 February 1967, page 883).

66. Strike and Lockout Rights.

India - January-February 1967.

Madhya Pradesh Atyasashyak Seva Sandharan
Adhyadesh 1967 (Madhya Pradesh Essential
Services Maintenance Ordinance 1967).

The Governor of Madhya Pradesh promulgated on 10 February 1967 an Ordinance to provide for the maintenance of certain essential services. The Ordinance defines 'essential Service' to mean a Civil Service of the State and includes every civil post under the State but does not include an All-India Service. The term 'strike' has been defined to mean:

- (i) a total or partial cessation of work; or
- (ii) a refusal to work; or
- (iii) a demonstration or creating of disturbance in connection with the execution of regular office work; or
- (iv) continuing or remaining within the office premises outside the office hours notified by Government in the Gazette from time to time; or
- (v) absence from duty without prior sanction of leave;

by a number of persons belonging to an essential service acting in combination or in a concerted manner or under a common understanding.

The Ordinance provides that if the State Government is satisfied that in the public interest it is necessary or expedient so to do, it may, by general or special order, prohibit strike in any essential service specified in the order.

Such an order shall be published in such manner as the State Government considers best calculated to bring it to the notice of the person affected by the order and shall, in the first instance be ~~before~~ in force for a period not exceeding six months but the State Government may, by a like order, extend it from time to time by a further period not exceeding six months at one time, if it is satisfied that in the public interest it is necessary or expedient ~~to~~ so to do.

Upon the issue of such an order -

- (a) no person employed in any essential service to which the order relates shall go or remain on strike; and
- (b) any strike declared or commenced, whether, before or after the issue of the order by persons employed in any such class of essential service, shall be illegal.

Any person employed in any essential service who commences a strike or remains or otherwise takes part in a strike which is illegal under this Ordinance shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to two hundred rupees, or with both.

~~6~~ Any person who instigates or incites others to take part in, makes any preparation for, or otherwise acts in furtherance of a strike which is illegal under this Ordinance shall be punishable with imprisonment for a term which may extend to one year, or with fine which may extend to five hundred rupees, or with both.

Any person who knowingly expends or supplies any money in furtherance or support of a strike which is illegal under this Ordinance shall be punishable with imprisonment for a term which may extend to one year, or with fine which may extend to five hundred rupees, or with both.

(Madhya Pradesh Gazette, 10 February, 1967, pp. 381-382).

Uttar Pradesh Essential Services Maintenance
Act, 1966 (U.P. Act No. XXX of 1966).

The Government of Uttar Pradesh on 31 December 1966 the text of the Uttar Pradesh Essential Service Maintenance Act, 1966, which received the assent of the Governor on 30 December 1966. The Act which repeals the Uttar Pradesh Essential ~~Main~~ Services Maintenance Ordinance (vide pages 51-52 of the Report of this Office for August 1966) provides for the maintenance of certain essential services in the State and other connected matters. The Act defines 'essential service' to mean -

- (i) any public service in connexion with the affairs of the State of Uttar Pradesh;
- (ii) any service under an educational institution recognised by the Director of Education, Uttar Pradesh, or by the Board of High School and Intermediate Education, Uttar Pradesh, or Service under a University incorporated by or under an Uttar Pradesh Act;
- (iii) any service under a local authority;

"strike" means any cessation of work (including any unauthorised absence from duty) by a body of persons employed in any essential service acting in combination or a concerted refusal or a refusal under a common understanding of any number of persons who are or have been so employed to continue to work.

The Act provides that if the State Government is satisfied that in the public interest it is necessary or expedient so to do, it may, by general or special order, prohibit strikes in any essential service specified in the order.

Any person who commences a strike which is illegal under this Act or goes or remains on, or otherwise takes part in, any such strike shall be punishable with imprisonment for a term which may extend to six months or with fine which may extend to five hundred rupees or with both.

Any person who instigates or incites other persons to take part in, or otherwise acts in furtherance of, a strike which is or would be illegal under this Act shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to one thousand rupees or with both.

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Any person who knowingly expends or supplies any money in furtherance or support of a strike which is or would be illegal under this Act shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to one thousand rupees or with both.

(Uttar Pradesh Gazette, Extraordinary,
31 December 1966, pp. 3-4).

67. Conciliation and Arbitration.

India - January-February 1967.

Conference of Bombay Textile Research
Association on Human Factors in Industry,
Bombay, 30 January 1967.

The Conference of Bombay Textile Research Association on human factors in Industry was held at Bombay on 30 January 1967. The Conference was inaugurated by Shri Naval H. Tata and presided over by Shri Krishnaraj M.D. Thackersey, Chairman Governing Council of the Association.

Inaugural Address.- Inaugurating the Conference Shri Naval H. Tata stressed the need to recognise the importance of human relations in industry. The 20th century workers was a very delicate piece of mechanism which needed handling much more deftly than the machinery in the plant, he said. Shri Tata said labour policy should avoid extremes. It should not be extremely humanitarian nor should it be harsh in dealing with employees. It should not also be a one-way traffic. The management's expectations from labour in return for good human relations were: work, performance of work in an efficient manner, loyalty to the enterprise, interest in the prosperity and growth of the concern, discipline and good conduct of service. He suggested the following procedures for handling human relations: listen patiently and sympathetically to the worker; refrain from hasty disapproval; do not argue with worker; listen to what he has to say and also to what he ~~has~~ could not say, without your encouragement; and put yourself in worker's place.

He said the management must assure full responsibility to train the staff to know all the aspects of human relations.

Presiding over the Conference Shri Thackersey said the association commenced work relating to problems on human relations about four years ago. The institute had conducted several surveys on the human problem. He hoped mill managements would take advantage of all the facilities offered by the research institute.

(The Hindustan Time, 1 February, 1967).

68. Labour Courts.

India - January-February 1967.

No Medical Bonus for Women where E.S.I. Act
Applies: Decision of Madras High Court.

While allowing a writ petition filed on behalf of the management of the Coimbatore Spinning and Weaving Co.Ltd., the Madras High Court held on 9 February 1967, that it was clear from Section 61 of the Employees' State Insurance Act that whoever got the maternity benefits under that Act could not receive medical bonus payable under the provisions of the Maternity Benefit Act. Therefore, wherever the E.S.I. Act was in force as in the case of the petitioner mills, the women workers would get only the maternity benefit provided in that Act. But, where the Madras Maternity Benefit Act was in operation, the women workers would get the maternity benefit as provided in that Act and also the medical bonus.

(The Hindu, 10 February 1967).

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN
CATEGORIES OF WORKERS.

INDIA - JANUARY-FEBRUARY 1967.

71. Employees and Salaried Intellectual Workers.

Maharashtra: Dearness Allowance of School
Teachers Increased.

The Government of Maharashtra decided on 25 January 1967 to increase the dearness allowance of school teachers in Maharashtra. About 18,000 secondary teachers will get an increase of about Rs.15 in D.A. effective from 1 July 1966. The Government also decided to extend the pension scheme to primary teachers who retired between 1 May 1960 and 31 May 1962, and increase the stipend paid to teachers of Zila Parishads and Municipalities during their training period.

(The Times of India, 26 January, 1967).

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Gujarat: Dearness Allowance of Government
Staff Increased.

The Government of Gujarat announced at Ahmedabad on 2 January 1967, an additional increase in the dearness allowance ranging from Rs.9 to Rs.15 for its 182,000 employees with effect from 1 January 1967.

Announcing the increase at a Press Conference, the Chief Minister, Shri Hitendra Desai, said the new increase involve an additional expenditure of 22 million rupees. The bulk of the employees, numbering about 161,000, getting basic pay up to Rs.149, including 69,000 primary teachers, would now get dearness allowance to the extent of 86 per cent. to 100 per cent. of the Dearness Allowance given to Central Government Employees. With the present additional increase the total expenditure on account of Dearness Allowance would now be 42 million rupees.

(The Statesman, 3 January, 1967).

Andhra Pradesh: Dearness Allowance at
Central Rates granted to State Government
Employees.

The Chief Minister of Andhra Pradesh, Shri K. Brahmananda Reddi announced at Hyderabad on 30 January 1967, the introduction of Central rates of dearness allowance for the Government employees ~~for~~ from 1 April 1967 and the payment of 50 per cent. of the difference between the State's rate of dearness allowance and the Central rate of dearness allowance from 1 January to 31 March 1967. The Government has also agreed to treat the strike period and 5 January (Quit Work Day) as casual or special leave.

This would result in an additional commitment to the Government of 65 million rupees for the year till 1 April 1967, and later 130 million rupees per year. The actual increase in Dearness Allowance would also be given to employees in workcharged establishments and also to the staff charged to contingencies. The staff of village establishments would get Rs.3 per month from 1 January 1967 and another sum of Rs.3 from 1 April 1967.

The increase in Dearness Allowance would also be applicable to the employees of local bodies and teachers - aided and private.

(The Hindu, 30 January, 1967).

Full Rail Fare Concession granted to
Central Government Employees.

At a meeting of the National Council ~~set~~ set up under the scheme of Joint Consultative Machinery for Central Government Employees, it was decided that ~~henceforth~~ the Central Government will reimburse the full actual fare paid by the employees on leave travelling beyond the 400 km. limit, instead of 90 per cent. as it has been doing so far. Also the existing restrictions ~~on~~ on the quantum of hospital leave in respect of employees other than those in the Railways will be removed. Some concessions will be given in regard to the grant of house rent allowance also.

Certain other items on the Council's agenda, like merger of dearness allowance with pay, grant of need-based minimum wage, revision of working hours and regular weekly holiday for Class IV staff were referred to the constituent committees for further examination.

(The Statesman, 6 February 1967).

Agreement Reached between the Management
and the All India Reserve Bank Workers'
Federation: Class IV Staff to get higher
Wages.

Consequent upon an agreement reached at Bombay on 7 February 1967 between the management of the Reserve Bank of India and the All India Reserve Bank Workers' Federation, nearly 3,500. Class IV employees of the Reserve Bank will get an increase in wages ranging from Rs.15 to Rs.85. Under the settlement, effective for three years from 1 January 1966, the house rent now between Rs.5 and Rs.10, will be in the range of Rs.13 to Rs.20 a month. Provident Fund and gratuity which were being paid on the reduced pay shall now be payable on hundred per cent. pay.

The Starting pay of peons, mazdoors, durwans and liftmen has been raised from Rs.100 to Rs.106 and the maximum pay from Rs.130 to Rs.160. In the first year of his service, a Class IV employee from the lower cadre will receive total emoluments of Rs.225.36 and at the maximum stage Rs.327.20.

The revised scales under the agreement are: peon, mazdoor, durwan and liftman, Rs.106-Rs.160; wireman, Rs.116-Rs.170; duftary and jamadar Grade III, Rs.120-Rs.170; head mazdoor, Rs.121-Rs.175; jemadar Gr.II, gestetner operator, viceman, Rs.126-Rs.180; record clerk, jemadar Gr.I, ~~Gr.II~~ Rs.146-Rs.200; driver Gr.II, Rs.131-Rs.190; driver Gr.I, Rs.146-Rs.220½ and plumber, carpenter, Rs.148-Rs.230.

(The Times of India, 9 February, 1967).

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - JANUARY-FEBRUARY 1967.

81. Employment Situation.

Arrangements made by Government of India for rehabilitation of repatriates from Ceylon and Burma.

Consequent upon Indo-Ceylon agreement, it is expected that during 1967-68, about 50,000 Indians will arrive in India from Ceylon. The agreement envisages repatriation in all of 525,000 persons of Indian origin over a period of 15 years.

As part of a comprehensive programme of resettlement of repatriates from Ceylon the Government is considering a proposal for setting up a 10,000-acre rubber plantation in Mysore and 3,700-acre tea plantation in Madras.

Apart from this it has been suggested to the Governments of Madras, Mysore and Kerala to allot 50 to 100-acres of land either individually or on a co-operative basis to the repatriates for setting up the plantations. Government is also making a special arrangement for absorption of plantation workers among these repatriates in the existing plantations. The United Planters' Association of South India has offered to take 1,675 workers in the existing plantations. Another 10,000 families are expected to be absorbed in the coffee plantations of Shevaroy.

In the matter of appointments to posts under Central Government already priority has been accorded and age limits have been relaxed for these repatriates. Similar priority and relaxation for appointments to State Government services have been suggested.

The frequency of the existing shipping services between Rameswaram and Talaimannar is proposed to be increased to three times a week to accommodate the repatriates. Accommodation for housing about 5,000 persons ~~for housing~~ is proposed to be made at Mandapam where the repatriates will first land. Transit camps will be set up in Madras, Andhra Pradesh, Mysore and Kerala.

The expenditure on transportation of the repatriates from the port of disembarkation to the reception centre at Mandapam and from there to the transit camp will be borne by the Central Government.

Schemes for Burma Repatriates.— Similarly special schemes of industries for providing employment to repatriates from Burma are under consideration. Already two schemes by Madras - one for settlement of 750 families in vegetable gardens and the other for 200 families for dairy farming have been sanctioned.

A proposal for setting up a spinning mill at Tuticorin to provide employment for 400 repatriates from Burma and Ceylon has also been approved. The Central Government has sanctioned a loan of 1.5 million rupees for this purpose. Another proposal to expand the existing spinning mill at Nazereth to provide employment to 300 repatriates is under examination.

(The Hindu, 2 February, 1967).

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LIST OF THE PRINCIPAL LAWS PROMULGATED
DURING THE PERIOD COVERED BY THE REPORT
FOR JANUARY-FEBRUARY 1967.

INDIA - JANUARY-FEBRUARY 1967.

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

Mysore Prevention of Fragmentation and
Consolidation of Holdings Act, 1966
(Mysore Act No.1 of 1967) (The Mysore
Gazette, Part IV, Sec.2B, 2 February,
1967, pp.1-31).

CHAPTER 6. GENERAL RIGHTS OF WORKERS.

- (a) Uttar Pradesh Essential Services
Maintenance Act, 1966 (U.P. Act No. XXX
of 1966) (Uttar Pradesh Gazette,
Extraordinary, 31 December 1966,
pp. 3-4).
- (b) Madhya Pradesh Atyasashyak Seva Sandharan
Adhyadesh 1967 (Madhya Pradesh Essential
Services Maintenance Ordinance 1967)
(Madhya Pradesh Gazette, 10 February,
1967, pp. 381-383).

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- *(a) "An Economic Classification of the State Government Budget 1965-66": Directorate of Economics and Statistics: Madhya Pradesh: pp.32.
- *(b) "Estimates of State Income of Madhya Pradesh 1950-51 to 1963-64": Directorate of Economics and Statistics, Madhya Pradesh: pp. 15.
- *(c) "Annual Survey of Industries 1964 (Provisional Results) Census Sector - General Review": Central Statistical Organisation (Industrial Statistical Wing) Department of Statistics: Cabinet Secretariat: Government of India: Calcutta: 1966: pp.x+66.(Memeograph).

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

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- *(b) "Report on the Working of the Plantations Labour Act,1951 in the State of Madras for the year 1964": Government of Madras, 1966: Printed by the Director of Stationery & Printing,Madras, on behalf of the Government of Madras:1966: Price Rs.1.10: pp. 3.
- *(c) "Annual Report 1965-66": Committee for Co-operative Training(National Cooperative Union of India): 34, South Patel Nagar,New Delhi. pp.100.
- *(d) "Administration Report 1965-66": Bombay Port Trust: G.Claridge & Co.Ltd.,Bombay-1: pp. lxiv + 35.

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

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- *(b) "Report on Family Living Survey Among Industrial Workers 1958-59": Bangalore: Labour Bureau, Ministry of Labour and Employment, Government of India: 1966: Price Rs.9 or 21sh. or 3\$ 24 cents: pp. iv+101.

CHAPTER 8. MANPOWER PROBLEMS.

- * "Fact Book on Manpower - Part I": Directorate of Economics and Statistics, Madhya Pradesh: Gwalior: Government Regional Press, 1966: pp. v+159.

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* Publications received in this Office.

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INTERNATIONAL LABOUR OFFICE
BRANCH OFFICE, NEW DELHI.

I.L.O. REGISTRY-GENEVA

5 JUN 1967

Industrial and Labour Developments in
March-April 1967.

FAS No 3-2-302

With
on:ANNEXE
455N.B. Each Section of this Report may be taken
out separately

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - MARCH-APRIL 1967.

11. Political Situation and Administrative Action.

West Bengal: Casual Labour to be Abolished Soon.

Shri Subodh Banerjee, the Labour Minister of West Bengal announced at Gauhati on 21 April 1967 that the Government would soon abolish casual labour, revise minimum wages, extend the Industrial Disputes Act to more categories of employees and reorganise the Employees' State Insurance Scheme. He said that legislation would also be introduced to abolish contract labour wherever possible and regulate it in a few industries such as road-building where such labour was indispensable. He said casual labour was entitled to several benefits after completion of 240 days of work, but the labourers were always being deprived of them through various unfair means. The Government thought that the only remedy was to ban casual labour.

He disclosed that thirteen minimum wage committees were now engaged in revising the minimum wages in a number of important industries accounting for a total labour force of 4,600,000. The Minimum Wages Act would also be extended to industries employing 10,000 workers.

He described Employees' State Insurance Scheme in its present form as a "source of great waste and corruption". The system of panel doctors would be abolished. Full-fledged Government doctors would be appointed and the Government would open its own pharmacy to prevent overcharging of drugs and deception of unlettered patients.

Shri Banerjee said the "present propaganda about gheraos in the State are a little more than a bogey by industrialists to pressurise the Government to abandon its progressive labour policy."

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There were more than 700 gheraos in the State last year whereas there were only 41 cases last month.

Nearly eight per cent. of the gheraos in March had been suspended and the resumption of the 20 per cent. in recent days was due to the non-implementation of the assurances given by industrialists at the recent tripartite conference.

(The Times of India, 23 April, 1967).

13. Press and OpinionINDIA - MARCH - APRIL, 1967

In addition to the attached clippings, the following references to the work of the ILO appeared in Indian journals received in this office.

1. The Central Board for Workers' Education has published a review on workers' education in India. The review contains numerous photographs among which one shows an ILO Fellow from Mauritius attending a Seminar and another shows ILO Expert Prof. C.A. Orr at one of the education centres.

2. An article on 'Child Welfare and Five Year Plans' is published by the January 1967 issue of 'Kurukshetra'. There is an incidental reference to the ILO.

3. The January 1967 issue of 'Bank Karamchari', refers to "Important ILO Meetings" being held in "White Collar Year" 1967. The journal also published a news item regarding the admission of Nepal to the membership of the ILO.

4. The February 1967 issue of 'Asian Labour' publishes an editorial on "man-power planning - in Asia". The article expresses satisfaction that the ILO should have focussed attention of this problem at its Asian Advisory meeting at Singapore.

The same issue of the journal published an article on 'Trade Union Unity; why and on what Basis' by the President of All-Japan Postal Workers' Union (ZENTEI). An incidental reference is made to the 50th International Labour Conference when American Labour representatives walked out of the Conference in protest over the election of the Chairman.

The journal also publishes a news item concerning a protest lodged by the ICFTU against the arrest of a number of striking teachers in Japan. A reference is made to the ILO Fact-Finding and Conciliation Commission.

The journal also publishes a news-item concerning the 5th World Congress of the International Federation of Petroleum and Chemical Workers. Incidental references are made to International Labour Conventions.

which has appeared in February 1967 issue of the Reserve Bank of India Bulletin refers to the ILO Study on the subject.

5. An article entitled "Prices, Wages and Incomes Policies: Some lessons of Foreign Experience". Discussing "creeping inflation" the article in a foot note observes, "for a brief account of this phenomenon reference may be made to H.A. Turner and H. Zoetewij, 'Prices, Wages, and Income Policies in Industrialised Market Economies', ILO Geneva, 1966'. The same article is published in the 'Indian Worker' dated 27.3.1967

6. The 'Indian Rail Worker', March 1967, publishes a news item concerning the mission in India of the ILO Regional Adviser on Workers' Education.

The same issue contains an article on 'National Practices of Labour Management Relations on Railways'. The source is acknowledged as "ILO Report".

7. The March 1967 issue of Workers' Education refers to Mr. Zofka's visit to the regional centre at Jamshedpur and also publishes his message of appreciation.

8. The April 1967, issue of 'Asian Labour' contains the following references to the ILO:

(a) A news item about striking Japanese teachers. The news item denounces the prosecution of union leaders 'as violation of trade union rights enshrined in ILO Convention'.

(b) A news item concerning a decision taken by the Malaysian Trade Union Congress to write to 'ILO and other bodies concerned with free labour' regarding the workers of the Public Daily Rated Employees' Unions Federation.

(c) A news-item concerning ICFTU's complaint to the ILO against the Government of Liberia for violating ILO Conventions concerning freedom of association and protection of the right to organise and to bargain collectively.

(d) A news item regarding AFL-CIO action urging the U.S. Senate to accelerate the ratification of International Labour Convention 105 - on Forced Labour.

9. 'Indian Worker', dated 6 March 1967 publishes the following references to the ILO:

(a) Election of ILO Director-General David A Morse for another five-year term.

(b) A news item concerning a ICFTU's appeal to Nepal for release of imprisoned trade unionists in conformity with International Labour Conventions.

(c) A news-item concerning ICFTU's complaint to the ILO against Liberia for infringement of trade union rights.

(d) A news-item concerning a Liberian Government to ILO Headquarters and ICFTU Headquarters.

10. The Indian Worker, dated 3 April 1967 publishes a news-item concerning a letter from the ILO Director-General to the Assistant General Secretary of the ICFTU thanking him for his felicitations and stressing the common goals of the ILO and ICFTU.

11. The Indian Worker dated 17 April 1967 publishes an article entitled "ILO and Human Rights" by C. Wilfred Jenks, Deputy Director-General of the ILO. The article is based on a statement made by the author before the 23rd session of the Commission on Human Rights of the Economic and Social Council.

13.

Press and Opinion

India, March-April, 1967.

The Indian Textile Journal.
Bombay, Feb'y. 1967

Mr. R. Raghunath Rao

The death occurred recently in Switzerland of Mr. Raghunath Rao, a former Assistant Director-General of the I.L.O.

Educated at the Universities of Madras, Edinburgh, Paris and Geneva, Mr. Rao joined the I.L.O. in 1932 and was the first Asian to hold the rank of Assistant Director-General to which post he was promoted in 1948.

INDIA: INDUSTRIAL REVOLUTION MADE TO ORDER

THE extent to which industrially developing countries are able to avoid the social hardship which accompanied industrialisation in the West is a question of key importance to millions of workers and to the national communities to which they belong.

Among the efforts being made in many places to "humanise" the twentieth century industrial revolution, those of India deserve special mention, for they have resulted in the establishment of a network of Labour Institutes, which function as centres for the scientific study of the human aspects of industrial development.

At an early stage in the planning of the present industrialisation programme, the Indian Government was aware of the need for a service of this nature. It was quite evident that industry could not be modernised, diversified and expanded merely by installing the required plant and expecting it to function smoothly. For one thing, a great number of skilled workers and technicians were needed, and the instructors to train them had to be found.

International Partnership

INDIA was at a disadvantage in that like so many other developing countries, it had to do almost everything at once, but there was nothing to prevent it from drawing on the long and often hard-won experience of the industrially developed countries.

One channel through which this experience was made available was International Labour Organisation. At the Government's request, a five-man ILO productivity mission worked in the country from 1952 to 1954.

The chief outcome of the mission was the establishment of the Productivity Centre at the Central Labour Institute in Bombay. Since its inception in 1955, the Centre has demonstrated the effectiveness of modern productivity improvement techniques in a wide range of industrial situations.

The Centre's most significant achievement has perhaps been in creating a climate of opinion conducive to the application of higher productivity techniques. In important industrial centres such as Calcutta, Bombay and Madras, productivity projects have resulted in the formation of local productivity councils. The Productivity Centre was a pioneer in supervisory training, management development and training in industrial engineering at plant level, a field in which a number of agencies are at work today.

four years of its operation. In that period, 173 training officers from various establishments were trained by the Centre; these in turn went on to train some 37,000 supervisors in in-plant programmes.

Regional Institutes Established

THE demand for the Institute's services led to a decision to extend its work into the heart of other principal industrial regions through the establishment of Regional Labour Institutes, each modelled on the pattern of the Central Labour Institute, though on a smaller scale. Once more the Government enlisted the co-operation of the ILO. Acting this time as executing agency of the United Nations Development Programme (Special Fund), the ILO provided equipment and a team of international experts in management development, industrial physiology, industrial psychology and visual publicity. The Regional Institutes, now entirely staffed and operated by Indian nationals continue to receive ILO expert assistance on a short-time basis through the United Nations Development Programme, the primary purpose being to enable them to keep abreast of new techniques.

Government and industry alike attach considerable weight to the contribution of the ILO team of international experts in the setting up and initial operation of the Regional Labour Institutes. Professor M.S. Thacker of the Indian Government's Planning Commission sees such projects as "Milestones of advance on the road of international development."

That industry's response to the full range of services offered by the Institutes has been good is hardly surprising, considering the benefits which industry stands to reap from the application of the various sciences having to do with men at work. The six firms which in one period in 1964 received advice from the ILO mission on office organisation, systems and procedures are completely "sold" on the idea—they secured total savings of \$50,000 side by side with a productivity increase. No forward-looking enterprise can afford to dismiss evidence as compelling as this.

THE activities of the Institutes are so planned as to provide an integrated technical service to

programmes an opportunity for fruitful debate and study of questions of common concern.

The effects of these activities are both measurable and immeasurable. In terms of reduced cost per unit of production, increased output, improved working conditions and techniques, the result can be recorded and evaluated. There are other effects however, which are not to be seen in balance sheets; these include improvements in morale, in attitudes towards work, in adaptation to new environments. They, too, are essential in the development of a sound economy and a healthy society.

Now on the threshold of its fourth Five-Year Plan, India is engaged in nothing less than a pre-planned industrial revolution—a

United Nations Week
Newsletter,
New Delhi, 10.3.67

David A. Morse Re-Elected ILO Director-General

THE Governing Body of the International Labour Organisation on 27 February at its one hundred and sixty-eighth session unanimously re-elected David A. Morse as ILO Director-General for a new five-year period, to begin in September 1968 at the end of his current term of office.

Mr. Morse was first elected Director-General in June 1948 for a ten-year period; he has since been re-elected twice in succession in May 1957 and March 1962, on each occasion for a five-year period.

Mr. Morse has now headed the ILO for more than 18 years—a term of office unprecedented in the annals of international organisations.

During the 18 years in which Mr. David A. Morse has been Director-General of the ILO the Organisation has undergone some very profound changes.

The membership of the Organisation increased from 55 in 1948 to 118 in January 1967. The regular budget of the Organisation increased from almost \$4.5 million in 1948 to \$22.5 million in 1967.

The Times of India,
Bombay, 11.4.67

Future for labour bright, says Bombay expert

By A Staff Reporter

"If politics is not brought in in the day-to-day working of labour unions, the future of the trade union movement in India is bright," observed the veteran industrial relations expert, Mr. S. C. Joshi, in an interview in Bombay on Monday.

Mr. Joshi, who has been invited by the Central Government to join a labour committee under the chairmanship of Mr. P. B. Gajendragadkar, vice-chancellor of Bombay University, was presented with a gold pin of the St. Xavier's Social Institute of Industry by his colleagues and students on his 75th birthday.

The labour situation at the moment, Mr. Joshi said, was very depressing. "There is still hope for labour to come into its own if every labour problem is not given a political shift."

Himself closely connected with problems of industrial labour for 50



Mr. S. C. Joshi

years, Mr. Joshi referred to the emergence of Opposition parties in several States and said he foresaw a bright future for labour as most of Opposition leaders would now realise the need to keep labour affairs free from political entanglements.

Mr. Joshi has held many responsible posts. He was the first chief labour commissioner of the Government of India who organised the industrial relation machinery, was adviser to Mr. V. V. Giri, a former Union Labour Minister. Mr. Joshi took a leading part in the framing of industrial law in India, represented Indian labour at the International Labour Organisation's conference at Geneva in 1930, was member of the Bombay Legislative Assembly and a municipal councillor.

At present he is the doyen of the professors at the St. Xavier's Social Institute of Industry.

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CHAPTER 2. INTERNATIONAL AND NATIONAL
ORGANISATIONS.

INDIA - MARCH-APRIL 1967.

21. United Nations and Specialised Agencies.

Food Aid Worth \$5.9 Million Granted to
India by F.A.O.

The Food and Agriculture Organisation of the United Nations decided at a meeting in Rome on 20 April 1967, to grant food aid of 25 million dollars for 11 economic projects in India, Afghanistan, Korea, the United Arab Republic, Chad, Tanzania, Upper Volta, Burundi and Brazil.

India will benefit most from the aid. In five years she will get food aid of 5.9 million dollars to develop her agriculture and commercialisation centres. An addition of 2.9 million dollars will be given for canal construction by 12,000 workers in Rajasthan.

(The Hindustan Times, 21 April, 1967).

24. Non-Governmental Organisations
(International, Regional and National)
Other than Employers' and Workers'
Trade Organisations.

India - March-April 1967.

World Assembly Meeting of the International
Secretariat of Volunteer Services held at
New Delhi, 29 March-3 April 1967.

The World Assembly meeting of the International Secretariat of Volunteer Services was held at New Delhi from 29 March to 3 April 1967. The meeting was attended by an official from Headquarters.

(The Statesman, 4 April, 1967).

25. Wage-Earners' Organisations.

India - March-April 1967.

Ceylon: Tea Estate to be run by a Trade Union.

For the first time in Ceylon, a tea estate has been taken over on lease by a trade union to be run on behalf of its members from this month. The trade union is the Ceylon Workers' Congress, led by Mr. S. Thondaman, and the estate is the 300-acre Kintyre estate at Maskeliya, 100 miles from Colombo.

The estate is among those acquired by the Government for the purpose of a hydro-electric scheme.

(The Times of India, 21 April, 1967).

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25. Wage-Earners' Organisations

Twelfth Annual Conference of Indian
National Mineworkers' Federation held
at Barbil (Orissa), 19 April 1967

The 12th Annual Conference of Indian National Mineworkers' Federation was held at Barbil (Orissa) on 19 April 1967. Shri Michael John presided over the Conference. Amongst others, the Conference adopted resolutions on early acceptance of Wage Board recommendations, nationalisation of mines, abolition of contract and C.R.O. systems, subversion of freedom and democracy and regular supply of foodgrains to workers.

Presidential Address

Delivering the presidential address, Shri Michael John regretted the inordinate delay being taken by the different Wage Boards in the submission of their reports and acceptance by the Government of their recommendations.

Shri Michael John said that although the value of mineral production had gone up from Rs.710 million in 1951 to Rs.2470 million in 1966 and the productivity of the mineworkers had been rising, they were living in sub-human conditions. He urged upon the Government to see that suitable steps were taken to improve the working and living conditions of mine workers. While plans and programmes of industrial production were carried out with vigour and enthusiasm, there was a corresponding apathy and indifference to the problem of providing primary necessities of life to them. He said that bipartite agreement regarding the abolition of contract system in the Coal Industry still remained unimplemented and it was unfortunate that the employers were delaying its proper interpretation and implementation. He hoped that the Government would refer this long-standing dispute without any further delay to the Court of Enquiry or the National Commission of Labour as was decided at the last meeting of the Industrial Committee on Coalmining. The President stressed the necessity of raising the present absurdly low rate of compensation to a level which would act as a deterrent to neglect of safety

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provisions. He therefore suggested modifications in the Workmen's Compensation Act so as to provide for injury leave upto at least six months with full pay in addition to free hospitalisation. Concluding his speech, the President appealed to the workers to develop their own strength and solidarity and not rely upon any other agency for the redress of their grievances and furtherance of their interests.

General Secretary's Report: The Secretary presented his report to the Conference which reviews the activities and progress of the Indian National Mineowners' Federation during the year 1966-67. The report, among other matters, has dealt with rise in prices, wage boards, industrial relations, situation in the coal-mining industry; non-payment or delayed payment of profit-sharing bonus, conclusions of the tenth session of the Industrial Committee on Coal Mining, abolition of contract and C.R.O. systems, situation in mines other than coal, safety, social security and welfare measures etc.

Resolutions: Adopting a resolution on nationalisation of mines, the Federation expressed the opinion that without nationalisation it would not be possible to rationalise the structure of the mining industry which was absolutely necessary for ensuring scientific and economic exploitation of the country's mineral resources. The Conference therefore demanded for the immediate nationalisation of coal and other mines.

The Conference also adopted resolutions urging the abolition of contract system and C.R.O. system.

Expressing its concern over the deterioration in the living conditions of workers in mines other than coal, iron-ore, limestone and dolomite, it demanded that the recommendations of the iron-ore, limestone and dolomite Wage Boards be extended to the manganese mines also, more specially where they are situated in the same region. The Conference also urged upon the Government to see that Wage Boards or other suitable wage-fixing machinery are immediately set up for other mines.

(Documents of the Conference received
in this office)

26. Organisations of Foremen and of Manager of
Undertakings.

India - March-April 1967.

Women Pilots Association Formed.

At a meeting of women pilots in the country held at Bombay on 19 April 1967, an Indian Women Pilots Association was formed. Mrs. Chanda Sawant and Mrs. Rabis Futehally were chosen as the President and Secretary respectively.

(The Statesman, 20 April, 1967).

28. Employers' Organisations.

India - March-April 1967.

40th Annual Session of the Federation of Indian Chambers of Commerce and Industry held at New Delhi, 8 April 1967.

The 40th annual session of the Federation of Indian Chambers of Commerce and Industry was held at New Delhi on 8 April 1967. The Conference was inaugurated by Shri Morarji Desai, Deputy Prime Minister and Minister of Finance. Shri Ramanbhai B. Amin presided. The Conference adopted resolutions on Agricultural Development, Taxation and Economic Development, Planning and Administration, Economic Situation and Social Unrest.

Presidential Address.- Addressing the Session Shri Ramanbhai B. Amin pointed out how the economy of the country was running down since last four years. The national income in real terms ~~and~~ went up only by 13 per cent. as against the Plan expectation of 30 per cent.; in 1965-66 actually declined by 4 per cent; The production of foodgrains went down from 82 million tonnes in 1960-61 to 76 million tonnes in 1966-67, as against our requirements of over 90 million tonnes; Industrial production increased by just 40 per cent. as compared to the Third Plan target of 70 per cent.; in 1966 the increase was only 3 per cent.; Between April and December 1966, the foreign exchange reserves fell by the equivalent of about 18 million dollars despite a net drawing of 137.5 million dollars from the International Monetary Fund; In contrast with these shortfalls, the population increased at the rate of 10 million per year, and the backlog of unemployment steadily grew to 11 million; prices rose by 60 per cent. since March 1963, by 18 per cent. in 1966-67 alone.

The President was of the view that neither the two aggressions on the Northern borders nor the failure of monsoons nor the dearth of foreign exchange but faulty planning, wrong policies and poor implementation constituted the major cause for such an adverse economic situation. There was lack of feeling of participation and enthusiasm in the people in the great national endeavour of production. The President said that the emphasis on Governmental expenditures had undoubtedly led to harmful consequences and the search for revenue was unabated resulting in steeper taxes, higher prices and lesser production. To revive the economy, the President suggested his plan for operation revival. The plan recommends the following action by the Government:

Complete as fast as possible all projects which are under construction before investing in any new undertaking;

Enable the full utilisation of established capacity in private and public sector enterprises;

Reduce and rationalise taxation;

Cut public expenditure at least by 10 percent.;

Remove obstacles like industrial licensing, price controls, etc.;

Adopt a more constructive monetary policy which will help production and distributive trade;

Re-organise the administrative system so that delay attracts penalty, and speedy disposal, recognition.

The Plan further suggests that both the Government and Private Sector should accelerate production of agricultural inputs like fertilisers, improved seeds, agricultural machinery and implements, insecticides and spraying equipment. It also urges the private and public sector enterprises to : Satisfy the consumer by improving quality, widening the range of choice and giving him his money's worth; Meet the growing requirements of goods and services in rural areas; Secure greater efficiency and lower costs; Use indigenous techniques and expertise to the fullest extent and minimise the import bill; Increase export earnings by exploring new markets and exporting new products. And above all, for the successful implementation, the workers must exercise discipline in their demands, take greater pride in their work and help increase productivity and earn more.

Resolutions:

Resolution on Agricultural Development.— In view of the Federation, the growth of agriculture of the kind and at the pace necessary could only be accomplished if the working methods of modern industry were applied to agriculture. Towards effectively implementing an action-oriented programme Government should associate representatives of industry and business in all their programmes of agricultural development. Such programmes should be initiated by industry too, and Government must not only encourage the industry in this regard but also make available part of the funds specifically being raised from industry for agricultural development. Industry must obviously produce the inputs and make available technical know-how and after-sales services as well. Specifically speaking, industry could take greater interest in agriculture by starting Agricultural Service Centre and entering into detailed contracts to supply the inputs and purchase the output. The Resolution also recommended provision of short and medium term credit to the farmer for the purchase of implements and inputs.

Resolution on taxation and Economic Development.— The Federation was convinced that the tax policy followed by Government was mainly responsible for inhibiting production, increasing prices, reducing savings in the hands of the people and rendering the capital market lifeless. In the light of the emergent needs of productive employment, there should be a phase of tax cuts, to help growth-generating activities by the people for the people. In this behalf the Federation made the following main recommendations:

1. Besides eliminating the surcharges on income tax, the maximum marginal rate of tax on personal income should be substantially brought down. In view of the fall in the value of money, the tax rate slabs should also be appropriately revised.
2. The difference between earned and unearned income for tax purposes must be eliminated, in particular dividend income should be treated as earned income, on lines similar to interest on government securities.

3. The incidence of corporate tax both in public and private companies should also be appreciably reduced. The surtax on company profits is a tax on growth, efficiency, initiative and risk-taking and should be withdrawn. One uniform rate of tax should apply to all categories of companies, and plough back of profits by certain classes of private companies should not be discriminated against, as has been the practice at present.

4. The vexatious annuity deposit scheme should be scrapped.

5. The relief in respect of new industrial undertakings should be made more effective.

6. Both development rebate and depreciation should be admissible on the enhanced cost of imported plant and machinery consequent upon devaluation.

7. Indirect taxes, which largely determine the final price, have to be rationalised.

Reduction in taxation is possible because (1) a large part of Government expenditure can be substantially cut down, and (2) the pace of economic activity can be substantially accelerated, making good any lowered incidence of taxes by considerable increase in revenues.

The Federation was firmly of the view that if measures in this direction were taken immediately, they would assist in the economy's forward move.

Resolution on Planning and Administration.— The Federation was of the view that while each successive Plan had grown in size financially, the achievements made in physical terms had been far from adequate. In the opinion of the Federation there were quite a few drawbacks which must receive urgent attention and rectification. The Federation made the following suggestions in this regard:—

1. Government should take upon themselves only those tasks which they can accomplish with efficiency and in this view limit themselves to the development of infra-structure of the economy.

To

2. ~~The~~ improve the implementation of policy, administrative procedure must be streamlined. At all levels, there should be a proper allocation of responsibilities and powers for quick decisions, and there must be a system by which efficiency is recognised and inefficiency penalised.

3. The inhibitory restrictions on economic activity must be eliminated and thereby help a smooth working of market mechanism.

4. The Planning Commission must continually have close and effective consultations with different economic groups, i.e. industry, business, agriculture and labour, so as to take a comprehensive view of different areas of growth.

5. With a view to imparting realism to Plan exercises, the membership of the Planning Commission must be composed of experienced persons of proven practical ability from different walks of life. They must be assisted by compact task forces ~~for~~ of experts.

6. The Planning Commission must function only as an advisory body to provide major guidelines. There must be no overlapping of authority between the Planning Commission and Government.

7. There must be an annual assessment of achievements as much of targets, the latter being necessary to check whether they have been realistically framed and also to allow for flexibility.

Resolution on Economic Situation and Social Unrest.— The Federation felt compelled to express its grave concern at the growing uncertain conditions on the social and economic fronts. The Federation recommended in particular, action in the following directions for bringing about a significant improvement in the prevailing economic situation and thereby overcome serious inflationary pressures and rising prices:—

1. A substantial increase in agricultural and industrial production and productivity;

2. Progressive policy of decontrol;

3. Review of the taxation measures with a view to reducing the incidence of taxation at all levels;

4. The full utilisation of normal trade channels in both the internal and external trade of the country;

5. Eschewing deficit financing and adoption of rigorous discipline both at the Centre and the State levels in respect of non-Plan non-development expenditure;

6. Encouraging efforts at furthering and augmenting industrial production on the basis of efficiency and costs and not on the basis of any pre-conceived notion regarding the relative roles of the public and private sectors;

7. Revival of the capital market through appropriate refashioning of the fiscal, monetary and credit policies calculated to generate saving and investments and provision of adequate finance for industries;

8. Formulation of programmes of development keeping in view the availability of resources and ensuring their efficient implementation (as also strict avoidance of unproductive expenditure);

9. Promotion of exports through appropriate measures designed to increase the competitiveness of the export products in overseas markets; and

10. Implementation of programmes for popularising Family Planning.

The Federation reiterated its firm conviction that the contribution of the normal trade channels to the health of the economy was as vital as that of the producers in agricultural and industrial field. The Federation urged upon the authorities to revise their approach to the traders and enlist their cooperation, experience and expertise, instead of viewing ~~them~~ them with suspicion or demigrating their role.

Shri L.N. Birla was elected President for 1967-68.

(Documents received in this Office from the Federation of Indian Chambers of Commerce and Industry, New Delhi).

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27th Annual Conference of the All-India
Manufacturers' Organisation-held at
New Delhi, 27 April 1967.

The 27th Annual Conference of the All-India Manufacturers' Organisation was held at New Delhi on 27 April 1967. The Conference was inaugurated by Shri Morarji R. Desai, Deputy Prime Minister and Minister of Finance and presided over by Shri B.D. Somani. Among others Shri Jaisukhlal Hathi, Union Labour Minister and Shri K.B. Lal, Secretary of the Union Commerce Ministry addressed the meeting. Resolutions on economic situation, labour policy and export promotion were adopted by the Conference.

Presidential Address- Addressing the meeting Shri B.D. Somani, President of the All-India Manufacturers' Organisation, pointed out how the economy of the country presented a picture of unmitigated depression, creating a climate of gloom and frustration - rise in general level of price by 15.6 per cent. in 1966-67, expected growth of industrial production to be barely 2.5 per cent., fall in exports, increasing dose of deficit financing etc. He urged for reorganisation of the Planning Commission as an advisory body of top ranking economists and technologist to play their role within the means and resources available, and to temper down the excesses of planning which the economy had witnessed bringing in the field three dimensional picture (i) Deficit financing, (ii) Devaluation, and (iii) Declining trend in industrial production resulting in continuous rise in prices and economic depression.

Suggesting corrective measures for the revival of the economy Shri Somani said the first and foremost need of the country was stepping up of agricultural production. Industrialisation of agriculture which would modernise methods of production, would alone augment food production in the quickest possible time. This would be possible only by amending some of the land ceiling laws and by making the land more easily transferable without depriving peasant proprietors of economic holdings so as to give full opportunity for operation by joint stock companies. Only in this way efficiency of land utilisation could be improved,

and the small and fragmented uneconomic holdings could be ~~imp~~ consolidated into well organised modern farms run and managed on scientific lines with substantial savings and capital diverted towards the production of the much needed food to become self-sufficient in the shortest possible time.

Speaking on the coordination and cooperation between public and private sector units, the President urged that both Private and Public sectors must be treated on par and without prejudice, if both were to co-exist. Unless, healthy competition was developed between them e.g. public ~~vs~~ vs private sector as well as between companies in each sector, the best productive forces could not be expected to be released, resulting into the optimum productivity and minimum prices to the consumers. He welcomed the idea of forming consortium, more particularly for developing export market, but stressed that the proposed consortium should not be confined to the units in the public sector only but competent private sector units should also be allowed and they should be actively associated in designing, tendering and executing ~~two~~ key jobs whether within or outside the country. Apart from the general industrial research, the President suggested intensification of efforts on in-plant operational research, proper production planning, inventory control, value analysis, budgetary cost control, quality control, proper material handling and work study programme and in-plant training. In the matter of dealings with employers and workers he said that more and more direct and personal contacts with the persons working on the floor was needed. If the employers took a little more personal interest in the welfare of the employees, the employees were bound to respond favourable and start taking interest in their problems pertaining to the saving in production costs, etc. and for better earning of the confidence and good will. The President suggested that top business houses and leading businessmen should come forward and render voluntary services for national projects to facilitate better and more productive use of national assets to revive the economy of the country.

Resolutions:

Resolution on Economic Situation.- The Conference viewed with great alarm the growing dissatisfaction and frustration among the people over the soaring prices, mounting cost of living and heavy incidence of taxation year after year, which had occasionally manifested itself in widespread vandalism, arson, loot, strikes, "bandhs", "gheras" and destruction of public property. The Conference therefore urged immediate action on the following lines to arrest any further deterioration in the economic situation:-

i) immediate and drastic curtailment of public administrative expenditure, at least to the extent of 10 per cent. at all levels, including Central Government, State Governments and local authorities;

ii) restrained and selective spending on public sector;

iii) utmost concentration on increasing productivity and improving the efficiency of the working of public sector projects so as to raise the yield from investment from the low figure of 3 per cent. to at least 12 per cent. laid down in the Plan and to curtail the heavy production cost particularly by reducing the heavy inventories to economic level;

iv) immediate revival of capital market by following a policy of progressive reduction in the incidence of taxation on corporate sector and on individuals; by the withdrawal of the provision of 10 per cent. surcharge on Income-tax and making it obligatory to use the same in investment in equity or ~~preference shares or debentures~~ and preference shares or debentures; and by allowing also closely held trading and investment companies - both joint-stock and private - which are at present compelled under the statute to declare a dividend of 90 per cent. to lowering such dividend to 50 per cent. subject to the condition that the remaining profits are utilised for investing in share or debentures of joint-stock companies engaged in industry not within the same group of managing agents;

v) modification of Industrial Policy Resolution so as to permit the entry of the private sector in all industries in order to promote healthy competition between private and public sector enterprises; Government not to enter into such industrial fields where enough capacity already exists;

vi) progressive decontrol of all essential consumer commodities from licensing and price restrictions as well as distribution regulations keeping in mind the interest of medium and small scale industries so as to facilitate expansion of production, competitive output and free movement of commodities for the ultimate benefit of consumers;

vii) encouraging industrialisation of agriculture and permitting the entry of the Joint Stock sector for growing crops especially on fallow and waste lands, and for running model seed farms;

viii) priority to be given for the production of various agricultural inputs such as fertilisers, insecticides and agricultural implements;

ix) provision of more liberal credit facilities to such industries as are facing recession and are, therefore, in need of larger credit to help the distribution of their manufactured goods;

x) encouraging every industry to adopt a scheme of payment of wages by results for awakening productivity consciousness among labour.

Resolution on Export Promotion.- Among other measures, the Conference recommended the following measures to be taken by the Government for export promotion:-

i) announcement of exact details and policies on supply of basic raw materials;

ii) reduction in import duty particularly those levied after devaluation;

iii) Permission to actual users, especially for replenishment of raw materials required for export, to import their requirements directly, instead of through the S.T.C. or the M.M.T.C.; (Minerals & Metals Trading Corporation)

iv) Exemption of the cash subsidy from income-tax to make up for the various indirect taxes such as Sales Tax and Octroi which are not refunded at present; for export oriented industries, preference should be given for expansion and for import of capital goods;

v) Reduction in the high freight charges;

vi) Unchanged export policy at least for 5 years.

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The resolution also recommended measures to be taken up by the industry. To enable even the small manufacturers to play their effective role, in the export promotion efforts, export effort should be organised industry-wise and/a/ through Small Scale Industries Development Corporations in respective States wherever established. This would enable each industry to provide a variety of goods for competitive markets abroad, and to appoint common agents and also to render effective after-sales service, wherever necessary.

Resolution on Labour Policy.- The resolution on Labour Policy criticised the present Labour Policy of the Government which had failed to establish good and sound employer-employee relations. Even though money wages had gone up considerably during the past few years, real earnings had not increased on account of inflationary forces in the country. The Conference urged upon the Government to modify their policies and made the following recommendations:-

(a) the objectives of the labour policy should be in tune with the objectives of the National Plans. The present policy of merely ensuring peace in industry and a fair deal to labour is weak in concept and inadequate for the achievement of our economic goals;

(b) the plethora of labour legislation should be thoroughly examined and only a limited number of revised laws based upon practical consideration should be kept on the statute book;

(c) similarly, all labour welfare measures like Provident Fund, Employees' State Insurance, Retrenchment Compensation, Gratuity etc. should be amalgamated and consolidated under one comprehensive scheme so that the operation becomes easy and simple; the huge administrative costs are reduced to the minimum and the amount saved may be utilised for augmenting the benefits to employees;

(d) even though labour is a concurrent subject, National Labour Policy should be evolved and implemented uniformly throughout the country. The attention of the States should primarily be concentrated on implementing the National Policy and on creating a good climate for developing sound industrial relations and ensuring disciplined behaviour by all concerned;

(e) sound wage policy for employees should be evolved. It should aim at a planned rise in earnings of employees principally based upon increase in employees' contribution to productivity so that it assists not only in maintaining the price line but in reversing its rising trend and thus ensuring a real increase in earnings;

(f) the growing trend to curb the powers of the Management to manage should be checked and stricter measures should be adopted to check the growing indiscipline, violence and other undesirable practices in the trade unionism, which besides undermining the industrial efficiency is having grave repercussions on the moral fiber and economy of the nation;

(g) the law and order machinery should not be a mere spectator when individual liberty, and safety of the person and property of the management is infringed or endangered under the garb of non-interference in an Industrial dispute;

(h) this Conference urged National Commission for Labour to consider the foregoing suggestions in all their aspects and suggest long-term measures.

The Conference, assured the National Commission on Labour of its full cooperation in its vital task. The Conference also urged upon employers in industry to adopt a positive and constructive approach to the problems of industrial relations, earnings of employees, working conditions, efficiency in all spheres of work, and the use of latest and best management techniques, by creating an atmosphere of trust and confidence through giving employees a sense of genuine participation in decision-making affecting the employees, and by preparing long-range wage plans based upon productivity and incentives, the Conference believed that employers could create a real industrial democracy for the prosperity of the employees, employers and the country.

Shri B.D. Somani, was re-elected as President of the All-India Manufacturers' Organisation for the year 1967.

(Documents received in this Office during the month of May 1967).

Chapter 3. Economic Questions

34. Economic Planning, Control and Development.

India - March-April 1967.

Study on Performance of Government Undertakings
Published: Loss of Rs.5,880 Million estimated.

According to a special study entitled "Performance of Government Undertakings" made by the Economic and Scientific Research Foundation, India is losing 5,880 million rupees worth of industrial output every year as a result of the massive investment in ~~low-yielded~~ low-yield public sector undertakings during the last two Plans.

The study is based on a detailed examination of the performance of Government companies over a seven-year period ending in 1964-65. It covers a total of 32 ~~companies~~ completed industrial and ~~trade~~ enterprises, specifically declared "running" by the Government accounting for a paid-up capital of 8,200 million rupees.

According to the study, the public sector undertakings (excluding Hindustan Steel) yield a return on capital of 6.1 per cent. as compared with 19 per cent. in respect of private sector enterprises. If Hindustan Steel's results are included, the yield goes down to about 3 per cent. - less than one-sixth of the return obtained in private industry.

"The entire public sector investment programme", the Foundation points out, "is divorced from calculations either of costs or of return on capital and is necessarily an ad hoc programme governed mainly by some unexplained predilections of the planners".

The public sector companies receive funds from the treasury without any commitment on either side as regards their profitability. On the other hand, the level of profits is a major factor governing the flow of investment funds in private sector companies. It is thus possible for Government companies to go on expanding - Hindustan Steel is a striking example - without any compulsion to maintain a competitive level of costs or profits.

The study points out that the investment in public sector industry has increased rapidly over the years and is expected to be of the order of 40,000 million rupees in the Fourth Plan as compared to less than 10,000 million rupees in the Second Plan.

Thus, more and more resources are being directed to increasingly low-yield sectors, with the result that larger and larger capital resources are required even to maintain the present low rate of growth.

For instance, with the proposed investment of 40,000 million rupees in Government undertakings in the Fourth Plan, the annual loss in industrial output at the end of the Plan is estimated to reach a level of 14,680 million rupees, which is more than the average yearly increase in the national income during the last two Plans. Taking the economy as a whole, the loss would work out at about 20,000 million rupees a year, or nearly 10 per cent. of the yearly national output.

(The Statesman, 3 April, 1967)

Quality Control and Plant Utilisation
urged for Increasing Production .

A Seminar on total Quality Control and Reliability Engineering was inaugurated by Prof. M.S. Thacker, member of the Planning Commission, at New Delhi on 1 March 1967. The Statistical Quality Control (SQC) unit of the Indian Statistical Institute has estimated the overall wastage in Indian industry at a conservative minimum of 20-25 per cent. It was stated that statistical quality control alone could increase the annual industrial production by about 44,000 million rupees - without additional imported equipment or investment of more capital.

A SQC analysis of the industrial scene threw the spotlight on another "conspicuous factor" responsible for rocketing cost of production, namely, under-utilisation of expensive equipment and machinery. The overall plant utilisation even in the best managed factories was hardly 40 per cent. the SQC unit said.

Noting the comparative scarcity of capital as against labour, the unit said the emphasis in India, unlike in the U.S. should be on machine productivity rather than labour productivity.

(The Hindustan Times, 2 March, 1967).

36. Wages.

India - March-April 1967.

Productivity Bonus of 30 to 40 Percent. Recommended by Expert Committee.

An expert committee of the National Productivity Council has evolved a "national formula" for sharing the gains of productivity among partners of production as well as the consumer.

The seven-member committee headed by Mr. Leslie Sawhny, in its report released on 29 April 1967, ~~recommended~~ recommends by majority opinion a productivity bonus of 30 to 40 per cent. to labour.

The ingredients of the formula outlined by the committee are: 30 to 40 per cent. of share of gains of productivity to labour, capital investment of 20 to 30 per cent. for development dividends of 20 per cent. on capital and a reduction of 20 per cent. in prices to consumers.

Shri B.N. Datar, adviser on labour in the Planning Commission, and Shri Satish Loomba, the All-India Trade Union Congress representative, have dissented on the ground that the share of labour is insufficient in the distribution of gain.

In a counter^{ly}-proposal, these two dissenting members have suggested that where the wages of labour are below the need-based minimum wage, workers' share should be between 65 and 70 per cent. Where the wages are at a level between the need-based minimum wage and fair wage, the worker's share should be from 55 to 65 per cent. and where the wages are between the fair wage and the living wage, the share should be between 40 and 45 per cent. They have proposed that the residue in each case has to be shared equally between the industry and the community, subject to the condition that in no situation should the share of the community exceed 20 per cent.

Shri N.N. Wanchoo, the Productivity Council's Chairman, after a scrutiny of the conflicting claims and varying views of the different sections in the committed has proposed another formula in the nature of a compromise which seeks to strike a balance and reconcile various interests.

The highlights of the compromise formula, which has been supported by the Governing Body of the Council are that after making a provision of up to 20 per cent. for consumers, labour will receive half of the balance of the gains of productivity in those industries where their wages clearly correspond to a fair or living wage. Where the wages are at a level below either the fair wage or the need-based minimum wage, the share of labour will be larger, to be decided by mutual agreement. Where the industry has clearly built up large free reserve, the share of labour will be higher than that of the industry.

(The Hindustan Times, 30 April, 1967).

36. Wages

INDIA - MARCH - APRIL 1967

Interim Relief granted to Workers in
units covered by Central Wage Board
for Heavy Chemicals and Fertilizer
Industries

A Resolution dated 29 April 1962 of the Department of Labour and Employment, Ministry of Labour and Rehabilitation states that a Central Wage Board for Heavy Chemicals & Fertilizers Industry was constituted by the Government of India by their Resolution dated the 3rd April, 1965. The Wage Board has made recommendations for the grant of Interim Relief, as shown below;

The Government has decided to accept the recommendations of the Wage Board. It has, however, been decided that interim relief will not be payable in those units where the recommendations of any other Wage Board have already been applied.

The Government request the concerned employers to implement the recommendations of the Wage Board at an early date.

The Board unanimously decided to recommend Interim Relief on the following lines to the workers in the units covered by the Central Wage Board for Heavy Chemicals and Fertilizer Industries with effect from 1.11.1966.

Wages (i.e. Basic plus D.A.)
or the consolidated wage.

1. Up to and inclusive of Rs.100 p.m.
Rs. 12.50 subject to a maximum of Rs.109.00
2. Above Rs.100 but not more than Rs.200 p.m., Rs.7.50 subject to a minimum of Rs.110 and a maximum of Rs.206.
3. Above Rs.200 and up to Rs.500 p.m.
Rs.5 subject to a minimum of Rs.207.50 and a maximum of Rs.500.

The above Interim Relief is subject to the following conditions:

- (a) This is payable to all workers on the roll of the Company as on 1st October, 1966, or engaged thereafter.

- (b) Trainees, Apprentices, learners, Head Office and Branch Office staff are excluded.
- (c) In the case of composite establishments which are included within the jurisdiction of the Board, these recommendations apply only to the workers engaged in the Heavy Chemical/Fertilizer Sections of these establishments and not to others.
- (d) The amount of Interim Relief recommended above will be suitably adjusted in cases where the increase in the total emoluments was made on the basis of an agreement, settlement or award or notice of payment subsequent to the appointment of this Wage Board (Government of India Resolution No. WB-12(1)/64 dated 3rd April 1965) wherein such an adjustment was provided for.
- (e) The above payment will be an ad hoc relief which will be adjusted in the final recommendations of the Board and shall not be taken into account for purposes of Provident Fund, Gratuity, Incentive payments, Bonus or other allowances.
- (f) Workers employed in construction-cum-expansion programme of the units and not directly connected with production are not eligible for interim relief, it being assumed that their emoluments are duly considered on a separate basis.

(The Gazette of India, Part 5,
Sec. I, 13 May 1967, pp. 547-
548)

Chapter 5. Working Conditions and Living Standards

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

India - March-April 1967.

Annual Report on the Activities Financed from Iron Ore Mines Labour Welfare Fund--- during the Year ending 31 March 1966.

The Ministry of Labour, and Employment and Rehabilitation published on 4 March 1967 the annual report on the activities financed from the Iron Ore Mines Labour Welfare Fund during the year ending 31 March 1966. A brief summary of the report is given below.

The Iron Ore Mines Labour Welfare Fund has been constituted under the Iron Ore Mines Labour Welfare Cess Act, 1961 (58 of 1961) which provides for the levy and collection of a cess on the production of Iron Ore for the financing of activities to promote the welfare of labour employed in the iron ore mining industry. The Act provides for the levy of a cess at a rate not exceeding 50 paise per metric tonne of iron ore produced. The present rate of levy is only 25 paise per metric tonne. The Act is applicable to the whole of India except the State of Jammu and Kashmir. It was enforced with effect from 1 October 1963 except the territory of Goa, Daman and Diu where it came into effect from 1 October 1964.

The Iron Ore Mines Labour Welfare Cess Rules, 1963, have been framed to carry into effect the purposes of the Act. Five Advisory Committees - one each for Andhra Pradesh and Mysore; Madhya Pradesh and Maharashtra; Bihar; Orissa; and Goa, Diu and Daman, have been constituted to advise the Central Government in administering the Fund. The welfare activities for which the proceeds of cess are to be utilised under the Act relate to improvement of public health and sanitation, the prevention of disease and the provision and improvement of medical facilities, water supply and facilities for washing, the provision and improvement of educational facilities, the improvement of standards of living including housing and nutrition, the amelioration of social conditions, provision of recreational facilities and the provision of transport to and from work.

The following welfare measures have so far been undertaken in Mysore, Andhra Pradesh, Orissa, Madhya Pradesh, Maharashtra and Bihar:-

(i) Medical Facilities:

(a) Hospitals.- A 10 bedded Emergency Hospital was set up at Barajamda in Bihar during the year at a cost of Rs.14,160.00.

(b) Assistance to T.B. Patients.- Ten beds were reserved with effect from 16 October 1965 in the Mahadevi Birla T.B. Sanatorium, Nankum, Bihar, for the treatment of iron ore miners suffering from T.B. and an expenditure of Rs.11,800 was incurred for the purpose. Steps were also taken to provide medical facilities to the iron ore miners suffering from T.B. in other Regions. Subsistence allowance at a rate not exceeding Rs.50/- per month is also given to the dependents of miners undergoing treatment for T.B. in a sanatorium in cases where the miner is the only earning member of the family.

(c) Other Medical Facilities.- An amount of Rs.5,000/- was paid as subsidy for augmentation of medical aid for Redi group of mines in Maharashtra. Grants-in-aid to the extent of Rs.50,700.00 were also given to iron ore mine owners for maintenance of dispensary-cum-maternity centres/welfare centres in Orissa.

(ii) Education Facilities:

(a) Scholarships.- Scholarships are granted to the children of iron ore miners studying in schools, colleges and technical institutions. The following expenditure was incurred under the Scheme in different Regions:-

Mysore and Andhra Pradesh.	--	Rs.16,780
Orissa.	--	Rs. 7,330
Bihar.	--	Rs.23,230

(b) Uniforms to the primary school-going children of iron ~~ore~~ ore mine workers were also given free in Mysore and Andhra Pradesh at a cost of Rs.2,940.

(iii) Recreational Facilities:

(a) Grants-in-aid to the extent of Rs.30,000 were given for providing recreational facilities for miners in Madhya Pradesh and Maharashtra. An amount of Rs.20,000 was also spent on the development of an open air theatre in Madhya Pradesh. A subsidy of Rs.15,000 was given for organising sports, tournaments and other recreational and cultural activities for Iron Ore miners in Madhya Pradesh and Maharashtra.

(b) Multi-purpose Institutes have been set up in Bihar and Orissa and the following expenditure was incurred on them:-

Bihar	-	Rs.1,600.00
Orissa	-	Rs.9,300.00

(c) A Holiday Home has been established at Bhubaneswar in Orissa at a cost of Rs.11,200 for the Iron Ore miners.

(d) Bharat Darshan tour and excursion-cum-study trips were organised for the iron ore miners in Madhya Pradesh and Bihar respectively.

(iv) Drinking Water Facilities:

Two wells were sanctioned on subsidised basis in Bihar to provide drinking water facilities to the iron ore miners. Under the Scheme, 50 per cent. cost of sinking a well is borne by the mine owners and 50 per cent. is paid by the Fund.

(v) Housing Facilities:

Various housing schemes, already in existence under the Coal/Mica Mines Labour Welfare Fund Organisation, are being adopted for the iron ore miners and it is hoped to construct houses under these schemes during the coming year.

The statement of accounts appended to the report shows receipts at 10.162 million rupees including an opening balance of 3.255 million rupees; expenditure amounted to 0.6525 million rupees leaving a closing balance of 9.509 million rupees.

(Notification SO 753 dated 27 February 1967, the Gazette of India, Part II, Sec.3, Sub-section (ii), dated 4 March 1967, pp. 582-584).

53. Women's Work.

India - March-April 1967.

Meeting of the National Council for Women's
Education held at New Delhi, 8 March 1967:
1.5 Million Trained Women without
Employment.

The ninth meeting of the National Council for Women's Education was inaugurated on 8 March 1967 by Shri Fakhruddin Ali Ahmed Union Education Minister. Miss S. Panandikar was the Chairman of the Council. Among others the meeting was addressed by Mrs. Durgabai Deshmukh, former chairman of the Council.

The meeting discussed the problem of proper use of the services of educated and trained women in the country. It was felt that the money spent on educating women was not yielding adequate results. This was largely due to the fact that the Centre as well as the States were doing little to provide part-time employment to house-wives or women engaged in domestic work. Several delegates referred to the difficulty of getting young women to teach in villages. The need for improved residential facilities for women teachers was emphasised. It was felt that training institutions should be set up for adult teachers. Lack of funds for implementation of programmes was a common complaint at the meeting.

Addressing the meeting Mrs. Durgabai Deshmukh said that two surveys conducted privately have shown that 1.5 million educated and trained women were idle. Of these 6,000 had the M.Sc. degree. She said polytechnics too were turning out women who could not find employment. The council should launch pilot projects to determine the needs of different areas and find out the new employment trends. The adult literacy programme should be taken up as a national movement and a five-year crash programme launched.

Miss S. Panandikar, chairman of the council, stressed the need for continuance of the national and State councils for women's education because ~~of~~ the time had not yet come when the education of women could be considered a part of the general education programme.

(The Hindustan Times, 9 March, 1967).

Chapter 6. General Rights of Workers.

67. Conciliation and Arbitration.

India - March-April 1967.

Arbitration - As a Mode of Dispute Settlement*.

An article on Arbitration - As a Mode of Dispute Settlement has appeared in March 1967 issue of the Indian Labour Journal. The article points out the difference between arbitration, mediation and conciliation, describes the statutory provision for arbitration, evolution ~~of adoption~~ of arbitration on voluntary basis, the extent of adoption of arbitration, voluntary arbitration vs adjudication and the tasks before the proposed National Arbitration Promotion Board. On the future scope of arbitration the article states that arbitration provides a simple, straightforward and less expensive mode of resolving disputes. Under the Code of Discipline or the Industrial Truce Resolution arbitration is informal and free from procedural wrangles. It has therefore great potentialities and needs to be given encouragement by all parties concerned.

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* Indian Labour Journal, Vol. VIII, No. 3, March 1967, pp. 200-213.

Industrial Peace in Gujarat.

An article on Industrial Peace in Gujarat has been published in March 1967 issue of the Indian Labour Journal. The article traces out the contribution made by Mahatma Gandhi in strengthening the labour movement in Ahmedabad and the formation of Textile Labour Association. It also describes the provisions of the Bombay Industrial Relations Act 1946 and subsequently the adoption of Code of Discipline in Industry, Industrial Truce Resolution, the scheme of Joint Management Councils, appointment of Central Wage Boards and Bonus Commission which have helped in the maintenance of industrial peace in Gujarat.

(Indian Labour Journal, Vol.VIII, No.3,
March 1967, pp. 191-200).

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN
CATEGORIES OF WORKERS.

INDIA - MARCH-APRIL 1967.

71. Employees and Salaried Intellectual Workers.

Maharashtra: Central Dearness Allowance for
All Government Employees.

At a Cabinet meeting held at Bombay on 4 March 1967, Shri V.P. Naik, Chief Minister of Maharashtra announced the decision of the Government that all employees of Maharashtra Government will get dearness allowance on par with Central Government rates from 1 March 1967.

The State Government had increased the employees' Dearness Allowance from 1 July last year, removing the disparity between the Central and State rates fully in respect of employees drawing a basic salary below Rs.110 per month mensem and 80 per cent. in the case of those getting more than Rs.110.

The Government had now decided to pay the remaining 20 per cent. of the difference to those getting a basic salary of more than Rs.110.

In addition, the Government had also decided to give all employees the benefit of the recent increase in Central Government employees' Dearness Allowance given after the Gajendragadkar Commission's recommendation. The number of Government employees eligible for Dearness Allowance is over 223,000.

(The Times of India, 5 February, 1967).

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - MARCH-APRIL 1967.

81. Employment Situation.

Employment Review 1961-1966 Published*.

The Ministry of Labour, Employment and Rehabilitation has recently published a Review providing information about employment ~~trends~~ trends in the country for the third Plan period 1961-66. Some of the salient features of the Review are given below.

Over-all Employment Growth.- Employment in the organised sector, during the Third Five Year Plan period increased from 12.09 million to 15.46 million or by 27.9 per cent. The average annual employment growth rate in the entire organised sector was of the order of 5.6 per cent. - as against a national income growth of 2.5 per cent. The annual growth rates in the public and private sectors were 6.6 per cent. and 4.2 per cent. respectively. The employment growth rate in both the sectors has shown a tendency to decelerate in recent years. In the private sector it was as low as 1.0 per cent. in 1966 as against 5.9 per cent. in 1964 and 4.5 per cent. in 1965.

Employment Growth in the Different States.- Taking the Third Plan as a whole, the employment growth was markedly higher than the all-India growth rate of 27.9 per cent. in the case of Punjab (47.7 per cent), Maharashtra (40.1 per cent.), Kerala (35.9 per cent.) and West Bengal (32.9 per cent.). It was lower than the all-India rate in the case of Bihar (12.3 per cent.), Orissa (14.7 per cent.), Gujarat (16.7 per cent.), Rajasthan (18.6 per cent.), Madhya Pradesh (19.0 per cent.) and Madras (19.6 per cent.). In Andhra Pradesh and Uttar Pradesh, it was 25.3 per cent. and 25.9 per cent. respectively. In Assam, the position remained static during the plan period.

* Employment Review 1961-1966, Directorate
Directorate General of Employment and Training,
Ministry of Labour, Employment and Rehabilitation,
New Delhi, 1967; pp.48.

Employment Growth in Different Industries.-

Analysis of employment growth shows between 1961 and 1966, the increase in employment in Industry (excluding construction) was 21.2 per cent. The most significant aspect of this growth is the low growth rate of 13.9 per cent. in industry in private sector as against 58.3 per cent. in the public sector.

The analysis of employment growth in different industry divisions shows that employment increased in all of them except in mining and quarrying - where it decreased by about 2.9 per cent. mainly on account of the decline in employment in coal mines. The increases in employment in some of the industry divisions/services were: manufacturing - ~~8.7 per cent.~~ 0.87 million or 25.7 per cent.; services - 1.49 million or 37.2 per cent.; transport and communications - 0.41 millions or 22.8 per cent.; trade and commerce - 0.14 million or 56.0 per cent.; electricity, water and sanitary services - 0.09 million or 34.6 per cent.

The number of industrial establishments increased considerably during 1962-66, in a number of industries such as sugar, cement and cement products, iron and steel, structural steel products.

Work-Seekers.- Notwithstanding the increases in employment, there was also an increase in the number of work-seekers registered with the employment exchanges, their number increasing from 1.56 million in March 1961 to 2.47 million in March 1966 - an increase of nearly 0.9 million or 58.2 per cent. An interesting feature of the registered work-seekers was that it remained more or less constant i.e., round about 2.5 million from 1963 onwards. Similarly, the number of vacancies notified to the employment exchanges also, remained more or less unchanged, round about 0.9 millions, between 1964 and 1966. These are no doubt, indicators of the reduced tempo of economic growth in recent years.

Employment Outlook.- Although employment growth was rapid in the earlier part of the Third Plan period, it showed a decelerating tendency during the later part, on account of many factors, particularly in the private sector. It seems that the scope for growth of employment opportunities would remain restricted during the first one or two years of the 4th Plan period - conditioned, as it usually is, by the economic and social climate prevailing in the country. The existing difficult financial and foreign exchange resources position particularly, points to the urgent need for better utilisation of existing human resources.

83. Vocational Training.

India - March-April 1967.

Demand for Engineering Graduates decline.

According to the unemployment live register of the Directorate of Scientific and Technical Personnel about 575 engineers remained unemployed on 1 November 1966. The demand for engineering graduates has declined. One official explanation is that against the desired growth of 11 per cent. for industries and allied sectors, the average rate of growth has been considerably less. It is also said that in some parts unemployment is due to non-attractive terms and conditions of service, lack of experience and lack of mobility of personnel.

A recent study of the employment pattern of engineers passed out from a particular institution between 1956 and 1961 shows that about 50 per cent. of the graduates secured employment almost immediately, and another one-third in a year. The remaining persons got jobs after two years or more after graduation. The number of engineering graduates registered with the employment exchanges has also indicated an increase. The figure went up from 1,975 on 30 June 1964 to 3,650 on 30 June 1966.

The registration with the employment exchanges is voluntary and therefore all the unemployed graduates may not have got themselves registered with the employment exchanges.

(The Times of India, 29 February, 1967).

CHAPTER 9. SOCIAL SECURITY.

INDIA - MARCH-APRIL 1967.

90. General.

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

Review on the Working of the Workmen's
Compensation Act, 1923, during the Year
1964*.

A review on the working of the Workmen's Compensation Act, 1923, during the year 1964, has been published in the April 1967 issue of the Indian Labour Journal. The review is divided into two parts - Part A deals with the statistics relating to compensated accidents and occupational diseases and Part B with the statistics of cases dealt with by the Commissioners for Workmen's Compensation in various States. According to the review, during the year 1964, 118,356 accidents for which a sum of Rs.16,218,246 was paid as compensation were reported. The accident per one thousand workers (on the basis of the reported figures) was 22.52 during the year under review. The average amount of compensation paid during 1964 was Rs.4,412, Rs.924, Rs.37 and Rs.137 in respect of deaths, permanent disablement, temporary disablement and all cases respectively.

Out of 12,984 cases dealt by the Commissioners for Workmen's Compensation, 7,351 (56.6 per cent.) related to temporary disablement, 3,757 (28.9 per cent.) to permanent disablement and 1,876 (14.5 per cent.) to fatal cases.

=====

* Indian Labour Journal, Vol.VIII, No.4,
April 1967, pp. 353-359.

92. Legislation.

India - March-April 1967.

Gujarat: Employees' State Insurance Scheme
Extended to Certain Areas in the State.

In exercise of the powers conferred under the Employees' State Insurance Act, 1948, the Central Government has appointed the 26th day of March 1967 as the date on which the provisions of chapter IV (except sections 44 and 45 which have already been brought into force) and chapters V and VI (except sub-section(i) of section 76 and sections 77, 78, 79 and 81 which have already been brought into force) of the said Act shall come into force in the following areas in the State of Gujarat namely:-

- i) Municipal limits of Morvi municipality.
- ii) Bhadiad and Trajpur Village of Morvi Taluka.

(Notification SO 1011 dated 23 March, 1967, the Gazette of India, Extraordinary, Part II, Sec.3, sub-sec.(ii), dated 23 March 1967, page 765).

92. Legislation

Andhra Pradesh: Employees' State Insurance Scheme extended to certain areas in the State

In exercise of the powers conferred under the Employees' State Insurance Act, 1948, the Central Government has appointed the 30th day of April, 1967 as the date on which the provisions of Chapter IV (except sections 44 and 45 which have already been brought into force) and Chapters V and VI (except sub-section (1) of section 76 and sections 77, 78, 79 and 81 which have already been brought into force) of the said Act shall come into force in the following areas of the State of Andhra Pradesh, namely:

I. In the Revenue village of Vantithadi Agraharam which is situated to the South of Vizianagaram with the following boundaries:

North: Vizianagaram (Revenue village)
 East: Dharampuri (Revenue village)
 South: Sarika (Revenue village)
 West: Chillapeta h/o Duppada.

II. In the Revenue village of Kanapaka-Ayyannapeta with the following boundaries:

North: Kukalametta Lakshmipuram
 (Revenue village)
 East: Gajularega and Vizianagaram
 Contonment.
 South: Bobbadipeta h/o Duppada
 West: Karakavalasa (Revenue village)

(Notification SO 1522 dated 22 April 1967, the Gazette of India, Part II, see-3 sub-section ii, 29 April 1967 pp. 1576-1577)

92. Legislation

Maharashtra: Employees' State Insurance Scheme extended to certain areas in the State

In exercise of the powers conferred under the Employees' State Insurance Act, 1948, the Central Government has appointed the 30th day of April, 1967 as the date on which the provisions of Chapter IV (except sections 44 and 45 which have already been brought into force) and Chapters V and VI (except sub-section 1 of section 76 and sections 77, 78, 79 and 81 which have already been brought into force) of the said Act shall come into force in the following areas in the State of Maharashtra, namely:

Area within the limits of Sangli Municipal council in Taluka Miraj, District Sangli in the State of Maharashtra

(Notification S.O. 1527 dated 25 April 1967, the Gazette of India, Part II, Sec. 3, sub-section (ii) 29 April 1967, pp. 1577-1578)

CHAPTER 11. OCCUPATIONAL SAFETY
AND HEALTH

INDIA - MARCH - APRIL 1967

111. General

Report of the Central Coal Mines Rescue
Station Committee for the year 1965-66.

A summary of the Report of the Central Coal Mines Rescue Station Committee for the year 1965-66 has been published in March 1967 issue, of the Indian Labour Journal. According to the report till 31 March 1966 a total of 3,222 persons (1,677 at the Mines Rescue Station, Dhansar and 1,545 at the Mines Rescue Station, Sitarampur) were given the full course of initial training in Rescue and Recovery work in mines. Details of refresher practices and rescue training given during the year under review at Dhansar and Sitarampur Rescue Stations along with comparative figures for the previous year are given below:

	<u>1965-66</u>		<u>Total</u>	<u>1964-65</u>
	<u>Dhansar</u>	<u>Sitarampur</u>		<u>Total</u>
No. of workers trained	105	70	175	248
No. of workers medically examined	530	751	1,281*	1,142**

Refresher Practices Given During 1965-66

No. of gallery refresher practices held	1,546
No. of pit refresher practices held	931
No. of men practices for gallery refresher practices	9,042
No. of men practices for pit refresher practices	5,341

* In addition to this figure 378 more persons were medically examined i.e. 152 at Singareni, 114 at Parasia and 112 at Bijuri.

** In addition to this figure 441 more persons were medically examined i.e. 190 at Parasia, 129 at Singareni, 115 at Argada and 7 at Ledo.

Rescue Recovery and Emergency Work -
During the year under review, the rescue stations were called out for rendering assistance in 27 cases involving 104 days of work.

The Coal Mines Rescue Organisation assisted in 19 recovery operations involving 104 days of work and 780 protomanshifts and recovered 1.85 million tonnes of coal locked in areas sealed due to occurrence of fire.

Rescue Competitions - During the year under review Mines Rescue Competitions were held on a zonal basis at the mines Rescue Stations at Dhansar, Sitarampur, Argada, Parasia, Singareni and Bijuri and the Twelfth All-India open Mines Rescue Competition was held at Mines Rescue Station, Dhansar.

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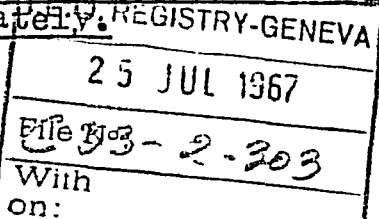
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COPY NO. 1

INTERNATIONAL LABOUR OFFICE
BRANCH OFFICE, NEW DELHI.

Industrial and Labour Developments in
May-June 1967.

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

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

INDIA - MAY-JUNE 1967.

11. Political Situation and Administrative Action.

Meeting of the Congress Working Committee,
New Delhi, 12 May 1967: Resolution for
Social Control of Banks and Nationalisation
of General Insurance Adopted.

In a major policy resolution which was adopted by the Congress Working Committee on 12 May 1967, the Committee has called upon the Central Government to bring most of the banking institutions under Social Control in order to promote economic growth. The Committee also directed the Government to work out a scheme to bring general insurance under the public sector. The Committee placed on records its strong desire that the process of implementing the programme towards the attainment of a democratic socialist society should be accelerated.

The Committee adopted the following proposals for the prompt implementation by the Government and has called for :

- (a) Social control of banks.
- (b) Nationalisation of general insurance.
- (c) Progressive take-over of export and import trade.
- (d) A National policy of public distribution of foodgrains.
- (e) Organisation of consumer co-operatives for supply of essential commodities.
- (f) Effective action to curb monopolies and concentration of economic power.
- (g) Provision of minimum needs to the entire community.
- (h) Limitations on urban income and property.
- (i) Prompt implementation of land reforms.
- (j) Removal of privileges of ex-rulers other than privy purses.

The Committee has said that land reforms should be implemented promptly. Credit should be made available to agricultural labour against personal security or assets that are to be created.

Minimum wage legislation for agricultural labour should be implemented more effectively, the Committee said.

The Committee taking note of the current difficult food situation in the country has urged that "a national policy of public distribution of foodgrains particularly to the vulnerable section of the community should be worked out and for this purpose the Food Corporation of India and co-operative agencies should be utilised to the maximum extent.

(The Hindu, 13 May, 1967).

13. Press and Opinion.

India - May-June 1967.

In addition to the attached clippings the following references to the ILO appeared in Indian Journals received in this Office.

1. The February-March 1967 issue of 'FCI News' (Fertilizer Corporation of India) refers to a training course at which the principal speaker was "Prof. Steve Dembicki, ILO Expert in the National Institute for Training in Industrial Engineering, Bombay".

2. The April 1967 issue of Survey - published by the Indian Institute of Social Welfare and Business Management, Calcutta - under its column 'Trends', publishes a note on 'Waste Reduction'. The source is given as 'Dr. Manfred Knayer, ILO Expert on Work Study'.

3. The May 1967, issue of 'Indian Shipping' publishes a review of the Second Session of UNCTAD Shipping Committee held at Geneva during February/March 1967. There is an incidental reference to the ILO.

4. The Indian Textile Journal, May 1967, publishes a review of Conference on 'human factors in industry' organised by the Bombay Textile Research Organisation. The Conference was inaugurated by Mr. Naval H. Tata. In the welcome address a mention is made of Mr. Tata's association with the ILO.

5. Asian Labour, May 1967, contains the following references to the ILO:

a) Excerpts from a statement made at the 23rd Session of the Commission on Human Rights of the Economic and Social Council of the UN by the Deputy Director-General of the ILO. The excerpts appear under the heading 'ILO in the Struggle for Human Rights'.

b) Review of the 29th International Trade Union Course conducted by the Asian Trade Union College. Among visiting dignitaries mention is made of Mr. S.K. Jain and Mr. Borek Zofka from ILO.

4

c) Excerpts from an address delivered by Mr. P.P. Narayanan Vice-President ICFTU-ARO at a meeting of Probationary Assistant Labour Commissioners held in Malaysia. There are incidental references to the ILO.

d) A note on 'Free Education and Estate schools in Ceylon'. The note refers to the 'ILO Convention' specially recommending recommending "that there should be no discrimination in the field of education on the basis of race, religion, nationality or colour".

e) A note on 'Industrial Revolution in India'. Mention is made of ILO's assistance in the organisation of the Central and Regional Labour Institutes.

6. The 1 May issue of 'The Indian Worker' publishes an article on 'Concepts of Wages'. Mention is made of the ILO Recommendation on Minimum Wage Fixing Machinery.

7. Under its 'Foreign News' column, the May 1967 issue of 'AIOIE Labour News', short notes are published relating to (a) the 168th Session of the ILO Governing Body and (b) ILO ~~Finance~~ Inland Transport Committee.

8. In an article on 'problems of railways and railwaymen' published in the 20 May 1967 issue of Trade Union Record mention is made of the publication 'Man at Work - an Outline of Work Physiology' by E.H. Christensen an "ILO Expert".

9. The Indian Worker dated 29 May 1967 publishes a news-item relating to the ILO by ^{a complaint to} the ICFTU concerning violation of trade union rights in Greece.

The same issue contains an article on the Cotton Textile Industry. There is a incidental reference to the ILO.

10. The 5 June 1967 issue of 'Trade Union Record' publishes a review of the V World Conference of Trade Unions of Chemical, Oil and Allied Industries held at Hungary. The review mentions that prominent among the 18 resolutions adopted were resolutions concerning "ILO, Korea, on Cyprus -----".

11. The 19 June issue of 'The Indian Worker' publishes an article on "The International Institute for Labour Studies - 1966 a year of Progress" by Robert W. Cox, Director of the Institute. The article is based on an interview with I. Wamala, African journalist and broadcaster.

12. The June 1967 issue of 'Asian Labour' contains the following references to the ILO.

a) In an editorial on 'Emerging Challenge in Asia' a reference is made to suspension of trade union rights in Nepal although 'Nepal is now a member of the ILO and under an obligation to follow ILO Standards'.

b) A news-item concerning complaints filed with ILO by the ICFTU regarding infringement of ILO Convention 87 by the Argentine Government.

c) A news item concerning a protest made by the ICFTU to the Government of France against the illtreatment of striking dockworkers in French Somaliland. The protest draws attention to I.L. Conventions 87 and 98.

d) A note on 'Women at Work'. The note says:-

" --- Another organisation active in defence of women workers is the International Labour Organisation. Working Women provided a prominent item on the Agenda at the ILO annual conference in 1964 and 1965, and it has adopted one Convention calling for equal pay for women (which has so far been ratified by 48 countries) and another on discrimination against women (ratified by 51 member-States). "

e) A review of a meeting of the Action Committee of the ICFTU-ARO held at Manila during May 1967. The note mentions that among other matters the Action Committee "suggested that the statement to be made on behalf of the ICFTU at the forthcoming ILO Conference should include a specific reference to trade union rights stressing the role which the ILO must play for their protection and promotion."

The review also says that as regards suppression of trade union rights in Nepal a 'suggestion was made to raise the matter in the ILO as the Government of Nepal had now become a member of that body'.

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Chapter 3. Economic Questions

32. Public Finance and Fiscal Policy.

India - May-June 1967.

Balanced Budget for 1967-68 presented to Parliament: Levies on Cigarettes, Tea, Coffee, Petroleum and Footwear Increased.

The Deputy Prime Minister, Shri Morarji Desai placed before the Parliament on 25 May 1967 a revised budget for 1967-68. The budget aims to neutralise an overall deficit of 680 million rupees through enhanced or fresh levies on selected items to bring in 690 million rupees, ~~The~~ to the Centre in the remaining part of 1967-68. The total income from new excise levies is expected to be 1155.2 million rupees. Under the budget consumer items like tea, coffee, cigarettes, motor spirit and footwear will become more expensive.

The Deputy Prime Minister has made a series of changes in the structure of direct taxes, on individuals as well as on companies, the main objective being to stimulate savings, investment, tourism, export and research. The consequent net reduction in direct taxes will be no more than 50 million rupees and this is likely to be made up by better collection of taxes in the coming year.

The following table gives a summary of estimate of the budget:-

(Please see table on the next page)

(In Thousands of Rupees)

Budget Estimate 1966-67	Revised Estimate 1966-67	Budget Estimate 1967-68
-------------------------------	--------------------------------	-------------------------------

REVENUE RECEIPTS:

Taxes, Duties and other
Principal Heads of Revenue:

Customs.	5,602,000	5,960,000	6,540,000 - 109,200*
Union Excise Duties.	10,105,900	10,302,100	11,158,800 + 786,300*
Corporation Tax.	3,720,700	3,450,000	3,500,000
Taxes on Income other than Corporation Tax.	1,624,500	1,429,019	1,584,178
Estate Duty.	3,000	22,057	3,059
Taxes on Wealth.	140,000	122,500	125,000
Expenditure Tax.	1,500	1,100	900
Gift Tax.	12,900	18,500	15,000
Other Heads.	269,717	289,926	320,040
Debt Services.	3,606,202	3,717,266	4,090,037
Administrative Service.	94,481	93,863	93,051
Social and Developmental Service.	225,614	222,260	228,655
Multi-Purpose River Schemes, Irrigation and Electricity Schemes.	1,153	1,434	1,527
Public Works (including Roads) and Schemes of Miscellaneous Public Improvements.	41,493	43,156	45,979
Transport and Communications (other than Roads).	84,549	95,926	109,523
Currency and Mint.	649,416	657,999	780,213
Miscellaneous.	190,683	220,812	214,196
Contributions and Miscellaneous Adjustments (other than contributions from Railways and P. & T.).	65,578	76,228	64,671
Contributions from Railways.	326,091	313,881	309,806
Contributions from Posts and Telegraphs.	41,718	24,483	40,618
Extraordinary Items.	306,555	85,279	94,753
Total.	27,113,750	27,147,789	29,320,006 + 677,100*

(Table continued on next page)

Table continued:-

(In Thousands of Rupees)

	Budget Estimate 1966-67	Revised Estimate 1966-67	Budget Estimate 1967-68
<u>DISBURSEMENTS:</u>			
Collection of Taxes, Duties and other Principal Revenues.	308,369	324,115	345,339
Debt Services.	4,148,272	4,628,080	4,099,716
Administrative Services.	1,100,847	1,228,998	1,237,711
Social and Developmental Services.	1,955,652	1,959,204	2,400,183
Multi-Purpose River Schemes, Irrigation and Electricity Schemes.	20,300	23,257	31,567
Public Works (including Roads) and Schemes of Miscellaneous Public Improvements.	238,293	257,926	283,906
Transport and Communication (other than Roads).	109,414	129,234	141,231
Currency and Mint.	178,251	205,550	214,480
Miscellaneous.	1,523,511	1,830,153	1,671,751
Contributions and Miscellaneous Adjustments.	6,140,735	6,392,089	6,904,916
Extraordinary Items.	373,771	151,411	104,818
Defence Services (a).	7,976,670	8,272,855	8,424,948
Total.	24,074,085	25,402,872	26,860,566
Excess of Revenue over Expenditure or Surplus.	3,039,665	1,744,917	2,459,440 + 677,100*
Total.	27,113,750	27,147,789	29,997,106

* Effect of Budget Proposals.

The following are some of the new tax proposals provided in the budget.

Export duty on jute sacking other than cotton sacking reduced by 150 per cent. on carpet packing and jute specialities by 300 rupees per tonne and on other hessians 550 rupees per tonne.

Excise duties on jute manufactures and hessians to be raised from 250 rupees and 125 rupees per tonne respectively to 350 rupees and 175 rupees per tonne.

9

The concessional rate of 45 per cent. to be extended to widely-held domestic companies having a total net ~~asset~~ exceeding 50,000 rupees against 25,000 rupees at present.

Excise duty on coffee and tea raised.
Additional revenue expected 84 million rupees.

Changes in postal rates to fetch an additional revenue of 18.4 million rupees.

A slight rise in postage on parcels, newspaper packets, registration fee and fee for express delivery.

Telephone tariffs to be rationalized to fetch an additional revenue of 15.8 million rupees.

Telegraph charges raised by making the present minimum 10 words applicable to eight ~~words~~ words.

Excise duty on certain petroleum products raised from 10 per cent. ad valorem to 20 per cent. ad valorem.

Exemption limit for surcharge on unearned income raised from 16,000 rupees to 30,000 rupees.

A tax allowance of 400 rupees will be given to those with a total income of 10,000 rupees primarily to maintain dependent parents.

Excise duty on footwear and its parts re-imposed.

Basic excise duty on motor spirit raised from 420 rupees per kilolitre to 560 rupees.

Excise duty on artificial resins and plastics to be increased from 20 per cent. to 30 per cent. ad valorem.

Excise duty on cotton and yarn used in production of fine and superfine cloth in the powerloom sector to be raised.

Finance Minister's speech.— Presenting the budget Shri Morarji said that the Centre's budgetary operations for 1966-67 since the interim budget (for details see pp.10-16 of the Report of this Office for January-February 1967) had turned out to be ~~some~~ somewhat smaller than anticipated, namely, of the order of 3,130 million rupees. The interim Budget had put the figure at as much as 3,500 million rupees. ~~was~~ The improvement of 370 million rupees was the result of a number of factors. Receipts from tax revenues had been of about the same order as estimated in the revised estimates, in fact a shade better.

External assistance, however, had shown a significant shortfall. But this had been made up by savings under various items of expenditure. Foodgrains transactions had turned out to be better than estimated. This accounted to a large extent for the reduction in the anticipated deficit.

About the Budget estimates for the current year, Shri Desai said that he anticipated some shortfall in the revenue from the excise duties on sugar on account of lower production. But this would be made up under other receipts and had, therefore, not made any change in the estimate of revenue receipts.

Reviewing the position in various fields of economic activity, Shri Morarji Desai said that there ~~are~~ were five areas of immediate concern in the economic field. These were:

The situation created by the drought concerning food supplies in general and the wellbeing of the people in the scarcity areas in particular.

The steady rise in prices which had been ~~with us~~ ^{persisting} now for more than three years had to be arrested in the shortest possible time.

There was need to revive industrial activity, particularly in a number of capital goods industries which were suffering from lack of demands.

The recent adverse trends in exports had to be reversed as soon as possible.

These immediate problems must be tackled in a manner which gave ~~us confidence that we~~ ^{assurance} ~~could look forward~~ to a long period of satisfactory growth with reasonable price stability and increasing self-reliance and without sacrificing the claims of national security and social justice.

Shri Morarji said that the present system of distribution of foodgrains imposed a heavy burden on the financial position of the Centre on account of the subsidized rates at which imported foodgrains were supplied to State Governments and others. This subsidy was expected to cost 1,180 million rupees to the Centre in the current year. Despite the ~~difficult~~ difficult budgetary situation, it had been considered prudent for the present to continue the present Central subsidies on foodgrains. However, it was the Government's policy to reduce and eliminate this subsidy as soon as circumstances permitted.

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Speaking about price stability Shri Morarji said that a situation in which prices had risen by 46 per cent. in three years created apprehensions about further inflation. This in turn depressed savings and encouraged unproductive investment. Curbs on such investments became more important than ever. The psychology of inflation had to be ended.

It was proposed in the present budget to limit the outlays of the Central Government within the resources which could be mobilized in non-inflationary measures. Unauthorised overdrafts from the Reserve Bank by State Governments must be avoided. Taking into account both Plan and non-Plan requirements, the assistance now being proposed for the States was 980 million rupees more than in the interim Budget. This did not meet all the needs of the State Governments.

(The Statesman, 26 May, 1967)

Railway Budget for 1967-68 presented in
Parliament on 22 May 1967: Rail Fares
and Freight Increased.

The Railway Minister Shri C.M. Pooncha^a placed before the Parliament on 22 May 1967 the final Railway Budget for 1967-68. An increase in railway passenger fares and freight rates from 15 June 1967 to bring in an additional 380 million rupees during the rest of the current financial year and 470 million rupees in a full year was announced by the Railway Minister. The Railway Minister said that these increases had become absolutely unavoidable in view of the last year's deficit which had increased 240 million rupees as against 150 million rupees estimated in March. (For details of interim Budget please see pp.17-19 of the report of this Office for the month of January-February 1967).

The proposed increase in passenger fares will be the lowest for Third Class passengers by ordinary trains, who account for almost 90 per cent. of non-suburban railway travel, and the highest for air-conditioned accommodation. This increase is expected to bring in 190 million rupees in the remaining nine months of the current year.

The increase in goods freight rates is much lighter. The supplementary charge on freight rates, now levied at 3 per cent. is to be raised to 6 per cent. apart from some adjustments in the freight on coal for distances beyond 515 kilometres. The rates for "small" has been rationalized and the concession applicable to manganese and iron ores for exports adjusted slightly. This revision of freight rates is expected to bring in about 190 million rupees, which is only 3.7 per cent. of the total goods earnings at present rates.

The proposed budget estimates are given in the following table:-

(Please see table on the next page)

(In Million Rupees)			
	Approximates 1966-67.	Budget Estimate 1967-68	
		As Presented in March, 1967.	As now Proposed.
Gross Traffic Receipts.	7702.9	8260.00	8470.00 (B)
Ordinary Revenue Working Expenses.	5313.6	5532.1	5672.1 (C)
Appropriation to Depreciation Reserve Fund.	1000.0	990.0	1050.0 (D)
Appropriation to Pension Fund.	135.0	149.0	149.0
Net Miscellaneous Expenditure (including cost of Works charged to Revenue).	164.5	170.5	170.5
Total Expenses.	6613.1	6841.6	7041.6
Net Revenue.	1089.8	1418.4	1428.4
Dividend to General Revenues.	1328.6	1418.4	1415.6
Net Surplus (+)/ Deficit (-)	- 238.8(A)	-	+ 12.8

The estimate now presented of passenger earnings after revision stood at 2560 million rupees and of goods earnings at 5260 million rupees. Earnings from other coaching and sundries were expected to be 20 million rupees more. Gross traffic receipts for 1967-68 had been placed at 8470 million rupees in all.

The Minister also gave an account of what the Railways had done to enforce the strictest possible economy in expenditure and to increase earnings through more efficient service. He pointed out that staff costs constituted 63 per cent. of the ordinary working expenses, and materials and equipment accounted for the remaining 37 per cent. The Railways could exercise control only on the number of staff employed and the quantity of materials used. The level of wages and prices for materials, which depended on the general economic conditions in the country, were beyond their control.

The ban imposed in August last year on new recruitment would continue except where unavoidable. All over the Railways, there was a growing consciousness of the supreme need to keep strict control on increases in staff and expenditure, and earnest efforts were being made to achieve this objective.

There was strict control on expenditure on works also. In future investments priority would be given for schemes which would maximize returns from capital investments already made or which would quickly improve the Railways' earning capacity. Though steel prices had increased, expenditure on works and rolling stock was being kept at the March estimate of 3050 million rupees.

The Railway Minister assured the House that the economy measures would not be allowed to impair the efficiency of the railway system or its capacity to meet the future transport demands in full. In fact, in achieving economies the maximum emphasis would be on better and more efficient management and utilization of existing and future assets.

(The Statesman, 23 May, 1967).

34. Economic Planning, Control and Development.

India - May-June 1967.

Economic Survey for 1966-67 presented to Parliament on 24 May 1967: Measures to Check Inflation Outlined.

Shri Morarji Desai, Deputy Prime Minister and Finance Minister placed before Parliament on 24 May 1967 the Economic Survey for 1966-67. The Survey outlines the various budgetary and monetary correctives that were introduced during the year to combat the inflationary trend in the economy. But a major consideration in pursuing such a policy was that production was not hampered by a severe shortage of credit. The Survey calls for keeping in check public and private sector outlays in the present inflationary situation and tightening of credit controls.

At the same time, the Survey suggests, in order to combat recessionary tendencies in some sectors of the economy, "selective inducements for specific industries which merit attention within the overall constraint of budgetary resources and such savings as private industry can mobilize on its own."

"While investments whether in the public or the private sector have necessarily to be selective for the time being, it should be recognised that higher levels of demand might emerge soon when agricultural production is at higher levels as a result both of more normal weather conditions and the considerable effort being made to increase agricultural productivity."

It emphasizes that "suitable investment" in export industries, to take advantage of the change in the par value of the rupee, is a matter of urgent importance in order to improve the balance of payment position.

On the credit and monetary policy, the Survey says there has to be restraint on the overall pace of credit expansion, particularly on credit for speculative and less essential purposes.

"At the same time, it has to be recognised that the price rise increases the genuine requirements of credit for productive purposes. It is partly in recognition of this that the Government is endeavouring to appropriate a smaller part of the permissible limit of credit expansion in the economy for its own purposes."

The Survey points out that continued vigilance will be required on the expansion of credit through the banking system both by the Government and the private sector if the policy of bringing about a reasonable stability of prices consistent with the growth of output is to succeed. An expansion of bank credit to the private sector on a scale significantly in excess of the growth of output has clearly to be avoided.

On the industrial depression, the Survey says selective attempts to stimulate demand cannot be made through credit expansion in a situation of acute food shortage. Selective inducements for specific industries have to be considered within the overall constraint of budgetary resources and mobilization of savings by private industry. The prospect of applying selective measures with success depends a great deal on the expectations in regard to agricultural production and incomes in the near future.

Acknowledging that internal demand for investment is depressed and that there are limits to a policy of selective stimulus, the Survey says production levels can be sustained by diversification and the building of export markets. The import policy must be geared to meeting specific supply shortages, to some extent, despite the difficult payments position. With all these efforts, it might not be possible to avoid under-utilization of capacity for some time at least in some industries.

Notwithstanding the "highly complex and difficult situation" at present, the Survey adds, the tempo of development should be resumed "as soon as possible".

The Survey points out that the public sector, private industry and financial institutions "will all have to combine to exercise considerable restraint in the matter of starting new projects for the present with sustained effort to prepare for higher levels of investment activity in carefully selected areas as soon as circumstances become more propitious than at present."

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On the balance of payments position, the Survey says the adverse agricultural situation led to severe strain on the balance of payments during 1966-67 with a sharp decline in foreign exchange reserves. India's indebtedness to the International Monetary Fund increased by \$130 million. Export earnings were largely utilized for food imports, freight charges on PL 480 supplies and raw jute imports. Debts servicing charges were also markedly higher in 1966-67 - \$ 374 million as against \$ 315 million in 1965-66.

Lower Imports.- ~~On the balance~~ Except for food fertilizers and selected agricultural raw materials, the year under review witnessed a sizable reduction in imports. Imports of iron and steel declined by 46 per cent., of machinery by 20 per cent. and of non-ferrous metals by 51 per cent. "This is a reflection both of the severe restrictions on imports that had to be imposed in 1965-66 and of the slackening in tempo of development necessitated by the concern with inflation."

Exports of jute goods and cotton textiles suffered due to shortages of raw materials. Vegetable oil exports were negligible and tobacco exports were also affected by adverse weather conditions. World demand for major Indian exports like tea slackened. There was a step-up of exports of steel and a number of manufactured products but in the aggregate, export earnings in terms of foreign exchange were "significantly lower" in 1966-67 than in the previous year.

Reviewing the budgetary and monetary trends during the year, the Survey says the total Reserve Bank credit to Central and State Governments was 1950 million rupees which was "substantially lower" than in the previous year (4040 million rupees) in spite of larger outlays on relief measures and on Dearness Allowance.

Reserve Bank credit to the Central Government alone was 3330 million rupees, but a large part of this indebtedness was incurred, however, for reducing the indebtedness of the State Governments to the Reserve Bank.

The reduced reliance on Reserve Bank credit by the Government was an important move towards the objective of avoiding the inflationary impact of public expenditures. The extent of the Centre's budgetary deficit was, however, considerably larger than had been visualized when Budget estimates were framed; and while a degree of deficit financing was unavoidable in the context of the economic situation last year, there is clearly need for strenuous efforts to improve the budgetary position of both the Central and State Governments.

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During 1966-67, overdrafts amounting to 1080 million rupees of the State Governments with the Reserve Bank had been cleared by the Government of India; and discussions were held with the State Governments with a view to avoiding the recurrence of such overdrafts. The Reserve Bank has adopted a new procedure whereby the State Governments, while having greater flexibility in regsrđ to their ways and means position will not be able to resort to unauthorized overdrafts for any length of time.

(The Statesman, 25 May 1967).

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Council of Scientific and Industrial
Research Survey: Imbalance in
Deployment of Scientists Reported.

According to a Survey conducted by the Research Survey and Planning Organisation of the Council of Scientific and Industrial Research, there exist imbalances in the deployment of nearly 100,000 research scientists in the country. Two vital fields of scientific activity - mathematics and technology concerning electric lamps, electric traction and thermo-electricity - appear to be receiving little attention. Of the 8,000 research papers released in 1965 only 223 were in mathematics and none in the other field.

"In view of the continued importance of technology and materials for electric lamps, large investments by the Indian railways in electrification of railway track and the possible utilization of solar energy, research and development in these fields are very important", says the study.

Papers on engineering and technology are few though the need for research work in these spheres is great.

The study also points out several defects in the organisation of scientists. It deplores the continuing trend to publish "single author" papers. In advanced countries these are discouraged and may become "extinct" by 1980.

There is a conspicuous lack of inter-disciplinary approach in preparing papers. Normally research divisions or departments hesitate to employ scientists from other disciplines. Inter-disciplinary approach to research is an essential part of technological progress, says the study.

There is also need to arrange fuller utilization of costly equipment by bringing together scientists working in the same field in different parts of the country. India cannot afford high-priced equipment for individual researchers, it says.

For the optimum utilization of research facilities it is necessary to group together the smaller research units into bigger ones.

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The annual investment on scientific research in India increased from 57.5 million rupees in 1951 to 260 million rupees in 1959 and to 840 million rupees in 1966, the study adds.

(The Statesman, 9 May 1967).

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Kerala: Aid Offered to Industrialists
to Start Industries.

A wide-ranging offer of help, assistance and encouragement has been made by the Kerala Government to entrepreneurs to set up industries in the State. In the State of Kerala the Government has been formed by the United Front of Left Party composed of various communist parties.

These include insurance of industrial units against loss of production due to power cut (if ever power cut occurs), a rebate in electricity duty for power intensive industries as also for industries started outside the existing principal industrial belts, preparation and supply of projects reports on medium and small-scale industries free of cost, 75 per cent. State contribution towards cost of preparation of feasibility studies on major projects and land on easy instalment payment basis.

Inviting intending industrialists both inside and outside the State to come forward and establish industries in Kerala, a Policy Statement issued by Industries Minister, Shri T.V. Thomas, assures industrialists that the State is conscious of the necessity of fostering industrial peace and avoiding strikes and lockouts. Government, while upholding the legitimate claims of labour for a share of the wealth produced by them, wishes to stress the importance of discipline and the supreme need for the maintenance of high productivity standards. At the same time workers will be protected from "unfair labour practices on the part of the employers". The State will favour recognition to trade unions having constitutions containing adequate provisions for maintaining industrial peace. It will encourage mutual negotiations at all levels to eliminate every cause of friction between labour and management. Steps will be taken to discourage multiplicity of trade unions.

The Kerala Government, the statement says will press for assistance from the Central Government for giving positive preference in the matter of industrial licences issued by assuring Kerala a certain minimum number of industrial licences issued every year and by giving preference in the matter of re-licensing those industries for which licences first granted be developed for this purpose into a top-quality technical and management consultancy service for medium industries.

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For small-scale industries a technical assistance cell will be set up at the Directorate and advance and assistance made available at the district level. The State will contribute 75 per cent. of the cost of preparation of feasibility studies and major projects done through an approved agency. Such studies will remain the property of the State Government. If a particular project is implemented within a reasonable period in the State the full cost of the study will be converted as Government's contribution towards share capital of the project.

In the case of large industries Government will assist in obtaining from the Government of India licence and necessary approvals and clearance for import of capital goods and procurement of raw materials. They will also help in choosing proper sites for the industry and in securing land by acquisition at the cost of the industry. Land acquisition cost will be covered from the industry only in easy instalments. The industrial sites will be so chosen that in each district an industrial belt is formed. Ultimately the effort will be to extend industrialisation to every taluk.

The statement announced that the Government proposes to constitute a Small-scale Industries Board to advise Government on matters relating to the development of small-scale industries. Government will endeavour to secure maximum assistance from the National Small Industries Corporation and the Central Small Industries Organisation.

(The Hindu, 13 May, 1967).

36. Wages.

India - May-June 1967.

Madras: Minimum Rates of Wages Fixed for
Employment in Snuff Manufactory.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Madras has, with effect from 1 July 1967, fixed the following minimum rates of wages for employment in snuff manufactory.

Employment in the Snuff Manufactory:

<u>Class of Work.</u>	<u>Minimum rates of wages.</u>	
	<u>Rs.</u>	<u>P.</u>
1. For converting 1 kilo of tobacco into snuff.	0	82
2. For cutting 1 kilo of tobacco.	0	05
3. For stripping 1 kilo of tobacco.	0	10
4. For roasting 1 kilo of tobacco.	0	26
5. For grinding and mixing 1 kilo of tobacco.	0	41

Provided the daily minimum wages payable under this employment shall not be less than Rs.3.45 P.

Provided further that when any category of worker is actually in receipt of higher rates of wages than the statutory minimum rates of wages, notified above, he shall continue to get the benefit of the higher rates of wages.

Provided also that when tobacco is ground by charges paid to the machine owners for grinding may be deducted and the workers should be paid the cost of mixing that is from the all-inclusive rate of 41 Paise for grinding and mixing one kilogram of tobacco, the charges for grinding paid to the machine owners should be deducted.

(GO. Ms.No.2068, Industries, Labour and Housing (Labour) dated 26 June 1967, Fort St. George Gazette, Part II, Sec.1, 28 June 1967, pp. 1225-1226).

Madras: Minimum Wages Act, 1948, extended
to Employment in Gold Ornaments Manufactory.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Madras has by a notification dated 5 May 1967 has added "employment in gold ornaments manufactory" to Part I of the Schedule to the said Act.

(G.O. Ms. No.1497, Industries, Labour
and Housing, dated 5 May 1967,
Fort St. George Gazette, Part II, Sec.1,
28 June, 67, page 1202).

Kerala: Revised Minimum Rates of Wages Fixed
For Employment in Match Industry.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Kerala has revised the rates of minimum wages payable to employees employed in the match industry as specified below and has fixed 1 May 1967 as the date from which the rates shall come into force.

<u>Category</u>	<u>Wage rate and work load.</u>
A. <u>Piece Rate:</u>	
1. <u>Cross cutting.</u>	Rs.3.35 per metric ton. The work load for a team of two persons is fixed as two metric tons per day.
2. <u>Splints and Tray setting.</u>	The work load is fixed at 30 trays per worker for a day. For the first 18 days the worker should be paid at the rate of 4½ paise per tray and at the rate of 5 paise per tray above 18 trays (Tray 1.524 Metres x 139.70 Millimetres).
3. <u>Veneers Tray arranging (inner).</u>	The normal workload for a day is 14 trays. The rate per inner tray is 9½ paise (Tray 1.524 Metres x 139.70 Millimetres).
4. <u>Veneers Tray arranging (outer).</u>	The normal workload is 18 outer trays of 1.524 Metres x 139.70 Millimetres. The rate is 7½ paise per tray.
5. <u>Veneers(bundling inner).</u>	The normal workload is fixed as 450 bundles. The rate is 29½ paise per 100 bundles.
6. <u>Veneers(bundling outer).</u>	The normal workload is 450 bundles. The rate is 34½ paise per 100 bundles. One bundle consists of one gross of outer boxes.
7. <u>Bottom piece bundling.</u>	The normal workload is fixed at 350 bundles. The worker should be paid at the rate of 24½ paise per 100 bundles (One bundle-one gross).

(Table continued on next page)

(Table Continued):-

<u>Category</u>	<u>Wage Rate and Work Load.</u>
<u>B. Time Rate:</u>	
1. Checker.	Rs.1.85 per day.
2. Peeling operator (Splint and Veneers).	Rs.3.06 per day. Workload is 2 Metric tons.
3. Chopping operator (Splint and Veneers).	Rs.2.80 per day. Workload is 2 Metric tons per day.
4. Veneer cutter (inner and outer Veneers).	Rs.2.80 per day. Workload is between 3,000 and 4,000 gross inner and outer veneers per day.
5. Peeling helpers:	
Men.	Rs.1.85 per day.
Women.	Rs.1.30 per day.
6. Boiler operator.	Rs.3.06 per day.
7. Dying Chamber Attender.	Rs.1.85 per day.
8. Black Smith.	Rs.3.65 per day.
9. Grinder.	Rs.2.80 per day.
10. Foreman.	Rs.122.50 per month.
11. General and Miscellaneous Workers:	
Men.	Rs.1.85 per day.
Women.	Rs.1.30 per day.

C. Dearness Allowance:- The above wages are fixed in relation to an average index number of 550 in the consumer price index Numbers. All workers shall be paid in addition to the above wages a dearness allowance calculated at the rate of 1 paise per day for every 5 full points in the latest published consumer price index numbers of the District head quarters in the State in excess of 550. In case of monthly rated workers the rate shall be 25 paise per month for every 5 full points on the consumer price index numbers in excess of 550. In the case of Malabar area, the consumer price index figures published for Kozhikode may be taken for the purpose.

The adjustment of Dearness Allowance to changes in the consumer price Index numbers shall be made once in every six months beginning from 1 January, and 1 July every year based on the average of the index number for the respective District headquarters for the preceding six months. The rate so arrived at shall remain constant for the whole period of 6 months.

In case where the workers in any area are actually in receipt of higher wages than the minimum wages fixed, they shall continue to get the benefit of higher wages.

Petroleum Workers to get Higher Wages:
Agreement Concluded with Indian Oil
Corporation.

According to a three-year national settlement signed on 30 May 1967 at Baroda between the National Federation of the Petroleum Workers and the Indian Oil Corporation, workers employed at Gauhati and Gujarat refineries will be benefited by 20 per cent. increase in their basic salary. A similar agreement would be signed for workers of Barauni refinery in Bihar.

More than 5,000 workers of the three public sector refineries will be covered under the agreement. The new pay scales and dearness allowance ~~had also been~~ would be paid with restrospective effect from 1 April 1966. Shift allowance had also been newly introduced and would be paid at the rate of 50 paise per day to the workers in all three shifts. A gratuity scheme had also been introduced for the first time and the benefit would be paid at the rate of 15 days total emoluments inclusive of dearness allowance per year of service.

(The Hindustan Times, 2 June 1967).

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AIR-INDIA Pilots to get more allowances
from 1 July 1967: Award Announced by
Central Industrial Tribunal, Bombay.

The Central Industrial Tribunal at Bombay, presided over by Salim M. Merchant, in its award given on 5 July 1967, on the dispute between Air-India and the Pilots' Guild, has held that Part II of the award of the National Industrial Tribunal headed by Mr. G.D. Khosla, should be implemented by Air-India from 1 July 1967, in respect of allowances.

The Air-India pilots struck work on 27 June 1967 for redress of their grievances but resumed work on 30 June 1967. Dr. Karan Singh, Union Minister of Transport, announced in the Lok Sabha on 29 June 1967, his decision to set up a job evaluation committee to lay down a scientific basis for future agreements with aviators.

Part II of the Khosla Award related to the parity or near parity in the wage structure of pilots of Indian Airlines and Air-India.

Mr. Merchant was satisfied that the demand of the pilots for the implementation of Part II of the Award of Mr. Justice Khosla from the date the Award became enforceable was not justified. He was also, on the other hand satisfied that the refusal of the management of Air-India to grant the same till 28 August 1968 when the agreement of ~~the~~ July 26, 1965 would expire was not justified. He, therefore, awarded that the date from which Part II of the Khosla Award was to be implemented should be 1 July 1967.

Air India Pilots who were already getting Rs.200 more than Indian Airlines Corporation pilots, after the acceptance of the award by Government will receive about Rs.400 more than the salaries received by Indian Airlines Pilots.

(The Statesman, 6 July 1967).

39. International Economic Relations.

India - May-June 1967.

Rs.90 Million Loan given by United States
of America for Science Education.

Under an agreement signed at New Delhi on 2 June 1967, the United States of America has provided a loan of \$12 million (90 million Rupees) to assist Indian education. The loan, which will be used principally to support the science and technology education improvement programme, will provide laboratory equipment, books, films, projectors and other educational supplies required by teachers of secondary schools, polytechnics and colleges in science, mathematics, engineering and technology.

With this loan, the Government of India plans to implement an expanded follow-up programme to ensure that the new teaching methods developed in the Summer Science Institutes are applied at school and college level.

(The Hindustan Times, 3 June 1967).

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UNICEF Assistance for Science Teaching.

A five year operational plan of a joint *expanding* project for reorganising and/science teaching in Indian Schools was signed at New Delhi on 17 April 1967, with a \$1,182,000 commitment from the United Nations International Children's Emergency Fund (UNICEF) for the first two years. It provides for technical advice and guidance by the United Nations Educational, Scientific and Cultural Organisation (UNESCO). The health and nutritional ~~aspects~~ aspects of the project will be taken care of by the World Health Organisation (WHO) and the Food and Agriculture Organisation (FAO).

Among the main features of the scheme, which will form an integral part of the fourth five-year educational Plan, are the preparation of improved syllabi and instructional materials, improving the training programmes and training of key personnel in modern techniques and content of science and providing necessary laboratory facilities.

(The Hindustan Times, 18 April 1967).

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

INDIA - MAY-JUNE 1967.

41. Agriculture.

Kerala Stay of Eviction Proceedings Bill,
1967.

The Government of Kerala published on 21 June 1967 the text of the Kerala Stay of Eviction Proceedings Bill, 1967, proposed to be introduced in the Legislative Assembly of the State. The Statement of Objects and Reasons of the Bill points out that the Kerala Land Reforms Act, 1963, allowed the right of resumption of holding for certain specified purposes like personal cultivation, and construction of residential building for landlord. This has affected the interests of the tenants detrimentally. It was, therefore, considered necessary to suspend and stay all resumption proceedings and proceedings for eviction of tenants and kudikidappukars.

The Kerala Land Reforms Act also granted concession for payment of arrears of rent to be availed within a specified period. Accordingly, all arrears accrued due till 1 April, 1964, were to be discharged within six months from that date, failing which the tenants were liable to pay the entire arrears for the period to which such arrears relate. This period expired on 30 September, 1964. Many tenants were not able to avail themselves of these benefits and suits for arrears of rent for periods ranging from ten to fifteen years have been filed against such tenants causing them great hardship. With a view to mitigating the hardships to tenants, it was considered necessary to stay all suits and proceedings for recovery of arrears of rent accrued due before the 1 April, 1964 and to grant time for payment of arrears accrued due on or after that date.

Certain amendments to the Kerala Land Reforms Act, 1963, were also considered necessary.

Since the Legislative Assembly was not in session, the Kerala Stay of Eviction Proceedings Ordinance, 1967 (4 of 1967), was promulgated by the Governor on 19 May 1967, to achieve the above objects. The Bill seeks to replace the Ordinance by an Act of the Legislature.

The Ordinance provides for the stay of eviction of tenants and kudikidappukuran (hutment dwellers). It also stays all suits and other proceedings pending in courts or land tribunals for recovery of arrears of rent accrued due before 1 April, 1964.

It amends the Kerala Land Reforms Act of 1963 to provide that in no case the "fair rent" exceeds the "contract" rent and to provide certain additional benefits to "kudikidappukars".

The ordinance further provides that no suit or application or other proceedings, for the recovery of arrears of rent accrued due on or after 1 April, 1964, and outstanding at the commencement of the ordinance shall lie in any court or land tribunal if the tenant or kudikidappukuran pays such arrears with interest thereon in three equal instalments. The first instalment should be paid, or deposited in court for payment, to the landlord within six months, from the commencement of the ordinance, the second instalment within 12 months and the third instalment within 18 months.

(Kerala Gazette, Extraordinary,
21 June 1967, pp. 1-5;
The Statesman, 22 May 1967).

State Irrigation and Power Ministers'
Conference, New Delhi, 14 May 1967:
Formation of an All-India Irrigation
Commission suggested.

A Conference of State Irrigation and Power Ministers' was held at New Delhi on 14 May 1967. Dr. K.L. Rao, Union Irrigation and Power Minister presided. Among others the Union Food Minister, Shri Jagjivan Ram addressed the Conference.

The Conference, inter alia, recommended the formation of an All-India Irrigation Commission to review the impact of irrigation on the country's development and to determine its place in planning for future.

A resolution adopted at the two-day Conference said that water being the most important input for agriculture, irrigation projects should be speeded up in spite of the tight resources position. Projects in an advanced stage which can be completed within two or three years should be given the highest priority, it added. The Conference also felt that new schemes for irrigation should be started in States with a low percentage of irrigated land. They include Madhya Pradesh, Maharashtra, Mysore and Gujarat. Asked about Bihar, Dr. Rao explained that once the schemes in hand in the State are completed it would have adequate irrigation.

The Ministers also urged the Centre to assist the major projects outside the State plans as all the money needed to hasten their completion could not be included in the annual plans of the States.

(The Statesman, 14 May 1967).

24

Labour Ministry's Plan to Improve
Agricultural Labour: Rural Works
Programme and Scientific Agriculture
Recommended.

According to recommendations made by the Ministry of Labour and Employment for improving the conditions of agricultural labour, the permanent solution to the problem of unemployment and underemployment in rural areas lies in the universal adoption of scientific agriculture and diversification and strengthening of the rural economic structure.

While the rural economy is being built up and its employment potential is augmented on a permanent basis over a period of years, as an immediate measure the five-year plans envisaged rural works programmes for providing employment to unskilled agricultural labour in areas exposed to high incidence of unemployment and under-employment during the slack season.

Under the programme, employment was to be found for 100 days in a year in the slack season for ~~one~~ 100,000 persons in the second year, about 1 million in the third year and 2.5 million in the last year of the plan.

The programme covers 992 community development blocks. The employment generated under the programme rose from 1.9 millions man-days in the first year of the plan period to 2.224 million mandays in 1964-65.

During the last year of the third plan the employment generated was in the neighbourhood of 34.7 million man-days. The expenditure on the rural workers programme for the Third Plan period is about 190 million rupees resulting in the creation of about 83.5 million man-days of employment.

Community Assets.— The main emphasis of the programme is on creation of community assets through labour — intensive community works. Accordingly, schemes such as soil conservation, minor irrigation, construction of market, roads, etc., have been permitted under the programme.

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During the Third Five-Year Plan period, says the Ministry, 243 employment information assistance bureaux have been established in the selected community development blocks with a view to bringing the employment service nearer home to the persons living in rural areas and providing a link between the employment exchanges at district headquarters and employment seekers residing in rural areas. These bureaux assist in registration and renewal of registration of persons living in rural areas, arrange for bulk requirement, report to district exchange shortages of manpower in the block and keep the ~~informed about the~~ members of the block informed about the employment situation. They also carry out employment surveys in blocks where rural works programme are in progress.

Housing Projects.— The Ministry says that under the village housing projects scheme introduced by the Ministry of Works, Housing and Urban Development, landless agricultural workers receive house-sites for construction of houses. Financial assistance under this scheme is given in the shape of loans and grants to the State Governments by the Centre, loans for construction and improvement of houses and grants for providing house sites for landless agricultural workers and for laying of drains in selected villages.

For resettlement of landless agricultural workers on available Government waste land and surplus lands above the ceiling limits, a target of resettling ~~seven~~ 700,000 families on 5 million acres of land during the Third Plan was proposed.

For locating waste lands, surveys were undertaken by the Centre and the State Governments from grants by the Centre. So far 2.6 million acres have been located for reclamation and resettlement and more area is likely to be available as survey progress.

42. Co-operation.

India - May-June 1967.

Annual Report of the Department of Cooperation for 1966-67 published*.

According to the annual report of the Department of Cooperation for the year 1966-67, there has been a substantial increase in the provision of agricultural credit through cooperatives. At the beginning of the Third Plan the total short and medium-term credit disbursed was 2030 million rupees. This increased to about 3450 million rupees in the last year of the Third Plan ending in June 1966. During the same period, membership of the societies increased from 17 millions to 27 millions and the coverage of rural population increased from 24 per cent. to 33 per cent. Emphasis on the implementation of the production-oriented system of crop loan and the strengthening of the resources of the cooperatives was the keynote of the programme during the year under review.

Significant progress was registered in the field of marketing and processing of agricultural produce by cooperatives. The value of agricultural produce marketed during 1965-66 was 3600 million rupees as against 3010 million rupees in the preceding year. Fiftytwo cooperative sugar factories which were in production during the 1965-66 season accounted for 26.9 per cent. of the national production of sugar. A promising start was made in external trade with cooperatives exporting agricultural produce of the value of 9.6 million rupees. In the field of rural supplies, the progress made by cooperatives during 1965-66 was satisfactory. They distributed consumer articles of the value of 1940 million rupees during 1965-66 as against 1010 million rupees during the preceding year. The supply of agricultural inputs by cooperatives has also registered an increase from 1040 million rupees to 1200 million rupees.

* Report 1966-67, Department of Cooperation:
Ministry of Food, Agriculture, Community
Development and Cooperation, Government of India,
1967, pp.51.

Urban consumer cooperative stores established under the Centrally Sponsored Scheme recorded significant progress during the current year. In the wake of devaluation, the programme was accelerated to open more selling points and strengthening the existing structure so that essential consumer goods could be made available at fair prices. During the year, 80 new wholesale stores ~~in the~~ with a net work of about 1,000 primaries/branches and 25 department stores in the metropolitan and big towns were functioning. The sales turn-over of the stores under this scheme during the year 1966 amounted to 1600 million rupees as against 1250 million rupees in the last year. The daily sales turn-over of the department stores exceeded 0.5 million rupees.

The recommendations made by the Committee of Direction on Cooperative Farming under the Chairmanship of Professor D.R. Gadgil led to important policy decisions regarding the approach to the development of cooperative farming societies during the Fourth Plan and revised patterns of financial assistance to be provided for the different items of the programme. The report gives a review of the programme and the broad approach to future ~~prog~~ development.

The National Cooperative Union of India and the Committee for Cooperative Training continued to be in overall charge of programmes of cooperative education and training in the country. Details of the courses conducted and the personnel trained are given in the report. A decision was taken to establish an Apex Institute of Cooperative Training. As a preliminary step the Central Institute of Management for Consumer Business was merged with the National Cooperative College and Research Institute, Poona.

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CHAPTER 5. WORKING CONDITIONS AND LIVING
STANDARDS.

INDIA - MAY-JUNE 1967.

50. General.

Working of the Plantations Labour Act, 1951
during the Year 1965*.

The object of the Plantations Labour Act, 1951 is to provide for the welfare of labour and to regulate the conditions of work in plantation. The following is a brief review of the working of the Act during the year 1965, which has appeared in May 1967 issue of the Indian Labour Journal.

Employment.— The total number of estates/ plantations covered by the Plantations Labour Act, 1951, number of estates submitting returns and average daily labour employed in various States/Territories during 1965 are given below:—

State/Union Territory.	No. of estates/ plantations.	No. of Estates/ Plantations submitting returns.	Average Daily labour employed.
Assam.	674	588	408,473
Bihar.	13	12	424
Kerala.	402	N.A.	200,000*
Madras.	284	267	69,767
Mysore.	638	157	5,352
Punjab.	20	20	1,336
Uttar Pradesh.	17**	12	1,455
West Bengal.	273	246	168,649
Himachal Pradesh.	1	1	54
Tripura.	45***	23	3,426

*Approximate number of workers employed.

** Number of working tea plantations at the end of the year was 12.

*** In all there are 57 tea estates out of which only 45 are
are covered under the Plantations Labour Act.

N.A.— Not Available.

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Hours of Employment.— The Plantations Labour Act, 1951 has fixed the maximum weekly hours of work for adults at 54 and for adolescents and children at 40. It has also prescribed the daily hours of work, their spread over and the time for rest intervals. The available information shows that normal weekly hours of work in Bihar were 42 for daily-rated workers and 18 to 24 for workers employed under the contract system as there was insufficient work available to them. In Kerala, Madras and Mysore, the maximum weekly hours of work were 54 for adults and 40 for adolescents and children. In Punjab, the weekly hours of work were between 45 to 48 hours. In Uttar Pradesh, the normal weekly hours of work were 48 for adults and 40 for adolescents and children. In Himachal Pradesh, the normal working hours per week were 48 for adults and 24 for children. In Tripura, the normal weekly hours of work were 48 but usually plantation workers did not work for more than 36 hours.

Leave with Wages.— The Act provides for the grant of leave with wages at the rate of one day for every 20 days worked for adults and one day for every 15 days worked for young persons. The number of persons who were granted leave with wages during the year was 419,896 in Assam, 67,675 in Madras, 1,649 in Uttar Pradesh and 193,065 in West Bengal.

Health.— The important provisions of the Act in respect of health relate to (i) supply of drinking water, (ii) arrangements for conservancy and (iii) provision of medical facilities. The extent to which these facilities were available to the workers in different States during the year was described in the Review.

Enforcement.— In Assam, 472 plantations were inspected by the field staff. In Bihar, all the plantations were inspected by the inspectors and concerned. In Kerala, 1,552 inspections were conducted and 9 prosecutions were launched during the year. There was a carry-over of 10 prosecutions from the last year. Of these 19 prosecutions, 11 were disposed of and 8 remained pending at the end of the year. In Madras, the inspectors appointed under the Act inspected 7 plantations thrice, 221 plantations twice and 56 plantations once during the year. In Punjab, 63 inspections were conducted, 6 prosecutions were launched and 4 convictions were obtained. In Uttar Pradesh, 74 inspections were carried out to enforce the statutory provisions of the Act and 3 prosecutions were launched. The Inspector also made 59 inspections in order to check whether the provisions of Payment of Wages Act, 1936, were complied with properly. In West Bengal, 358 inspections were carried out and 11 prosecutions were launched during the year under review.

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Madhya Pradesh Shops and Establishments
(Amendment) Bill, 1967.

The Government of Madhya Pradesh published on 28 June 1967 the text of the Madhya Pradesh Shops and Establishments (Amendment) Bill, 1967, proposed to be introduced in the Legislative Assembly of the State.

The Statement of Objects and Reasons of the Bill points out that during the working of the Madhya Pradesh Shops and Establishments Act, 1958 certain practical difficulties were experienced. It is, accordingly, proposed to amend the said Act for the purposes enumerated below:-

(i) for enlarging the scope of definition of the "commercial establishments" so as to include societies which carry on business whether for gain or not;

(ii) for making provision for the supply of identity cards by the employers of residential hotels, theatres, etc., to their employees;

(iii) for fixing working hours for women and reducing working hours of young persons.

For the purposes aforesaid, the Madhya Pradesh Shops and Employments (Amendment) Bill, 1963 (4 of 1963), was previously introduced in the Vidhan Sabha and referred to the Select Committee. After the Select Committee had made its report, the Bill as amended by the Select Committee was placed before the House, but further action on the Bill was not possible after the 26th January 1965, as the language of the Bill was in English and under Article 210 of the Constitution, as it stood on and from that date, the business of the Vidhan Sabha could only be transacted in Hindi. Accordingly, it is now proposed to introduce the Bill in Hindi, incorporating the modifications suggested by the Select Committee.

Opportunity has also been taken to remove certain other ambiguities and difficulties experienced during the its working. Hence the Bill.

Abrief summary of the more important amendments to the Act of 1958 is given below.

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Hours of Work.— For the existing sub-section(1) of sec.11 of the Act a new sub-section is to be substituted providing that :

(a) no employee in any shop or commercial establishment shall be required or allowed to work for more than 48 hours in a week.

(b) Subject to clause (a) no employee shall be required to work:—

(i) in any shop, for more than nine hours on any day;

(ii) in any commercial establishment, for more than ten hours on any day.

Deductions.— For the existing sub-sec.(4) of sec.13 a new sub-section is to be substituted to provide that :

no deduction shall be made from the wages of any employee in a shop or commercial establishment on account of any day on which it has remained closed under this section. If any employee is employed on a daily wage he shall none the less be paid wages for the weekly holiday equal to the average of the daily wages earned by him during the preceding six working days. If any employee is paid a piece rated wage, he shall nonetheless be paid his wage for the day on which the shop or commercial establishment remains closed at a rate equivalent to the daily average of his wages for the days on which he has actually worked during the six days preceding such closed day, exclusive of any earning in respect of over time:

Provided that nothing in this sub-section shall apply to any person whose total period of continuous employment is less than six days.

Identity Cards.— A new section 18A is to be added to the Act providing that the employer shall furnish every employee in a residential hotel, restaurant or eating house an identity card which shall be kept by the employee when on duty and shall be produced on demand by an Inspector. Such card shall contain the following and such other particulars as may be prescribed, namely:—

- (a) the name of the employer;
- (b) the name if any, and the postal address, of the establishment;
- (c) the name and age of the employee;
- (d) the hours of work, the interval for rest, if any, and the holiday of the employee;
- (e) the signature(with date) of the employer;
- (f) the identity card mark of an employee; and
- ~~(g) the signature of thumb impression of the~~

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(g) signature or thumb impression of the employee.

A similar provision is made in the new section 23A providing for the issue of identity cards to employees in theatres or other places of public amusement or entertainment.

Employment of Children, Young Persons and Women.- For the existing chapter VI of the Act dealing with employment of children, young persons and women, a new chapter is to be added.

Sec.24 provides that no child shall be required or allowed to work whether as an employee or otherwise in any establishment, notwithstanding that such child is a member of the family of the employer. Provision is made for the prohibition of night work of young persons and women in any establishment (before 7 a.m. and after 9 p.m.). The daily hours of work of young persons in any establishment is limited to five hours in any day. No young persons or woman working in any establishment, whether as an employee or otherwise, shall be required or allowed to perform such work as may be declared by the State Government, by notification, to be work involving danger to life, health or morals.

Other provisions of the Bill relate inter alia to enhanced penalty in certain cases after previous conviction, summary disposal of cases, etc.

(Madhya Pradesh Gazette, Extraordinary,
28 June 1967, pp. 1852-1860).

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

India - May-June 1967.

Annual Report on the activities financed
from the Coal Mines Labour Welfare Fund
during the Year 1965-66.

The Ministry of Labour, Employment and Rehabilitation published on 27 May 1967 the annual report on the activities financed from out of the General Welfare Account of the Coal Mines Labour Housing and General Welfare Fund for the year 1965-66. A brief summary of the report is given below.

Medical Facilities: (a) Hospitals.— The two Central Hospitals (one each at Dhanbad and Asansol) ~~fields and one~~ and the eight Regional Hospitals (two each at the Jharia and Hazaribagh Coalfields and one each at Raniganj, Pench Valley, Vindhya Pradesh and Korea Coalfields) continued to function. The construction of the Regional Hospital at Bhuli was completed during December 1964. Regional Hospitals at Bagmara (Jharia Coalfield) and Ramagundam (Andhra Pradesh Coalfield) were under construction. Work in connection with the expansion of Regional Hospitals at Katras (Jharia Coalfield) from 30 to 50 beds reached roof level. Work relating to the expansion of the Regional Hospital at Jamal (Pench Valley Coalfields) from 30 to 50 beds was completed. In order to meet the increasing demand for medical facilities in the Central Hospitals at Dhanbad and Asansol, sanction for increasing the bed strength from 250 to 300 was accorded and work on the expansion of the two Central Hospitals was in progress. During the first three quarters of the year, the total number of new cases of in-patients and out-patients treated at the two Central Hospitals was 19,113 and 69,963, respectively and at the Regional Hospitals 8,891 and 29,633 respectively. The foundation stone of another Central Hospital with one hundred general and 50 T.B. beds at Manendragarh in the Korea Coalfield in Madhya Pradesh, was laid on ~~22~~ 22 December, 1965 by the Union Minister for Labour and Employment.

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Possession of the requisite land was obtained and necessary formalities for putting the work to tender were under way. There was also a proposal for provision of similar Central Hospitals in Pench Valley and Ramgarh-Karanpura Coalfields.

(b) Allopathic Dispensaries.— The two dispensaries at Bhuli and Mugma treated 32,066 patients during the year. Steps to start a dispensary at Bhara in the Raniganj Coalfield (West Bengal) in rented accommodation were being taken.

Colliery owners maintaining dispensaries of the prescribed standards were given grants amounting to Rs.1,332,981.20 Paise.

(c) Ayurvedic Dispensaries.— Twenty three Ayurvedic Dispensaries were run by the Organisation in the various Coalfields. The number of new patients treated at these dispensaries during the period under review was 121,145. For the manufacture of medicines required for distribution to the Ayurvedic Dispensaries, the Ayurvedic Pharmacy continued to function at Patherdih in the Jharia Coalfield.

(d) Family Welfare Centres and Maternity and Child Welfare Centres.— The family Welfare Centres attached to each of the Regional Hospitals continued to function. Besides, 8 such centres already established by the Fund in the various Coalfields were also functioning as independent units each under the charge of a qualified health visitor. Similarly 53 Maternity and Child Welfare Centres were being run by the Asansol/Jharia/Hazaribagh Mines Boards of Health for which the Fund continued to pay grants-in-aid towards their maintenance.

(e) Other Medical Facilities: (i) Anti-T.B. Measures.— Two 100 bedded T.B. Wings of the Central Hospitals at Dhanbad and Asansol started functioning. The 50 bedded T.B. Hospital at Asansol and the 12 bedded T.B. Clinic at Katras continued to function. Besides, 86 beds had also been reserved in various sanatoria for the benefit of such patients.

The Domiciliary T.B. Treatment scheme as well as the scheme for payment of subsistence allowance to dependents of T.B. patients were continued.

(ii) Leprosy Relief.— The number of beds provided by the Fund in the three leprosy hospitals remained the same, at 54.

(iii) Relief for victims of Cancer.— The arrangements for the treatment of Cancer patients at the Patna Medical College Hospital were continued. The number of cases attended to at the Deep X-Ray Therapy department of the Central Hospital, Asansol was 2150.

(iv) Rehabilitation.— A Rehabilitation-cum-Physiotherapy Centre attached to both the Central Hospitals continued to function. A total of 27,790 patients were treated during the year.

(v) Family Planning.— Due importance to the provision of family counselling service in the coalfields continued to be given by the Organisation. All the Medical Institutions as well as the family Welfare Centres of the Fund have a family planning clinic attached to them. The Scheme of cash payment to those who underwent sterilization operations was continued.

(vi) Others.— Other important activities of the Fund were: Establishment of Blood Banks at the Central Hospitals at Dhanbad and Asansol, establishment of Health Promotion Centres, maintaining maintenance of ambulance vans, supply of spectacles, dentures, etc. Malaria Control Operations and Anti-Filaria Measures were the other important activities of the Fund.

(f) Educational and Recreational Activities.— Some relevant statistics of the existing activities are given below:—

Miners' Institutes	57	
Welfare Centres for Women	60) Includes 57 Centres in Multi-Purpose Institutes.
Adult Education Centres	62	
Feeder Adult Education Centres	163	
Holiday Holiday Home	1	
Boarding Houses for Children	2	
Miners' Institutes under Construction.	4	

Bharat Darshan Special Trains for Coal Miners.— After a lapse of two years the scheme for running of Special Trains for Bharat Darshan carrying colliery workers to different places of importance all over India was revived. The 6th Special Train carrying about 500 workers left Dhanbad on 29 March 1965 on the North India tour. The train returned to Dhanbad on 13 April 1965. The miners were given a reception at New Delhi Station by the Union Labour Minister, the Deputy Labour Minister, and the Coal Mines Welfare Commissioner.

Boarding Houses for School-going Children of Coal Miners.- For the benefit of the school-going children of colliery workers studying in high schools far away from their place of residence, two Boarding Houses - one each in West Bengal and Madhya Pradesh - continued to function.

(g) Other Welfare Activities: (i) Water Supply.- Financial assistance from the Fund was given/~~sanction~~ for augmentation of water supply scheme as under:-

- (1) Rs. 253,932 to M/S. Andrew Yule & Co.Ltd.
- (2) Rs. 5,000 to M/S. West Bokaro Colliery Co. Ltd. in addition to Rs.14,921 paid earlier.
- (3) Rs.1.39 millions to the Government of Bihar for Jharia Water Supply Scheme.
- (4) Rs.2.5 millions to the Government of West Bengal for Raniganj Water Supply Scheme.
- (5) Rs.29,775 to M/S.Satgram Colliery Ltd.

Under the scheme of sinking of wells on 50 per cent. subsidy basis, 388 wells were sanctioned in different collieries. Out of these 149 wells have since been completed and construction of most of the remaining wells was in progress.

(ii) Co-operatives.- The Organisation continued to make rapid strides in the promotion of co-operative movement in the Coalfields. The total number of Credit Societies/Stores organised upto the end of the year reached 512. One new Central Stores was also opened, thus raising the total number of Central Stores Organised and functioning in the Coalfields to 10.

During the year, financial assistance to the extent of about 7.9 million rupees was given to the Co-operative Societies/Stores/Central Stores from the Fund by way of ~~clear~~ credit, temporary advance for bulk purchase of food grains, share capital contribution, loan etc.

(iii) Coal Mines Fatal and Serious Accident Benefit Scheme.- An amount of Rs.100,248 was sanctioned for payment to 353 widows and 34 school going children of victims of accidents.

According to the Statement of Accounts for the year 1965-66, receipts amounted to 47.733 million rupees including a closing balance of 29.636 million rupees; expenditure during the year amounted to 29.461 million rupees leaving a closing balance of 18.271 million rupees.

(Notification SO 1851 dated 18 May 1967, the Gazette of India, Part II, Sec.3, sub-sec(ii), 27 May 1967, pp.1879-1882).

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Chapter 6. General Rights of Workers.

63. Individual Contracts of Employment.

India - May-June 1967.

Madhya Pradesh Labour Laws (Amendment) Bill, 1967.

The Government of Madhya Pradesh published on 24 June 1967 the text of the Madhya Pradesh Labour Laws (Amendment) Bill, 1967, seeking to amend the Industrial Employment (Standing Orders) Act, 1946, and the Motor Transport Workers Act, 1961, in their application to the State of Madhya Pradesh and the Madhya Pradesh Industrial Employment (Standing Orders) Act, 1961.

The Statement of Objects and Reasons appended to the Bill declares that the Law Commission in paragraph 25, chapter 36 of its fourteenth report on the reform of the Judicial Administration has recommended as follows:-

"In minor cases, the accused should be allowed to plead guilty without appearing in the Court. For this purpose, provision should be made on the lines of section 130 of the Motor Vehicles Act, 1939, and as suggested in paragraph 25, chapter 36. Such procedure should be extended to suitable cases under the Indian Penal Code, traffic cases and minor breaches of rules and regulations under various local and minor enactments."

The aforesaid recommendation has been accepted by the State Government and accordingly it is proposed to amend the Industrial Employment (Standing Orders) Act, 1946, and the Motor Transport Workers Act, 1961 in their application to the State of Madhya Pradesh and the Madhya Pradesh Industrial Employment (Standing Orders) Act, 1961.

Opportunity has also been taken to amend section 10 of the Motor Transport Workers Act, 1961, with a view to affording the amenities provided therein to certain other classes of workers as well.

Amendments to Industrial Employment (Standing Orders) Act, 1946.- A new sub section (5) is proposed to be added to section 13 of the above Act providing that a Court taking cognizance of an offence under sub-section (2) shall state upon the summons to be served on the accused person that he -

(a) may appear by pleader and not in person; or

(b) may, by, a specified date prior to the hearing of the charge, plead guilty to the charge by registered letter acknowledgement due and remit to the Court such sum as the Court may, subject to the maximum limit of fine prescribed for the said offence, specify.

Where an accused person pleads guilty and remits the sum in accordance with the provisions of sub-section (5), no further proceedings in respects of the offence shall be taken against him.

Nothing contained in this section shall apply to the continuing offence referred to in sub-section (2).

Amendments to Motor Transport Workers Act, 1961 .- For the existing section 10 a new section is to be substituted providing that :

(1) The State Government may, by notification in the official Gazette, make rules requiring an employer of a motor transport undertaking to provide for the drivers, conductors, cleaners, watchmen and line-checking staff employed in that undertaking such number and type of uniforms, raincoats or other like amenities for their protection from rain or cold as may be specified in the rules.

(2) There shall be paid to the drivers, conductors, cleaners, watchmen, and line-checking staff by the employer an allowance for washing of uniforms provided under sub-section(1) of such rates as may be prescribed:

Provided that no such allowance shall be payable by an employer who has made at his own cost adequate arrangements for the washing of uniforms.

Another new section 35A provides for the summary disposal of cases of offences under Sec.30 of the Act.

Amendmentsto Madhya Pradesh Industrial Employment (Standing Orders) Act, 1961 .- A new section 17A proposed to be added provides for the summary disposal of cases of offences under section 17 of the Act.

(Madhya Pradesh Gazette, Extraordinary,
24 June 1967, pp. 1815-1819).

67. Conciliation and Arbitration.

India - May-June 1967.

Andhra Pradesh: Industrial Disputes (Andhra Pradesh) Amendment Bill, 1967.

The Government of Andhra Pradesh published on 17 June 1967 the text of the Industrial Disputes (Andhra Pradesh) Amendment Bill, 1967, introduced in the Legislative Assembly of the State on 17 June 1967. The Statement of Objects and Reasons of the Bill declares that according to sub-clause (vi) of clause (n) of section 2 of the Industrial Disputes Act, 1947, the State Government may, if satisfied that public emergency or public interest so requires, by notification in the Official Gazette, declare any industry specified in the First Schedule to the said Act to be a public utility service for the purpose of the said Act for a period not exceeding six months at a time. "Service in hospitals and dispensaries" is one of the industries specified in the First Schedule to the Act and therefore, service in hospitals and dispensaries in this State, is being declared by the State Government from time to time for a period of six months at a time as public utility service. As the need for declaring the service in the hospitals and dispensaries as a public utility service is a permanent one, it has been decided to include the service in hospitals and dispensaries within the definition of 'public utility service' in clause (n) of section 2 of the said Act, so as to obviate the need for a declaration every six months. It is, accordingly proposed to amend section 2(n) of the said Act, in its application to this State and to omit item 9 in the First Schedule to the said Act.

(Andhra Pradesh Gazette, Part IVA,
Extraordinary, 17 June 1967, pp. 1-2).

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Officers' Course of Central Institute for
Training in Industrial Relations held at
New Delhi, 11 May 1967: Labour Minister's
Address.

The first senior officers' course of the Central Institute for Training in Industrial Relations was held at New Delhi on 11 May 1967. Shri Jaisukhlal Hathi, Union Minister of Labour, Employment and Rehabilitation inaugurated the Course. In his inaugural speech, the Union Minister of Labour, Employment and Rehabilitation stressed the need for smooth industrial relations. Shri Hathi said: "In our complex industrial society, cordial employer-labour relationship is the most important prerequisite for achieving and carrying forward progress in various fields of activity. The extent to which we could achieve this would determine the progress of our five-year Plans."

Shri Hathi ruled out all possibility of enforced peace in industry in a democratic society like that of India. He said workers had the fullest freedom to organise themselves for protecting and advancing their interests. In fact political freedom had given an edge to their economic expectations - expectations which could be met only through rapid industrial development.

On the specific question of dealing with disputes, the policy in India had been not to eliminate disputes but to contain them and devise methods for resolving them in a peaceful manner without resort to trial of strength.

"We have our legal system which provided for conciliation and compulsory adjudication", Shri Hathi said. A purely legal system, he felt, hardly suited a society which was on the move. It had, therefore, been supplemented by a voluntary code of discipline and the current emphasis of policy was on voluntary arbitration, he added.

(The Hindustan Times, 12 May 1967).

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN
CATEGORIES OF WORKERS.

INDIA - MAY-JUNE 1967.

71. Employees and Salaried Intellectual
Workers.

Gajendragadkar Commission Report placed
before Parliament: Additional Dearness
Allowance recommended to Central Govern-
ment Employees.

In its report Gajendragadkar Commission on dearness allowance for Central Government employees (vide page 48 of the report of this Office for the month of July 1966) has recommended that employees drawing basic pay in the slabs Rs.450-499 and Rs.500-575, the additional dearness allowance would be Rs.11 and Rs.12 respectively for every ten point rise but this would be payable when the index reaches 205 in the case of the former and 225 in the case of the latter.

This means that with the index having already touched 185 points in January last, the employees drawing pay from Rs.70 to Rs.449 would get the additional dearness allowance from 1 February, if the Commission's recommendations in this regard are accepted. Neutralisation so far has been done for 175 points.

The Commission has recommended neutralisation ranging from 90 to 25 per cent. for a ten point rise in future.

The following table sets out the rates of additional dearness allowance recommended by the Commission:

(Please see table on the next page)

Pay range (Basic pay without dearness allowance).	Percent- age of neutra- lisation for a 10 point rise in the aver- age of the index above 175.	Amount of dear- ness allow- ance for a 10- point rise.	Dear- ness allow- ance now being paid at index 175.	Additional dearness allowance to be paid in future when the average of the index reaches					
				185	195	205	215	225	235
1	2	3	4	5	6	7	8	9	10
<u>Rs.</u>		<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
70-109*	90	6	47	6	12	18	24	30	36
110-149	60	7	70	7	14	21	28	35	42
150-209	55	8	90	8	16	24	32	40	48
210-399	45	9	110	9	18	27	36	45	54
400-449	25	10	120	10	20	30	40	50	60
450-499	24	11	120	-	-	33	44	55	66
500-575	24	12	120	-	-	-	-	60	72

* This is to be taken to mean Rs.70 and above but below Rs.110. The same applies to all the other slabs except the last.

In regard to employees drawing pay between Rs.1,000 and Rs.2,250 per month, who receive at present dearness allowance of Rs.120 or Rs.100 per month, the Commission says that these categories would now cease to be eligible for the payment of additional dearness allowance in respect of the rise in prices beyond 175 points.

The present recommendations of the Commission will be valid for the next two years or until the 12-monthly average of the index reaches 245 whichever is earlier. When this happens, the Commission feels that the Government should revise pay scales and sanction suitable interim relief.

The report was presented to Parliament on 6 June 1967.

(The Statesman, 7 June 1967).

54

Government Empowered to Retire its
Employees at 50.

The Union Government decided on 6 May 1967 to invest itself with the power to retire a Government servant after he has attained the age of 50 years or completing 25 years of qualifying service, whichever is earlier. The Government servant concerned will be given three months' notice.

Under the present rules, the retirement age of a Government servant is 58 years.

However, in cases of ~~senior~~ services or posts which have a late age of entry, that is 35 years and above, the right will be exercisable at the age of 55 years or on the completion of 25 years of qualifying service, whichever is earlier.

The implication of the decision is that normally speaking a Government servant can continue to be in service till he is 58. The power that is being taken by the Government will be used only to retire Government servants who are found incompetent or corrupt.

(The Statesman, 7 May 1967).

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - MAY-JUNE 1967.

81. Employment Situation.

Employment Exchanges: Working during
the Month of March 1967.

According to a Review of the principal activities of the Directorate General of Employment and Training the following was the position of registrations, placements, live register, vacancies notified and the employers using employment exchanges, during the month of March 1967:

Item	February, 1967	March, 1967	Increase(+) Decrease(-)
Registrations --	230,945	299,050	+ 68,105
Placements --	31,373	37,151	+ 5,778
Live Register --	2,574,422	2,560,503	- 13,919
Vacancies Notified--	49,383	57,442*	+ 8,059
Employers using Exchanges. --	9,760	11,319	+ 1,559

* Includes 1,211 vacancies notified by private employers falling within the purview of the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, against which submission action was not required.

Gorakhpur Labour Organisation.— The Labour Depot Gorakhpur recruited and despatched 901 workers to various worksites during the month of March, 1967.

Employment Market Information.— At the end of March 1967 intensive employment market studies were in progress in 315 districts of the country. The following reports were released during the month.

1. Employment Review: 1961-66;
2. Report on Biennial Survey of establishments employing 5 to 9 workers.

A news digest containing a list of important news (in brief) having a bearing on employment situation in the country was prepared for the quarter January-March, 1967 for circulation and use by State Directorates of Employment.

Vocational Guidance and Employment Counselling.— Vocational Guidance Sections were functioning at 174 Employment Exchanges at the end of the Month under report. One more UEIGB at Agra University started functioning which makes a total of 38 Bureaux at the end of the month under report.

For validating the aptitude tests for August, 1967 ITI recruitment, collection of the trade tests results of the candidates in the validation sample were completed.

Deployment of surplus and retrenched personnel at Projects.— During the month under review 22 persons were retrenched, 903 were registered and 14 placed in employment. The detailed information is given below:—

Name of Project.	No. awaiting assistance at the end of February, 1967.	No. retrenched during the month.	No. of retrenched personnel (including those left voluntarily registered during the month for employment assistance).	No. placed during the month.	No. left during the month.	No. awaiting assistance at the end of the month.
1	2	3	4	5	6	7
Damodar Valley Corporation.	914	14	856	-	-	1,770
Bhakra Nangal Project.	13	1	1	-	4	10
Bhilai Steel Project.	880	-	39	13	-	906
Durgapur Steel Project.	11	-	-	-	1	10
Special Cell of the Ministry of Home Affairs.	84	7	7	1	5	85*
Total	1,902	22	903	14	10	2,781

50-2=48 2 expired/retired.

* Class II 48, Class III & IV.... 37 = 85.

Note- Total of columns 2 and 4 is equal to the total of columns 5, 6 and 7.

Displaced persons from East Pakistan.—During the month under report 372 East Pakistan Migrants were registered with various Employment Exchanges and 88 placed in employment. The total number of EPMS placed upto the end of the March 1967 was 2,462 against the total number 37,285 registered with various Employment Exchanges.

Repatriates from Burma.— During the month of March, 1967, 363 repatriates from Burma were registered and 18 placed in suitable employment. This brings the total number of such registered persons to 3,738 and those placed in employment to 395.

Repatriates from Ceylon.— During the month of March, 1967, 17 repatriates from Ceylon were registered and none placed in employment. This brings the total number of such registered persons to 154 and those placed in employment to 10.

Central Institute for Research & Training in Employment Service:

Staff Training Officers' Course.— A special training course for State Staff Training Officers was held. Seventeen Officers from 14 States participated in the course.

12th Integrated Training Course for Employment Officers.— The 12th Integrated Training Course for Employment Officers commenced during the month. Twenty Officers from 9 States are attending the Course which is continuing.

Foreign Trainees.— On completion of three months' training Mr. Camili K. Rwebisaka, an officer from Uganda, left in the last week of the month.

The training of Mr. Aiad Taiari, I.L.O. Fellow from Libya, continued during the month.

Study of Coal Industry.— Data collected through field survey relating to investment, structure of employment, educational/training requirements, etc. was analysed and the outlines for working Paper No.4 on the Coal Industry prepared.

The total number of employment exchanges including 38 University Employment Information and Guidance Bureaux and 11 Professional and Executive Offices in the country at the end of March 1967 was 435.

(Monthly Review of the Principal Activities of the Directorate General of Employment and Training for the month of March 1967: Ministry of Labour, Employment and Rehabilitation, Government of India, New Delhi).

Employment Exchanges: Working during
the Month of April 1967.

According to a Review of the principal activities of the Directorate General of Employment and Training, the following was the position of registrations, placements, live register, vacancies notified and the employers using employment exchanges during the month of April 1967:-

Item	March, 1967	April, 1967	Increase (+) or Decrease (-)
Registrations.	299,050	325,460	(+) 26,410
Placements.	37,151	34,201	(-) 2,950
Live Register.	2,560,503	2,588,189	(+) 27,686
Vacancies Notified.	57,442	60,101*	(+) 2,659
Employers using Exchanges.	11,319	11,684	(+) 365

* Includes 2,040 vacancies notified by private employers falling within the purview of the employment exchanges (Compulsory Notification of Vacancies) Act, 1959 against which submission action was not required.

Gorakhpur Labour Organisation.- The Labour Depot Gorakhpur recruited and despatched 958 workers to various worksites during the month of April, 1967.

Employment Market Information.- Intensive employment market studies were in progress in 315 districts of the country.

The following reports were released during the month:-

All India Employment Review for the quarter
April-June, 1966;

Report on 'Occupational Pattern in India
'Public Sector - 1964'.

Deployment of surplus and retrenched
personnel at Projects.- During the month
under review 90 persons were retrenched, 203
were registered and 11 placed in employment.
The detailed information is given below:-

Name of Project.	No. awaiting assistance at the end of March, 1967.	No. retrenched during the month.	No. of re-trenched personnel (including those left voluntarily) registered during the month for employment assistance.	No. re-placed during the month.	No. of left indicating no desire for assistance.	No. awaiting assistance at the end of month.
1	2	3	4	5	6	7
Damodar Valley Corporation.	1,770	-	-	-	-	1,770
Bhakra Nangal Project.	10	40	40	-	7	43
Bhilai Steel Project.	906	-	111	4	9	1,004
Durgapur Steel Project.	10	-	2	-	-	12
Special Cell of the M.O. Home Affairs.	85	50	50	7	-	*128
Total.	2,781	90	203	11	16	2,957

II

* Class ~~III~~ --- 48, Class ~~IIIV&IV~~ --- 80 = 128.

Note:- Total of Columns 2 and 4 is equal to the total of columns 5, 6 and 7.

Displaced persons from East Pakistan.— During the month under report 397 East Pakistani migrants were registered with various Employment Exchanges bringing the total number of EPMS registered so far to 37,682. Fortytwo East Pakistani Migrants were placed in employment during the month of April bringing the total number of EPMS placed upto the end of April 1967 to 2,504.

Repatriates from Burma.— During the month of April 1967, ~~13 rep~~ 480 repatriates from Burma were registered and 32 placed in suitable employment. This brings the total number of registered persons to 4,218 and those placed in employment to 427.

Repatriates from Ceylon.— During the month of April 1967, 13 repatriates from Ceylon were registered and 2 placed in employment. This brings the total number of such registered persons to 167 and those placed in employment to 12.

One additional Professional and Executive Office was set up at Bangalore during the month under report. The total number of Employment Exchanges including 38 University Employment Information and Guidance Bureaux and 12 Professional and Executives Offices in the country at the end of April 1967 was 436.

(Monthly Review of the Principal Activities of the Directorate General of Employment and Training for the Month of April 1967: Ministry of Labour, Employment and Rehabilitation, Government of India, New Delhi).

83. Vocational Training.

India - May-June 1967.

Labour Ministry's Training Schemes:
Working during March 1967.

According to a Review of the principal activities of the Directorate General of Employment and Training the following was the position in March 1967 of instructor trainees on role at various C.T.Is in the session which commenced in August 1966:-

<u>Name of the C.T.I.</u>	<u>No. of trainees on roll.</u>
C.T.I., Calcutta.	355
C.T.I., Bombay.	337
C.T.I., Kanpur.	322
C.T.I., Madras.	285
C.T.I., Hyderabad.	282
C.T.I., Ludhiana.	219
C.T.I. for Women Instructors, New Delhi.	111
	<u>1,911</u>

Special Short Term Courses.- Apart from the regular course for Craft Instructors the C.T.Is. also run a few short term and pilot courses. The courses that were conducted during the month under review are indicated below.

Pilot Course.- A pilot course for training Instructors in Workshop Arithmetic and Reading of Drawings is being conducted at CTIs. Calcutta. The current session which has commenced w.e.f. 1 August, 1966 which will be completed in July, 1967. Thirty trainees are undergoing training in this course.

Training of Junior Masters.- A course of above 3 months duration for training of Junior Masters was introduced at C.T.I. Hyderabad and Ludhiana w.e.f. 13 February 1967.

Training of Workshop Instructors.- A course of three months duration at C.T.I. Calcutta for catering to the need of Industry under the Apprenticeship Training Programme was being conducted during March 1967.

Training of Millwright.- This course of 6 months duration is being conducted at C.T.I. Calcutta. The present session commenced in November 1966. Eleven candidates deputed from State Governments are undergoing Training in this trade.

Training course for foremen not trained in the C.T.I.- A training course of 3 months duration for the training of Foremen (Group Instructors) who did not have the benefit of receiving C.T.I. training before their promotion, was started at C.T.I. Calcutta for Instructors, Calcutta w.e.f. 1 August 1966 and will run throughout IV Plan period.

Sanction of Seats under the Craftsmen Training Scheme.- During the month of March, 1967 no additional seats were sanctioned either under the Craftsmen Training Scheme or under the Part-time Classes for Industrial Workers. The total number of seats sanctioned in I.T.Is. upto the end of March was 156,070 (124,738 upto the end of III Plan + 31,332 sanctioned during the 1st year of IV Plan). The total number of seats sanctioned under the Part-time Classes for Industrial Workers was 6,717 (6,397 upto the end of III Plan + 230 during the Fourth Plan).

Apprentices Act, 1961.- The number of apprentices undergoing training under the Apprentices Act was 30,326 at the end of December, 1966 of which 24,999 were full-term Apprentices and 5,327 short-term apprentices. These apprentices were engaged in 2,108 establishments.

(Monthly Review of the Principal Activities of the Directorate General of Employment and Training for the month of March 1967: Ministry of Labour, Employment and Rehabilitation, Government of India, New Delhi.)

Labour Ministry's Training Schemes:
Working during April, 1967.

According to a Review published by the D.G.E. & T of its principal activities during the month of April 1967, the admission position in the various Central Training Institutes for Instructors was as under:-

<u>Name of the C.T.I.</u>	<u>No. of Trainees on Roll.</u>
C.T.I., Calcutta.	355
C.T.I., Bombay.	337
C.T.I., Kanpur.	321
C.T.I., Madras.	235
C.T.I., Hyderabad.	232
C.T.I., Ludhiana.	218
C.T.I. for Women Instructors, New Delhi.	111
	<u>1,809</u>

Next session for the training of Craft Instructors at all the C.T.I.s. is scheduled to commence from 1 August, 1967. State Governments Public & Private Sectors, various Ministries of the Government of India etc. were asked to intimate their requirements by 31 May, 1967.

Sanction of Seats under the Craftsmen Training Scheme.- During the month of April, 1967, no additional seats were sanctioned either under the Craftsmen Training Scheme or under the Part-time Classes for Industrial Workers. The total number of seats sanctioned in I.T.I.s. upto the end of April, 1967 was 156,070 (124,738 upto the end of III Plan + 31,332 sanctioned during the 1st year of IV Plan). The total number of seats sanctioned under the Part-time Classes for Industrial Workers was 6,717 (6,397 upto the end of III Plan + 320 during the IV Plan).

Apprentices Act, 1961.- (Figures are Provisional):
 The number of apprentices undergoing training under the Apprentices Act was 31,507 at the end of March, 1967 ~~which~~ of which 26,875 were ~~full-time~~ full-term apprentices and 4,632 short-term Apprentices. These apprentices were engaged in 2,135 establishments.

(Monthly Review of the Principal Activities of the Directorate General of Employment and Training for the month of April 1967: Ministry of Labour, Employment and Rehabilitation, Government of India, New Delhi).

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Chapter 9. Social Security

92. Legislation.

India - May-June 1967.

Uttar Pradesh: Employees' State Insurance
Scheme extended to Certain Areas in the
State.

In exercise of the powers conferred under the Employees' State Insurance Act, 1948, the Central Government has appointed the 28th day of May 1967 as the date on which the provisions of Chapter IV (except sections 44 and 45 which have already been brought into force) and Chapters V and VI (except sub-section (1) of section 76 and sections 77, 78, 79 and 81 which have already been brought into force) of the said Act, shall come into force in the following areas in the State of Uttar Pradesh namely:-

Villages:

(1) Bagahi (2) Puraini (3) Hariharpur
(4) Chanditara (5) Khutaha (6)
Saidpura (7) Fatehpur (8) Vyaspur
(9) Mahabalpur (10) Karwat,
in Pargana Radhoopur, Tehsil Chandauli, District
Varanasi.

(Notification SO 1924 dated 22 May 1967,
the Gazette of India, Part II, Sec. 3,
sub-sec. (ii), 3 June 1967, pp. 1945-1946).

66

Maternity Benefit (Amendment) Bill, 1967.

Shri Jaisukh Lal Hathi, Union Minister of Labour, Employment and Rehabilitation introduced in the Rajya Sabha on 14 June 1967 a Bill to amend the Maternity Benefit Act, 1961. According to the Statement of Objects and Reasons of the Bill, the Maternity Benefit Act, 1961 does not, by reason of the provisions of sub-section (2) of section 2 thereof, apply to any factory or other establishment to which the provisions of the Employees' State Insurance Act, 1948, apply. Consequently, a woman worker employed in a factory or other establishment and entitled to maternity benefit under the Maternity Benefit Act, 1961, ceases to be so entitled when the provisions of the Employees' State Insurance Act, 1948 become applicable to such factory or establishment. But, such a woman unless she fulfils the conditions laid down under section 50 of the Employees' State Insurance Act, 1948 is not qualified to claim any maternity benefit thereunder. Thus, she is deprived of maternity benefit under both the Acts. To remove this lacuna, it is proposed to amend the Maternity Benefit Act, 1961, so as to provide that in the event of the application of the Employees' State Insurance Act, 1948 to any factory or establishment, maternity benefit under the Maternity Benefit Act would continue to be available to women workers therein, until they become qualified to claim similar benefit under the Employees' State Insurance Act.

(The Gazette of India, Extraordinary,
Part II, Sec. 2, 14 June 1967, pp. 483-485).

Assam Tea Plantations Provident Fund Scheme
(Amendment) Bill, 1967.

The Government of Assam published on 14 June 1967 the text of the Assam Tea Plantations Provident Fund Scheme (Amendment) Bill introduced in the Assam Legislative Assembly on 9 June 1967.

The Statement of Objects and Reasons of the Bill states that the question of making statutory provision for the plantation workers under the Assam Tea Plantations Provident Fund Scheme Act has been engaging the attention of Government for sometime. This was discussed in a meeting of the Standing Labour Committee which decided that a Pension Scheme should be drawn up. Accordingly a Pension and Gratuity Scheme through Assam Tea Plantations Provident Fund has been drafted. The total accumulations in the undisbursed interest account which stand at 10.5 million rupees up-to-date and any amount left undisbursed in the Interest account to be contributed to the Pension Fund which is estimated at 2 million rupees every year will form the pension and gratuity fund.

Therefore, in order to provide statutory pensionary and gratuity benefits to the employees in the tea plantations in Assam on their retirement from service or on death, it is considered necessary to amend the Assam Tea Plantations Provident Fund Scheme Act, 1955 in order to make provision for constitution of a Pension and Gratuity Fund.

The Bill seeks to amend the definition of the term 'Fund' to include 'the Provident Fund or Pension Fund as the case may be'. Necessary amendments to include the term 'Pension Fund' are made to several sections of the Assam Tea Plantations Provident Fund Scheme Act, 1955.

(Assam Gazette, Part V, 14 June 1967,
pp. 44-47).

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CHAPTER 12. INDUSTRIAL COMMITTEES.

INDIA - MAY-JUNE 1967.

121. Special Information.

U.P.: Tripartite Conference on Textile Industry held at Lucknow, 2 June 1967:
Appointment of a Committee recommended.

A tripartite conference on textile industry, was held at Lucknow on 2 June 1967. The conference was presided over by Shri Prabhu Narain Singh(SSP), State Minister for Labour and Industries. It was attended by leading textile mill-owners and representatives of various trade unions of the industry. Among other things, the conference decided that a one-man committee, comprising a High Court Judge or an equally eminent person, should be appointed to go into the question of standardisation of wages, workload and muster in the textile mills of Kanpur, and to give its recommendations "as early as possible". The conference, considered, problems relating to standardisation and permanency of wages, rationalisation and permanency of a large number of temporary workers in the Kanpur Mills.

As regards the question of rising cost of living and the need of raising the dearness allowance of textile workers, the conference decided to await the decisions of the wage board for the textile industry, and of the single-man expert committee, which had been appointed by the Union Government.

The participants generally agreed that representative unions should be evolved so that the formation of a large number of unions could be discouraged and collective bargaining fostered on healthy lines. The Minister also agreed to discuss the matter afresh with labour leaders so that necessary steps could be taken in the matter.

(The Statesman, 4 June 1967).

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- * "Report of the Planning Sub-Group on Textile Industry - Woolen Textiles": Directorate of Commercial Publicity, Ministry of Commerce, Government of India, New Delhi: Printed in India by the Manager, Government of India Press, Simla, 1965: pp. 14.

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* Publications received in this Office.

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CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

25. Wage-Earners' Organisations.

Institutional Development of Trade Unions, by S.R. Mohan Das.	The Indian Worker, March 27, 1967, p.5.
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34. Economic Planning, Control and Development.

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41. Agriculture.

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| c) | Working of the Plantations Labour Act, 1951 during the year 1965. | Indian Labour Journal, May 1967, pp.433-440. |

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58. Absenteeism and Labour Turnover.

The Chronic Absentee Worker by K.N. Vaid.	Indian Journal of Industrial Relations, April 1967, pp.443-459.
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N.B.-Each Section of this Report may be taken
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INDIA - JULY-AUGUST 1967.

11. Political Situation and Administrative Action.

Samyukta Dal Government formed in Madhya Pradesh.

Consequent upon a number of defections by members of the Congress Party and defeat on a budgetary demand in the Madhya Pradesh Legislative Assembly, the Governor of the State accepted the resignation of the Council of Ministers led by Shri D.P. Mishra and invited the leader of Samyukta Dal, Rajmata *of Gwalior*, to form a new Government. The Rajmata decided to choose Shri Govind Narain Singh as the Chief Minister who was sworn in on 30 July 1967 in Bhopal to head a non-Congress Government in the State. Other representatives of the Constituent units of the SVD are the Jan Sangh, Krantikari Vidhayak Dal, Bharatiya Krantikari Dal, PSP and SSP.

(The Hindustan Times, 31 July 1967).

Congress Panel to Study Labour Situation
Appointed.

The Congress Working Committee at a meeting held at New Delhi on 1 August 1967, appointed a five-man Committee to report on the labour situation in the country and suggest measures to restore cordial relations between the Congress and the Indian National Trade Union Congress. The Committee consists of three former Union Labour Ministers, Shri Jagjivan Ram, Shri Gulzari Lal Nanda and Shri Khandubhai Desai and Shri V.V. Dravid INTUC president and Shri S.R. Vasavada a former President, Shri Nanda will be the convener.

The intention is to resolve the differences between the Congress and the Indian National Trade Union Congress which are seriously harming the trade union movement in the country. The Working Committee has received alarming reports about the help the Governments of West Bengal and Bihar are giving to Communist unions ~~are~~ to break the INTUC and pro-Congress Union through intimidation, violence or otherwise.

The anti-Communist unions are not able to resist the infiltration because acute differences have arisen between ~~the~~ the INTUC and the Congress units. Prominent INTUC leaders are supporting the ~~opposition~~ opposition Ministries.

The Committee will visit some industrial centres for an on-the-spot study of the problem. It has been given two months to complete its work as ~~because the serious situation brooks no delay.~~
is considered serious.

(The Hindustan Times, 3 August 1967).

12. Activities of External Services.

India - July-August 1967.

Meeting:

The Director attended by ~~S~~pecial invitation a Conference of Productivity and Management Organisations convened by the National Productivity Council at New Delhi on 24 and 25 July 1967. He acted as chairman of one of the Sessions on "Areas of the Overlapping and Manner of Streamlining Activities".

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13. Press and Opinion.

India - July-August 1967.

In addition to the attached clippings the following references to the ILO appeared in Indian Journals received in this Office:

1. April 1967 issue of 'Oil and Chemical Worker', publishes the text of a statement submitted by the National Federation of Petroleum Workers at a tripartite meeting convened by the Government to discuss the problem of job security in the three major oil companies operating in India. The statement among other matters draws attention of the Government to the recommendations made by the Petroleum Committee of the International Labour Conference held in October 1966 on the problem of Social Consequences of Structural and Technological Changes in the oil industry in different countries of the world. It adds that: "the Government of India is not a member of this industrial committee of the I.L.O. However, it should have no hesitation in accepting and implementing the ILO resolution and conventions on the issue of this Conference".

2. The June 1967 issue of 'the Indian Worker' contains the following reference to the ILO:

(a) Text of address of the Indian Workers' delegate at the 51st session of the IL Conference.

(b) An editorial entitled 'ILO Conference' which among other things welcomes the ILO's lead in highlighting the question of non-manual workers.

(c) A news item relating to ILO Governing Body decisions on complaints of infringement of trade union rights in various countries.

3. The June 1967 issue of 'Hind Mazdoor' writing about workers participation in management mentions that "The International Labour Organisation (ILO) Institute for Labour Studies recently launched a research programme into worker-management schemes".

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4. 'Labour Bulletin' (published by the Co-ordinating Committee of Independent Trade Union), dated June-July 1967 publishes a note under the caption 'Strike Recognised, Not Gherao'. Stressing that 'gherao' was 'basically an unlawful act', the note adds: "like the lock-out, the strike is an acknowledged weapon and the ILO has considered it as a right of the workers which should not be whittled down by national laws and regulations".

5. 'Industrial Bulletin' issued by the Employers' Federation of India, contains a note on 'social security in USA'. It says: "The term 'Social Security'----- was included in the Atlantic Charter in 1941 and later adhered to at the International Labour Conference in 1944".

6. AICC Economic Review dated 1 August 1967 contains an article on 'Unemployment Insurance in India: A Sociological Perspective'. There is a reference to the "ILO Convention of 1954".

7. The August 1967 issue of American Labour, under the column 'World of Labour' publishes extracts of speeches of Mr. Paul G. Hoffman and of the U.S. Employer delegate at the June 1967 Session of the ILO Conference.

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Chapter 2. International and National Organisations 6

25. Wage-Earners' Organisations.

India - July-August 1967.

The Trade Unions (Madhya-Pradesh Amendment) Bill, 1967.

The Government of Madhya Pradesh published on 3 July 1967 the text of the Trade Unions (Madhya Pradesh Amendment) Bill, 1967, proposed to be introduced in the Legislative Assembly of the State. The Statement of Objects and Reasons of the Bill declares that the Trade Unions Act, 1926 provides for registration of Trade unions subject to fulfilment of certain conditions. One of the conditions is that the rules of any unions seeking registration should prescribe the minimum subscription of twenty-five paise per member per month. It is felt that in the case of workers employed in agriculture, this condition operates harshly keeping in view the meagre earnings of agricultural workers. Presumably, it is due to high rate of subscription that there is almost no unionisation amongst agricultural workers where it is needed most. In order to encourage unionisation amongst such workers, it is necessary to prescribe a lower rate of subscription.

Opportunity has also been taken -

- (i) to exclude those industries from the purview of Chapter III-A of the said Act for which the Central Government is the appropriate Government within the meaning of the Industrial Disputes Act, 1947 (14 of 1947), and
- (ii) to declare Registrar, Additional Registrar and Deputy Registrar and members of the staff of their offices to be public servants within the meaning of section 21 of the Indian Penal Code, 1860 and also afford protection in regard to anything which is in good faith done or purported to be done under the Act.

For clause (ee) of sec.6 of the Trade Unions Act, 1926, the following clause is to be substituted:

"(ee) the payment of subscription by members of the Trade Union which shall be not less than twenty-five paise per month per member:

Provided that the minimum rate of subscription in the case of members of a Trade Union of agricultural workers shall be five paise per month per member."

For sub-section (1) of section 28-C of the Principal Act, the following sub-section is to be substituted namely:-

"(1) Any representative Union or where there is no representative Union any registered Trade Union in any industry other than an industry for which the Central Government is the appropriate Government within the meaning of sub-clause (i) of clause (a) of section 2 of the Industrial Disputes Act, 1947 (14 of 1947) may apply in the prescribed form for being entered in the approved list."

New clauses 28K and 28L to the Act seeks to declare Registrar, Additional Registrar and Deputy Registrar of Trade Unions and members of the staff of their offices to be public servants within the meaning of section 21 of the Indian Penal Code, 1860.

(The Madhya Pradesh Gazette, Extraordinary, Part B, 3 July 1967, pp. 1953-1955).

Finance Bill adopted by Lok Sabha.

The Lok Sabha approved on 28 July 1967 the Finance Bill after accepting several amendments moved by the Union Finance Minister, Shri Morarji Desai. The following are some of the changes proposed by the Finance Minister:

Indirect taxes: Loss of Revenue 153.6 million rupees in full year and 115.1 million rupees for the Centre this year.

Footwear: Total excise exemption on leather footwear of value not exceeding Rs.5; between Rs.5 and 8 producers to absorb duty.

Aluminium: Total exemption at product stage duty of Rs.600 per tonne on circles of gauges used in making utensils.

On aluminium ingots, plates, sheets and circles duty reduced by Rs.120 per tonne; major producers to absorb to the extent of Rs.250 of excise per tonne; smaller absorption by smaller producers. Tax credit certificates for excess production of aluminium over 1964-65 level.

Countervailing duty on aluminium ingot imports at same rate as excise duty.

Rayon: Effective rates of excise duty of 20 to 40 paise per kg. with deeper cuts in the case of small units. Units with production on an average of less than 10 tonnes per day to be entitled to the concessional rates for small units.

Excise duty on nylon yarn of deniers less than 30 reduced by Rs.18 per kg. On nylon yarn of deniers 30 and above but not exceeding 74 reduction of Rs.3 per kg.

Powerlooms: Duty on sized yarn of superfine count reduced from Rs.6.20 per kg. to Rs.5.20 per kg.

Cigars and Charoots: Exemption from the "nominal increases in duty" proposed in the budget.

Iron and Manganese Ore: Export duty on lumpy iron ore with iron content of 62 per cent. or more to be increased from Rs.10 to Rs.10.50 per tonne, and the duty on the two inferior grades with iron content range from 60 to 61.9 per cent. and up to 59.9 per cent. respectively, reduced to Rs.9 and Rs.7.50 per tonne; duty ~~on~~ on iron ore fines, including blue dust also reduced.

Payments by way of brokerage and commission or fees for professional services (but not interest) to be exempted from the purview of the provision for deduction of tax at source.

Limit of individual payments of interest which are exempt from the requirement of deduction of tax at source increased from Rs.200 to Rs.400.

Rate at which tax is to be deducted at source from interest proposed to be reduced from 25 per cent. to 20 per cent. in the case of payment to companies and to 10 per cent. on payments to non-corporate entities.

Interest payments to banking companies, co-operative banks, including land mortgage banks, financial corporations and other bodies which the Central Government might notify to be excluded from the purview of the new provision for deduction of tax at source.

Postal tariffs: No change in the existing postal rate of two paise for registered newspapers weighing not more than 60 grammes. This will particularly benefit language papers, dailies and weeklies.

(The Hindustan Times, 25 July and
29 July 1967)

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34. Economic Planning, Control and Development.

India - July-August 1967.

A Study of Index Earnings of Factory Workers
on Base 1956=100 Linked with Index on Base 1951=100*.

The Labour Bureau of the Government of India has been compiling for many years past, indices of money and real earnings in respect of workers employed in manufacturing industries. The series, in the first instance, was compiled on base 1939=100 and later a new series was started with base 1951=100, which is still continuing. The series with Base 1951=100, which covers the erstwhile 9 Part 'A' States and 2 Part 'C' States of Delhi and Ajmer prior to ~~reorg~~ reorganisation of States and to the corresponding area thereafter (details given in the next paragraph). The purpose of this study is to ascertain as to how far this series can be used to reflect the all-India position in spite of limited geographical coverage. This has been attempted by constructing an index series with an all-India coverage on a suitable base period and linking it with the one with base 1951=100.

The article points out the limitation of the index of earnings series on base 1951=100 and shows in a table indices of money and real earnings for all India on base 1951=100 and on base 1956=100 linked with indices on base 1951=100 for the period 1956 to 1964.

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* The Indian Labour Journal, Vol.VIII, No.6,
June 1967, pp. 505-509.

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Assets of Big Private Companies in India:
Study made By Government.

The Union Minister for Industrial Development and Company Affairs, Shri Fakhruddin Ali Ahmed, placed on the table of the Lok Sabha on 21 July 1967, a statement on the Department's study of the 43 largest private companies. According to the study eight out of first ten top private limited companies in India are foreign. Brooke Bond heads the list of these top 10 companies with assets worth 183.2 million rupees. Its paid-up capital is only 16.7 million rupees. Brooke Bond is also among the top 10 companies ranked both on the basis of their paid-up capital and net worth.

/ The other seven top foreign firms, ranked by assets, are: General Electric, Firestone, Glaxo Laboratories, I.C.I., Bata Shoes Company, Pfizer and Associated Electrical Industries. The only two Indian companies among the top 10 are Godrej and Tata Sons.

(The Statesman, 22 July 1967).

12

Outlay of Rs.22460-Million estimated for
Annual Plan for 1967-68: National Income
expected to rise by 20 per cent.

The annual Plan 1967-68 which was laid on the table of both Houses of Parliament on 26 July 1967, envisages a total outlay of 22,460 million rupees - 11,720 million rupees for the Centre, 10,100 million rupees for the States and 640 million rupees for the Union Territories - as against 22,210 million rupees in 1966-67. The national income is expected to rise at current prices by about 20 per cent. to 275,000 million rupees compared with 229,000 million rupees in 1966-67. Of this increase, 12 per cent. would be due to growth of real output and the remaining 8 per cent. on account of price rise.

The annual Plan leaves an uncovered gap in resources to the extent of 540 million rupees. This is besides budgetary deficit of the order of 150 million rupees. The Plan document says that measures for covering the gap in State plans are under consideration. In the event of any portion of the gap of 540 million rupees not being covered, "the Plans of the State Governments concerned may have to be suitably adjusted."

The Plan accords top priority to agriculture and allied programmes. The provision for agricultural schemes, community development, co-operation and irrigation amounts to 5232.7 million rupees. This includes 100 million rupees for the Agricultural Refinance Corporation and 150 million rupees for land mortgage banks.

In addition, provision has been made for production and supply of agricultural inputs such as electricity for tubewells and lift irrigation, fertilizers, pesticides and implements. As regards the physical targets, the Plan envisages a production potential of 100 million tonnes of foodgrains, 12 million tonnes of sugarcane, 7 million tonnes of cotton, 9 million tonnes of oilseeds and 7.5 million ~~tonnes~~ bales of jute.

The area under improved seed for food grains will be 134.53 million acres, of which 16.23 million acres will be covered by high-yielding varieties. Irrigation potential at the out-let at the end of the current financial year will be 21 million acres and utilization 17.4 million acres. In addition, minor works will provide irrigation for another 3.5 million acres.

In industry, an effort has been made to provide the minimum outlay necessary for expansion and consolidation of the industrial base. The outlay for organised industries is 5201.9 million rupees and for village and small industries 435.5 million rupees.

Among the principal physical targets for 1967-68 in industry are: steel ingots 7.5 million tonnes; metallurgical and other heavy mechanical equipment 20,000 tonnes; machine tools including accessories 290 million; industrial machinery, including coal and other mining equipment, cotton textile, jute, sugar, paper, cement, printing and dairying machinery 562 million rupees; precision instruments 100 million rupees; 325,000 power-driven pumps and 13,000 agricultural tractors. Other targets are: sulphuric acid 850,000 tonnes, cement 13.2 million tonnes, mill-made cloth 4,200 million meters, khadi and handloom 3,300 million meters; sugar 2.2 million tonnes; fertilizers 786,000 tonnes; coal 72.50 million tonnes; crude petroleum 14.20 million tonnes.

For social services the allocations are as follows (in million of rupees): education 1116.6; scientific research 190.6; water supply 369.6; housing and urban development 258.7; welfare of backward classes 177.3; social welfare 44.3; craftsmen training and labour welfare 153.1; rehabilitation 160.8; rural works 65 and other programmes 260.8.

(The Hindustan Times, 27 July 1967).

Slow Growth of National Income and Inter-State Disparity in Per Capita Income: Results of a Study published by National Council of Applied Economic Research.

According to a study published by the National Council of Applied Economic Research, the first decade of planning did not bring about any major reduction in the inter-State disparity in per capita income. The study also said, the low growth rate of national income and its structural rigidity "seem to be bothering us as much today as at the time of the beginning of the Plan era".

The study gave comparable estimates of the income of States as well as the resultant national income for each of the three quinquennial years -- 1950-51 (pre-Plan period), 1955-56 and 1960-61 -- all reckoned at 1960-61 prices.

The analysis of the results of the study showed that India's national income in real terms increased by 38.3 per cent. in the first decade of planning while the per capita income rose from Rs.295 in 1950-51 to Rs.308 in 1955-56, and further to Rs.335 in 1960-61.

(The official estimate of national income released by the Central Statistical Organisation had shown that the national income in real terms increased by 44 per cent. over the period covered by the first two Plans).

An Improvement.— The annual rate of increase in per capita income was less than one per cent. in the First Plan period but improved to 1.8 per cent. in the second, according to the study. For the whole decade the average worked out to 1.3 per cent. Of the total increase of 15,800 million rupees in the Net Domestic Product (NDP) during the First Plan, Maharashtra, Madhya Pradesh, and Madras together contributed as much as 6,240 million rupees, accounting for more than 39 per cent. of the total increase in the NDP during the First Plan.

On the other hand four States -- Orissa, Assam, Punjab and Kerala -- together contributed only 1,920 million rupees, which is a little more than 12 per cent. of the total increase of the All-India NDP during the First Plan.

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During the Second-Plan period, out of a total increase of 25,060 million rupees in the all-India NDP, Maharashtra alone contributed as much as 18.4 per cent.; U.P. contributed 14.4 per cent.; West Bengal 10 per cent.; and Madras 9.1 per cent.

This means these four States together contributed as much as 13,020 million rupees or about 52 per cent. of the total increase in the all-India NDP during the Second Plan, whereas five States - Assam, Kerala, Mysore, Orissa and Rajasthan - together accounted for only 3,280 million rupees of the total increase, or only for 13.1 per cent.

According to the study, the only significant feature of the growth in per capita income was that the range of difference between the maximum and minimum was gradually narrowing down. In the last year of the pre-Plan period the State on top had a per capita income which was 2.61 times the figure of the lowest-ranked State.

After five years - in the last year of the First Plan - the per capita income of the highest-ranked State was 2.32 times the figure of the lowest-ranked State, ~~to 2.16 by the end~~ and the ratio further decreased to 2.16 by the end of the Second Plan period.

The study concluded by saying "one may venture to pronounce, from the analysis of the results, that the low growth rate of the national income, its structural rigidity and the glaring disparity in the economic status of different constituent States put against the yet unchecked population growth, seem the beginning of the Plan era!"

(The Statesman, 23 August 1967 (.

16

Committees Appointed to Study Economic
Recession, Wages, Incomes and Prices.

The Deputy Prime Minister, Shri Morarji Desai told the Finance Standing Committee of the Congress Parliamentary Party on 1 August 1967 that the recession in the economy was a passing phase and would be overcome in a few months. He explained the series of measures the Government was adopting to provide special assistance to the weak spots in the economy.

Under a new liberal policy adopted by the Reserve Bank of India, cheaper finance would be available for certain priority sectors like — exports, engineering and metallurgical industries, agricultural machinery and equipment, trucks commercial vehicles and small-scale industries. The Reserve Bank has ensured supply of credit to ultimate borrowers in these specified sectors at 6 to 8 per cent. The Bank's steps to increase refinance in respect of advances to small scale industries is expected to remove an impediment in the way of flow of credit into this sector. The new policy also envisages refinance facilities by the Reserve Bank at the preferential rate of 4.5 per cent. for packing credit advance to exporters of engineering and metallurgical products.

The Congress Party set up on 11 August 1967, two Committees of senior members to make a detailed study of the problems of economic recession and wages, incomes and prices. Shri K. Hanumanthaiya will head the committee to study recession, while Shri S.N. Mishra will be chairman of the committee on prices, wages and incomes. Both are deputy leaders of the party.

Suggestions of Federation of Indian Chambers of Commerce and Industry.— The Federation of Indian Chambers of Commerce and Industry has also submitted a note to the Government containing suggestions to combat the recession in the Indian economy. In the FICCI's view, recession is attributable to five principal factors. Cuts in Government investment have immobilized large sectors of the engineering industry, while the increase in food prices has reduced disposable income in urban areas with the result that demand for consumer durables has been sharply reduced. In the fan-making industry, 14 per cent. of the capacity was idle in 1966 against 5 per cent. in 1965. Decline in exports taken together with liberal imports had an adverse effect on industrial production in some sectors. High taxation on companies allows them no elbow room to stimulate demand through price cuts. Finally the credit squeeze has inhibited industrial activity.

Offering suggestions to combat recession, the FICCI asks for cuts in excise duties on some industrial raw materials and finished products to encourage demand; a reduction of taxes on companies; and liberal credit. A plea is made for scrapping administrative controls to give manufacturers freedom to adjust production to demand. Export is accepted as a possible solution for bringing idle capacity into operation, but this will require "special" incentives and facilities. At the same time, imports should be curbed by higher tariffs to enlarge the market open to indigenous manufacturers.

The FICCI is of the view that money, now going, for instance, into subsidies on food and fertilisers, should be diverted to industrial projects under construction and to superstructure development in the field of power and transport. A switch in Government spending from welfare to investment another ~~spending~~ remedy recommended the FICCI has recommended to combat the current recession in industry. A plea for higher efficiency is coupled with a reminder to the Government of its duty to ensure that labour legislation does not stand in the way of rationalising the whole gamut of employer-employee relations.

Symposium on Recession.— A symposium on recession was held at Madras on 12 August 1967, by the Madras State Board of the All-India Manufacturers' Organisation. The remedies suggested by the symposium were: a significant reduction in taxation, pride of place to agriculture, no new development projects until the existing units in the country - both large and small - were worked to full installed capacities and found buyers for all their production, and early restoration of industrial peace all over India.

(The Hindustan Times, 2 August 1967;
The Statesman, 6 August 1967;
The Times of India, 12 August, 1967;
The Hindu, 13 August, 1967).

Administrative Reform's Commission's
Recommendations on Reorganisation of
Planning Commission Accepted.

The Prime Minister of India Mrs. Indira Gandhi announced in the Lok Sabha on 17 July 1967, the Government's decision that the Planning Commission should not be burdened with executive functions and should only formulate plans and evaluate performance. She said that this decision was on the lines of the Administrative Reforms Commission's recommendations and had the concurrence of the State Chief Ministers. Mrs. Gandhi told the House that the Government had also accepted the suggestion of the Chief Ministers that the Prime Minister should continue as chairman and the Finance Minister as member of the Planning Commission. While other Central Ministers will not be formally associated as members, the Prime Minister will, whenever necessary, invite them to participate in the deliberations of the Commission.

The Prime Minister indicated that there would be no Planning Minister. She said that financial, administrative and general questions relating to planning will be handled in Parliament by the Prime Minister, ~~other~~ or the Finance Minister. Other Union Ministers will deal with their respective subjects, whenever they arise in the House.

The Planning Commission will have a whole-time deputy chairman who need not be a member of the Council of Ministers. The Government agreed with the broad approach of the Administrative Reforms Commission that the planning body should be a compact and small body of full-time members. The Government also felt it was not necessary to make any part-time appointments to the Commission, she said.

The Administrative Reforms Commission had recommended that the Planning Commission should consist of five full-time members, including the deputy chairman, and two other part-time members as might be found necessary.

(The Hindustan Times, 18 July 1967).

19

Kerala: Sabarigiri Hydel Project
Inaugurated.

The Vice-President of India, Shri V.V. Giri inaugurated on 28 August 1967, Kerala's gigantic Sabarigiri Hydel Project. With the commissioning of the 300-MW Sabarigiri project built at a cost of 370 million rupees mostly with U.S. assistance, Kerala's power generating capacity has been doubled. The Vice-President said that Kerala was poised for a resurgent industrialisation with several unique features. He mentioned the vast potential for generation of low cost hydro. electric power and the major harbour at Cochin coupled with the shipbuilding yard on the anvil among these features.

(The Hindustan Times, 29 August 1967).

35. Productivity.

India - July-August 1967.

Measurement of Productivity in the Manufacturing Industries in India - A Review of Methodology adopted in Different Studies*.

The purpose of the above-captioned study, which has appeared in July 1967 issue of the Indian Labour Journal, is to indicate the various attempts made by different authors and organisations in the field of measurement of productivity of the manufacturing industries in India and to highlight the main features of the methodologies adopted by these authors and organisations towards this end. This study relates, ~~in particular,~~ to particular, to the problem confronted in the measurement of productivity at industry level and does not cover the problems of productivity measurement at plant level. Further, the study is based on the available material and, therefore, may not necessarily bring out the complete picture. The study has referred to the various authors and their publications who have made attempts to measure productivity. Among others a reference is also made to the ILO Report on Method of Labour Productivity Statistics.

In conclusion the study states that methodology suggested for calculation of total productivity indices cannot be considered as perfect since the concept of total productivity is a difficult one and it is a complicated job to measure the various factors entering into the calculation of total productivity. Factors like education of workers, their social background, etc., which can hardly be measured numerically, also influence total productivity. Further, for calculating total productivity, salaried staff, working capital, etc., have also to be taken into account. Difficulty in the measurement of capital input is indeed great. Because of the difficulties involved, Dr. Beri used an indirect method for measuring capital consumption by taking into account consumption of electric power which was deemed to be proportional to the amount of services of ~~plant~~ plant and

*The Indian Labour Journal, Vol.VIII, No.7,
July 1967, pp. 597-612.

machinery used. Because of the various limitations involved in the measurement of total productivity, indices of total productivity as worked out by a few authors can at best be considered as a very crude estimate of the true values.

Conference of Productivity and Management
Organisations held at New Delhi 24-25 July
1967.

A Conference of Productivity and Management Organisations was convened by the National Productivity Council at New Delhi on 24 and 25 July 1967. Shri Fakhruddin Ali Ahmed, Minister for Industrial Development and Company Affairs, and the President N.P.C. inaugurated the Conference. Among others, the Conference was attended by the Government officials and representatives of All-India Management Association, ATIRA, Ahmedabad, Employers' Federation, Institutes of NITIE, Industrial Engineers, Applied Manpower Research, etc. Shri P.M. Menon, Director of this Office also attended the Conference, and acted as a chairman of one of the sessions on "Areas of overlapping and manner of streamlining activities".

The Conference was divided into four sessions. The subjects of the session were: (i) Activities of individual organisations as part of national economic development; (ii) Areas of overlapping and manner of streamlining activities; (iii) Plans for the future; and (iv) Formulation of the recommendations of the Conference.

The following are among the important decisions taken by the Conference:-

i) A co-ordination Committee would be constituted under the Chairmanship of Prof. M.S. Thacker to suggest methods of effecting closer liaison among organisations with similar objectives and programmes and to develop a system of exchange of information in an effective way.

ii) Advance information about research projects proposed to be undertaken should be circulated to other organisations.

iii) The NPC might reduce its emphasis on training activities and concentrate more on consultancy work. The training activities could be taken up by specialised agencies.

iv) The NPC might divert some of its training activities towards the development of workers and supervisors.

v) In consultancy work there should be greater emphasis on follow up work relating to implementation.

(Documents of the Conference have been sent to Geneva by surface mail as annexures to this Report).

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(Documents received in this Office).

36. Wages.

India - July-August 1967.

Central Government accepts Recommendations of Central Wage Board for Iron Ore Mining Industry.

A Resolution dated 3 June 1967 of the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment) states that the Central Wage Board for Iron Ore Mining Industry submitted its final report to Government on 21 February 1967. The Wage Board made recommendations for grant of two interim wage increases. These were accepted by Government and the parties were advised to implement them.

The Board's recommendations are unanimous. After careful consideration, the Government has decided to accept the recommendations of the Board as detailed below and to request the parties to implement them expeditiously.

The Government hopes that joint endeavours will be made by the managements of the Iron Ore Mines and the concerned labour unions to raise the existing level of productivity through technological improvements and better utilisation of the labour force.

Wage Board's Recommendations:

1. Extent of Industry Covered.— Iron ore mining industry will include all activities connected, directly or indirectly, with the mining of iron ore such as prospecting, survey, mining and preparation of ore, ore loading and ore handling, all engineering, mechanical and electrical installations, repairs and maintenance, transportation, stores, laboratory and quality control, medical and sanitation, welfare and education, ~~with~~ watch and ward, etc. It will also include all administrative and record keeping offices in the mining areas and those in the districts within which the mining areas are situated. If beneficiation (washing and screening) sintering and pelletisation plants are also situated in the mining areas, they too will be covered by the iron ore mining industry.

2. Categories of Employees.- (i) Unless otherwise stated, the Board's recommendations should apply to all workmen in the iron ore mining industry, time-rated as well as piece-rated whether employed directly or by or through contractors in raising or handling of iron ore or on work incidental thereto. They should also apply to clerical staff and to all workers doing administrative work, to health, medical, welfare and teaching staff and also to workers like telephone operators, peons, chowkidars, etc. who come within the purview of clause(s) of Sec.2 of Industrial Disputes Act, 1947.

(ii) Board's recommendation should not apply to the following:-

- (a) Those who are temporarily or casually engaged on civil engineering, construction work relating to buildings, roads and expansion;
- (b) Apprentices and learners engaged for training in trades or jobs of skill under the provisions of the Apprentices Act, 1961 or under any specific contract;
- (c) Employees of head offices situated outside the mining areas.

3. Grouping of Mines for Wage Fixation.- With a view to giving facilities of increasing wages in a phased manner to units of the industry wherein existing wages are low, the iron ore mines in the country should be classified into the undermentioned three groups or categories on the basis of the minimum level of wages (total emoluments) existing on 1 April, 1966:-

Group of Mines	Mines, wherein total minimum emoluments on 1.4.66 were:	
	Per month	Per day
I	Below Rs.91/-	Below Rs.3.50
II	Rs.91/- to Rs.104/-	Rs.3.50 to Rs.4.00
III	Above Rs.104/-	Above Rs.4/-

		<u>Per month</u>	<u>Per day</u>
I	Below Rs.91/-	Below Rs.3.50
II	Rs.91/- to Rs.104/-	Rs.3.50 to Rs.4.00
III	Above Rs.104/-	Above Rs.4/-

4. Minimum Total Emoluments in Various Groups of Mines.— The total minimum emoluments of the lowest paid unskilled workers corresponding to the All India average consumer price index number 166 (1949=100) with effect from 1 January 1967 in the various groups of mines mentioned in clause 3 should be as follows:—

- (a) Rs.104 per month or Rs.4.00 per day in group I mines.
- (b) Rs.117 per month or Rs.4.50 per day in group II mines.
- (c) Rs.130 per month or Rs.5.00 per day in group III mines.

The total emoluments mentioned here and in clauses 3 and 14 include basic wage, dearness allowance, cash value of foodgrain concession, if any, interim wage increases recommended by the Board, mining allowance, house rent allowance, if any, and fuel allowance if paid in cash and not the money value of fuel supplied or the amount paid to the Forest Department to enable the workers to collect fuel in the forest.

5. Split up of Total Minimum Emoluments.— The total minimum emoluments should, in future, consist of basic wage and dearness allowance. When the total minimum emoluments are Rs.130 per month or Rs.5.00 per day the basic wage of the lowest paid unskilled worker should be Rs.75 per month or Rs.3.00 per day, and dearness allowance should be Rs.55 per month or Rs.2.00 per day.

6. Pay Scales for Workers other than Clerks and Teachers.— There should be the undermentioned 12 monthly and daily basic scales of pay for time-rated workers in the industry other than clerks and teachers, subject to the recommendation about phased increase in the basic wage of the first four categories of workers. In column 4 of the statement below are the daily pay scales ~~entered into~~ converted into monthly on the basis of 26 working days.

(Please see table on the next page)

Sl. No. Monthly pay scales. Nearest equivalent daily pay scales (on 26 working days basis). Daily pay scales converted into monthly on the basis of 26 working days.

(1)	(2)	(3)	(4)
1.	75-2-85 ...	3.00-0.08-3.40	78.00-2.08-88.40
2.	80-2-90 ...	3.20-0.08-3.60	83.20-2.08-93.60
3.	85-2-95-3-110 ...	3.40-0.10-4.40	88.40-2.60-114.40
4.	95-2-105-3-120 ...	3.80-0.10-4.80	98.80-2.60-124.80
5.	110-3-125-4-145 ...	4.35-0.12-4.95- 0.15-5.70	113.10-3.12-128.70- 3.90-148.20
6.	130-5-180 ...	5.10-0.20-7.10	132.60-5.20-184.60
7.	155-6-185-7-229 ...	6.00-0.25-8.50	156.00-6.50-221.00
8.	170-8-210-10-260 ...	6.60-0.35-10.10	171.60-9.10-262.60
9.	215-10-285-15-330 ..	8.30-0.40-10.70- 0.50-12.70	215.80-10.40-278.20- 13.00-330.20
10.	255-10-275-15-395 ..	9.85-0.50-11.35- 0.55-15.20	256.10-13.90-295.10- 14.30-395.20
11.	325-15-475	12.50-0.55-15.25- 0.60-18.25	325.00-14.30-396.50- 15.60-474.50
12.	350-20-450-25-575 ..	13.50-0.80-17.50- 0.90-22.00	351.00-20.80-455.00- 23.40-572.00

7. Dearness Allowance.— The dearness allowance should consist of 2 parts, one of which should vary with variations in the cost of living. The dearness allowance, which is a part of the total emoluments corresponding to the average All India consumer price index number 166 (1949=100) will not be reduced unless the index number goes below 144. The other part of the dearness allowance should rise or fall depending upon the changes in the index number above 166. The following should be the monthly or daily rates of dearness allowance:

Basic wage per month	Dearness allowance per month.	Basic wage per day	Dearness Allowance per day.
(1)	(2)	(3)	(4)
Upto Rs.149/-	Rs.55.00	Upto Rs.5.70	Rs. 2.00
Rs.150-Rs.299	Rs.60.00	Rs.5.71-Rs.11.50	Rs.2.30
Rs.300-Rs.399	Rs.65.00	Rs.11.51-Rs.15.25	Rs.2.50
Rs.400 & above.	Rs.70.00	Above Rs.15.35	Rs.2.75

8. Variable Dearness Allowance.— Variable dearness allowance should be determined in the manner shown below:—

- (1) For every variation of 2 points in the All India-consumer price index number beyond 166(1949=100) the dearness allowance should vary @ Re.1.50 per month for monthly-rated workers and @ Re.0.06 per day for daily-rated workers. There shall be no adjustment for rise or fall of less than 2 points. If, for example, the index number goes upto 186 in one quarter, the workers will be entitled to an increase of Rs.15 in the dearness allowance they are entitled to at the cost of living index number 166; if again it goes from down to 178 in the next quarter, the increase will be Rs.9 in the dearness allowance at 166.
- (2) In mines, wherein workers are supplied foodgrains, etc. at concessional rates, the rise in the cash value of such concession, from 1 January, 1967 onwards, should be adjusted against the variable dearness allowance. The cash value of such concession should be determined by mutual agreement between the parties, failing which, by arbitration.
- (3) There should be no revision in dearness allowance either upward or downward in the first two months from the date of revised wage structure coming into effect, i.e. from 1 January 1967. The first adjustment of variable dearness allowance should therefore come into effect from 1 March 1967 on the basis of average All India Consumer Price Index Number for the quarter ending 31 December 1966, as soon as index numbers for this quarter become available. The revision in future should come into effect from 1 June, 1 September, 1 December and 1 March, on the basis of the average All India consumer price index numbers for the previous quarters ending 31 March, 30 June, 30 September and 31 December respectively, as soon as such average index numbers are available.

9. Dearness Allowance as part of Emoluments.-

The dearness allowance should continue to be treated as part of emoluments for the purpose for which it has been hitherto treated.

10. Phased Increase in Wages.- While the increments in the pay scales and the dearness allowance in the case of first four categories of workers, whose wages have been phased should remain unaffected, their basic wages should be phased on the basis of total emoluments in the three groups of mines mentioned in clause 3 as on 1 April 1966 in the manner shown below:-

(In rupees)

Total minimum emoluments as on 1-4-66.	Cate- gories.	Daily wages from				
		1-1-68	1-1-69	1-1-68	1-1-70	1-1-71
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Below Rs.3.50 per day.	I	2.00	2.25	2.50	2.75	3.00
	II	2.20	2.45	2.70	2.95	3.20
	III	2.40	2.65	2.90	3.15	3.40
	IV	2.80	3.05	3.30	3.55	3.80
Rs.3.50 to Rs.4/-per day.	I	2.50	2.75	3.00
	II	2.70	2.95	3.20
	III	2.90	3.15	3.40
	IV	3.30	3.55	3.80
Above Rs.4/- per day.	I	3.00
	II	3.20
	III	3.40
	IV	3.80

Phasing of wages of similar categories of workers should be effected in respect of monthly-rated workers taking into account the basic wage and the dearness allowance prescribed for them.

11. Standardised Nomenclature.- The parties should take steps, as soon as possible to evolve standardised list of nomenclature in the industry.

12. Categories of workers, other than Clerks.- All the time-rated workers, other than clerks, should be categorised by mutual agreement between the representatives of employers and workers in a mine in view of their present emoluments, nature of duties, responsibilities, experience, etc. and any dispute arising therefrom should be settled by voluntary arbitration or adjudication.

13. Piece Rates.- The following provisions should govern the piece rates and fall-back wages in the industry:-

(i) With effect from 1 January 1967, in no case piece-rated workers should get total wages less than the wages fixed for a minimum paid daily-rated worker. A piece-rated worker should therefore get, with effect from 1 January 1967, a minimum wage of Rs.4, Rs.4.50 and Rs.5 in the groups I, II, III mines, respectively. The piece-rated workers should get the same percentage increase in their piece rated as the minimum paid daily-rated workers of a corresponding category get in their total emoluments under the revised scheme of wages.

(ii) During the period of phasing, the piece-rated workers, corresponding to the first four categories of workers in whose case phasing of wages has been recommended, should be entitled to the same percentage increase in the piece-rated as would be given to the minimum paid daily-rated workers in the total emoluments of those categories with the proviso that their daily emoluments should, in no case, be less than the wages fixed for the minimum paid daily-rated workers in that category ~~and worker is~~ including the annual increment. For example, if the minimum wage of category I worker is raised from Rs.78 to Rs.104 per month, i.e. by $33 \frac{1}{3}$ per cent the piece-rates of the piece-rated workers of the corresponding category should also be increased by $33 \frac{1}{3}$ per cent. for the same work load.

(iii) (a) A minimum fall-back wage should be paid to the piece-rated workers when they are unable to perform their norm of work under circumstances beyond their control such as when sufficient work is not available, when there is any natural impediments on account of which work cannot be carried on.

(b) To be entitled to the fall-back wage, workers should not leave the premises before their shift is over without ~~perior~~ prior permission of management. The daily fall-back wage should be 80 per cent. of the daily wage of a time-rated worker of corresponding category.

(c) The fall-back wage in the case of piece-rated workers corresponding to the first four categories, whose wages have been phased, should also be worked out in similar manner taking phased increased in future years into consideration for calculation of the fall-back wage on 80 per cent. basis.

14. Minimum Total Emoluments of Clerks.- The minimum total emoluments of the lowest paid clerks, with effect from 1 January 1967, should be Rs.175 per month consisting of Rs.120 basic and Rs.55 dearness allowance at the consumer price index number 166 (1949=100).

15. Pay Scales of Clerks.- The following should be the pay scales for three ~~cate~~ grades of clerks, with effect from 1 January 1967:-

Grade	Pay Scales
III	Rs.120-10-170-12-290 (5+10 years).
II	Rs.190-12-250-15-400 (5+10 years).
I	Rs.300-15-375-20-575 (5+10 years).

Semi-clerical

grades.

(in respect of some mines only) Rs.100-7-135-10-185 (5+10 years).

Clauses 16 to 21 of the Report deal with dearness allowance for clerks, categorisation of clerical staff, teachers' pay scales, dearness allowance for teachers, wages of apprentices and learners, method of fitment of monthly-rated workers and daily-rated workers.

22. Holidays and Leave Facilities.- The workers in the mines, other than those of HSL, MISCO and NMDC should be allowed the undermentioned holidays and leave facilities, subject to the condition that if in any mine the existing holidays and leave facilities as a whole, are better than those recommended, they should continue.

- (i) Six holidays with full pay which should include the Republic Day and the Independence Day, and
- (ii) 18 days' sick leave with full pay on the basis of existing practice, if any, and where there is none, on the certificate of registered medical practitioner.

23. Gratuity Fund.- The Board has recommended that the Government should consider the possibility of creating a gratuity fund out of a cess to be levied for the purpose. This recommendation will be considered by the Government.

24. New Gratuity Scheme.- The existing gratuity schemes in the iron ore mines should continue unless and until a gratuity fund recommended in clause 23 is created. However, in the units of the industry, where there is no gratuity scheme, at present a beginning should be made by introducing a gratuity scheme providing for the following terms and conditions:-

Events entitling gratuity	Quantum of gratuity
(1) On death or on physical/mental incapacity, whilst in service, which renders the workman unfit for further service.	15 days' basic wages, for each completed year of service, subject to a maximum of 15 months basic wages.
(2) On superannuation at the age of not less than 58 years, after completion of not less than 5 years service.	-Do-
(3) Voluntary retirement or resignation :	
(a) Upto 10 years of service.	Nil
(b) Over 10 years but below 15 years of service.	10 days' basic wages, for each completed year of service, subject to a maximum
(c) Over 15 years of service.	15 days' basic wages for each completed year of service, subject to a maximum of 15 months' basic wages.
(4) On termination of service by the employer:	
(a) Upto 5 years' of service.	Nil.
(b) Over 5 years' of service.	15 days' basic wages for each completed year of service, subject to a maximum of 15 months basic wages.

25. Exemption from the above Gratuity Scheme.-

The mines belonging to HSL and NDMC will not be covered by the above scheme and instead that will be covered by the scheme of gratuity which has been introduced in HSL, mines and which is going to be introduced in NDMC mines on the basis of the gratuity scheme for the public sector undertakings of the Government of India.

26. Option to Convert Grain Concessions, etc. into cash.- The present system of supplying food-grains at concessional rates should continue unless the workers and management desire otherwise and agree to have the value of foodgrain concession as on 1 January 1967 converted into cash. In that case from the said date onwards the workers would be entitled to full quantum of variable dearness allowance as recommended by the Board.

27. Permanency of Workers.— The Board has recommended that all persons with six months' continuous service should be given facilities which are normally available to permanent workers. The Board has added that the break in service caused due to the stoppage of mining work in the rainy season, or by other reasons, on which the workers have no control, should be waived and this period of absence should count in the calculation of continuous service and that such workers return to work, they should be given preference over the new workers. As classification of workmen, e.g. permanent, temporary, etc. is one of the matters to be provided for in the Standing Orders of establishments covered by the Industrial Employment (Standing Orders) Act, 1946, the above recommendation of the Board will apply only to those establishments which have no Standing Orders.

28. Contract Labour.— The Wage Board has recommended that there should be no discrimination between contract workers and regular workers in the matter of wages. This recommendation is accepted by the Government. The Board has also recommended that early steps should be taken to abolish contract system of labour in terms of the Supreme Court decision and the tripartite decision on this subject and that in particular, it should be the responsibility of the principal employer, wherever contract labour is continued, to see that all labour laws applicable are implemented. This matter is already being pursued by the Government who propose to undertake a general legislation on the subject of contract labour; no separate decision on this recommendation is called for.

29. Existing Earnings and Benefits.— The recommendations mentioned in the above clauses are without prejudice to the existing higher earnings, amenities, benefits, etc. which are at present available to the workers.

30. Period of Enforcement.— The above recommendations are for a period of 5 years taking effect from 1 January 1967 and remaining in force till 31 December 1971 in respect of all categories of workers to which the above recommendations would apply.

31. Wages for purposes of Production/Incentive Bonus Schemes.— The bonus earnings of the workers under the production/incentive bonus schemes, which are at present in operation in some mines will continue to be determined on the same basic wages in each case as were applicable prior to coming into force of this Board's recommendations till such time as in view of the changed circumstances, the production/incentive bonus schemes are not modified.

32. Prices of Iron Ore offered by MMTC.- The Board has recommended that since for the purpose of iron ore export, the MMTC has a monopoly, Government should consider the advisability of devising a suitable machinery to look into the question of fixing reasonable prices for the iron ore. This matter will have to be considered by the Government as a matter of policy and overall consideration of the country.

33. Machinery for interpretation.- If there are any differences about the interpretation of the Board's recommendations, they should be settled in a bipartite meeting consisting of the representatives of employers and workers in the concerned unit. If no settlement is reached therein, the dispute should be settled either by conciliation or arbitration or adjudication as provided under the Industrial Disputes Act, 1947 and the Code of Discipline.

(The Gazette of India, Extraordinary,
Part I, Sec.1, 7 June 1967,
pp. 229-238).

Central Government accepts Recommendations
of Central Wage Board for Limestone and
Dolomite Mining Industries.

A Resolution dated 3 June 1967 of the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment) states that the Central Wage Board for Limestone and Dolomite Mining Industries submitted its final report to Government on 21 February 1967. The Wage Board made recommendations for grant of two interim wage increases. These were accepted by Government and the parties were advised to implement them.

The Board's recommendations are unanimous. After careful consideration, the Government has decided to accept the recommendations as detailed below and to request the parties to implement them expeditiously.

The Government hope that joint endeavours will be made by the managements of the Limestone and Dolomite Mines and the concerned labour unions to raise the existing level of productivity through technological improvements and better utilisation of the labour force.

Wage Board's Recommendations:

1. Extent of Industry Covered.- Limestone/Dolomite mining industry will include all activities connected, directly or indirectly, with the mining of these minerals such as prospecting, survey, mining and preparation of these minerals, loading and unloading and their otherwise handling, all engineering, mechanical or clerical installations repairs and maintenance and transportation, stores, laboratory and quality control, medical and sanitation, welfare and education, watch and ward, etc. They will also include all administrative offices in the mining areas and those in the districts within which the mining areas are situated. Limestone mining will also cover all captive kilns if the owner of the kiln and the quarry from which the lime is being obtained for burning into the kilns is the same person and it is situated in the limestone mining area, i.e. within a radius of 10 kms. from the furthest limestone mine or quarry in the limestone mining centre.

The limestone mining industry will not include the following:

- (i) All limestone mines and quarries covered by the recommendations of the First Cement Wage Board and kilns connected therewith;
- (ii) Shahabad Stone Quarries and Shahabad (Gulbargah district) and stone quarries of the Associated Industries (Kotah) Ltd., Ramganjmundi;
- (iii) Lime kankar quarries and calcite mines.

2. Categories of Employees.- (i) Unless otherwise stated, the Board's recommendations should apply to all workmen in the industry, time-rated as well as piece-rated, whether employed directly or by or through contractors in raising or handling of limestone and dolomite or on work incidental thereto.

They should also apply to clerical staff and to all workers doing administrative work, to health, medical, welfare and teaching staff and also to workers like telephone operators, peons, chowkidars, etc. who come within the purview of clause (s) of section 2 of Industrial Disputes Act, 1947.

(ii) Board's recommendations should not apply to the following:-

- (a) Those who are temporarily or casually engaged on civil engineering, construction work relating to building, roads and expansion;
- (b) Apprentices and learners engaged for training in trades or jobs of skill under the provisions of the Apprentices Act, 1961 or under any specific contract;
- (c) Employees of head offices situated outside the mining areas.

3. Grouping of Mines for Wage Function.- With a view to giving facility of increasing wages in a phased manner to units of the industry wherein existing wages are low, the limestone and dolomite mines in the country should be classified into the undermentioned three groups or categories on the basis of the minimum level of wages-(total emoluments) existing on 1 April 1966:

Group of Mines/quarries wherein total minimum emoluments on
Mines. 1 April 1966 were :

	<u>Per month</u>	<u>Per day</u>
I ...	Below Rs.91	Below Rs.3.50.
II ...	Rs.91 to Rs.104	Rs.3.50 to Rs.4.
III ...	Above Rs.104	Above Rs.4.

4. Minimum Total Emoluments in Various Groups of Mines/Quarries.- The total minimum emoluments of the lowest paid un-skilled workers corresponding to the All India average consumer price index number 1966 (1949=100) with effect from 1 January 1967 in the various groups of mines/quarries mentioned in clause 3 should be as follows:-

- (a) Rs.104 per month or Rs.4.00 per day in Group I mines/quarries;
- (b) Rs.117/- per month or Rs.4.50 per day in Group II mines/quarries;
- (c) Rs.130/- per month or Rs.5/- per day in Group III mines/quarries.

The total emoluments mentioned here and in clauses 3 and 13, include basic wage, dearness allowance, cash value of food grain concession, if any, interim wage increases recommended by the Board, mining allowance, house rent allowance, if any, and fuel allowance if paid in cash and not the money value of fuel supplied or the amount paid to the Forest Department to enable the workers to collect fuel in the forest.

5. Split up of Total Minimum Emoluments.- The total minimum emoluments should, in future, consist of basic wage and dearness allowance. When the total minimum emoluments are Rs.130/- per month or Rs.5/- per day, the basic wage of the lowest paid unskilled worker should be Rs.75/- per month or Rs.3/- per day, and dearness allowance should be Rs.55/- per month or Rs.2/- per day.

6. Pay Scales for Workers other than Clerks and Teachers.- There should be the undermentioned 12 monthly and daily basic scales of pay for time-rated workers in the industry other than clerks and teachers, subject to the recommendations about phased increase in the basic wage of the first four categories of workers. In column 4 of the statement below are the daily pay-scales converted into monthly on the basis of 26 working days.

(In Rupees)

Sl. No.	Monthly Pay Scales.	Nearest equivalent daily pay scales (on 26 working days' basis).	Daily pay scales converted into monthly on the basis of 26 working days.
(1)	(2)	(3)	(4)
1. 75-2-85		3.00-0.08-3.40	78.00-2.08-88.40
2. 80-2-90		3.20-0.08-3.60	83.20-2.08-93.60
3. 85-2-95-3-110		3.40-0.10-4.40	88.40-2.60-114.40
4. 95-2-105-3-120		3.80-0.10-4.80	98.80-2.60-124.80
5. 110-3-125-4-145		4.35-0.12-4.95-0.15-5.70	113.10-3.12-128.70-3.00-148.20
6. 130-5-180		5.10-0.80-7.10	132.60-5.20-184.60
7. 155-6-185-7-220		6.00-0.25-8.50	156.00-6.50-221.00
8. 170-8-210-10-260		6.60-0.35-10.10	171.60-9.10-262.60
9. 215-10-285-15-330		8.30-0.40-10.70-0.50-12.70	215.80-10.40-278.20-13.00-330.20
10. 225-10-275-15-395		9.85-0.50-11.35-0.55-15.20	256.10-13.00-295.10-14.30-395.20
11. 325-15-475		12.50-0.55-15.25-0.60-18.25	325.00-14.30-396.50-15.60-474.50
12. 350-20-450-25-575		13.50-0.80-10.50-0.90-22.00	351.00-20.80-455.00-23.40-572.00

7. The dearness allowance should consist of two parts, one of which should vary with variations in the cost of living. The dearness allowance which is a part of the total emoluments corresponding to the average All India consumer price index number 166(1949=100), will not be reduced unless the index number goes below 144. The other part of the dearness allowance should rise or fall depending upon the changes in the index number above 166. The following should be the monthly or daily rates of dearness allowance:

Basic wage per month.	Dearness Allowance per month.	Basic wage per month day.	Dearness Allowance, per day.
(1)	(2)	(3)	(4)
	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
Up to Rs.149	55.00	Upto 5.70	2.00
150-299	60.00	5.71-11.50	2.30
300-399	65.00	11.51-15.35	2.50
400 and above.	70.00	Above 15.35	2.75

8. Variable Dearness Allowance.—Variable dearness allowance should be determined in the manner shown below:—

- (1) For every variation of 2 points in the All India consumer price index beyond 166 (1949=100) the dearness allowance should vary @ Re.1.50 per month for monthly-rated workers and Re.0.06 per day for daily-rated workers. There shall be no adjustment for rise or fall of less than 2 points. If, for example, the index number goes upto 186 in one quarter, the workers will be entitled to an increase of Rs.15/- in the dearness allowance they are entitled to an increase of to at the cost of living index number 166; if again it goes down to 178 in the next quarter, the increase will be Rs.9/- in the dearness allowance at 166.
- (2) In mines and quarries, wherein workers are supplied good grains, etc. at concessional rates, the rise in the cash value of such concession from 1 January 1967 onwards, should be adjusted against the variable dearness allowance. The cash value of such concession should be determined by mutual agreement between the parties, failing which, by arbitration.
- (3) There should be no revision in dearness allowance either upward or downward in the first two months from the date of revised wage structure coming into effect, i.e. from 1 January 1967. The first adjustment of variable dearness allowance should therefore come into effect from 1 March 1967 on the basis of average All India consumer price index number for the quarter ending 31 December 1966, as soon as index numbers for this quarter become available. The revision in future should come into effect from 1 June, 1 September, 1 December and 1 March, on the basis of the average All India consumer price index numbers for the previous quarters ending 31 March, 30 June, 30 September and 31 December, respectively, as soon as such average index numbers are available.

9. Phased increase in Wages.— While the increments in the pay scales and the dearness allowance in the case of first four categories of workers, whose wages have been phased should remain unaffected, their basic wages should be phased on the basis of total emoluments in the three groups of mines mentioned in Clause 3 as on 1 April 1966 in the manner shown below:—

Total minimum emoluments as on 1-4-66.	Categories.	Daily Wages from				
		1-1-67	1-1-68	1-1-69	1-1-70	1-1-71
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Below Rs.3.50 per day.	I	2.00	2.25	2.50	2.75	3.00
	II	2.20	2.45	2.70	2.95	3.20
	III	2.40	2.65	2.90	3.15	3.40
	IV	2.80	3.05	3.30	3.55	3.80
Rs.3.50 to Rs.4/- per day.	I	2.50	2.75	3.00
	II	2.70	2.95	3.20
	III	2.90	3.15	3.40
	IV	3.30	3.55	3.80
Above Rs.4/- per day.	I	3.00
	II	3.20
	III	3.40
	IV	3.80

Phasing of wages of similar categories of workers should be effected likewise in respect of monthly-rated workers taking into account the basic wage and the dearness allowance prescribed for them.

10. Standardised Nomenclature.— The parties should take steps, as soon as possible to evolve standardised list of nomenclature in the industry.

11. Categorisation of Workers, other than Clerks.— All the time-rated workers, other than clerks, should be categorised by mutual agreement between the representatives of employers and workers in a mine in view of their present emoluments, nature of duties, responsibilities, experience etc. and any dispute arising therefrom should be settled by voluntary arbitration or adjudication.

12. Piece Rates.— The following provisions should govern the piece-rates and fall-back wages in the industry:—

- (i) With effect from 1 January 1967, in no case piece-rated workers should get total wages less than the wages fixed for a minimum paid daily-rated worker. A piece-rated worker should therefore get, with effect from 1 January 1967, a minimum wage of Rs.4/-, Rs.4.50 and Rs.5/- in the groups I, II, III mines, respectively. The piece-rated workers should get the same percentage increase in their piece rates as the minimum paid daily-rated workers of a corresponding category get in their total emoluments under the revised scheme of wages.

(ii) During the period of phasing, the piece-rated workers, corresponding to the first four categories of workers in whose case phasing of wages has been recommended, should be entitled to the same percentage increase in the piece rates as would be given to the minimum paid daily-rated workers in the total emoluments of those categories with the proviso that their daily emoluments should, in no case, be less than the wages fixed for the minimum paid daily-rated workers in that category including the annual increment. For example, if the minimum wage of category I worker is raised from Rs.78/- to Rs.104/- per month, i.e. by $33\frac{1}{3}$ per cent the piece rates of the piece-rated workers of the corresponding category should also be increased by $33\frac{1}{3}$ per cent for the same work load.

(iii)(a) A minimum fall-back wage should be paid to the piece-rated workers when they are unable to perform their norm of work under circumstances beyond their control such as when sufficient work is not available, when there is any natural impediments on account of which work cannot be carried on.

(b) To be entitled to the fall-back wage, workers should not leave the premises before their shift is over without prior permission of management. The daily fall-back wage should be 80 per cent. of the daily wage of a time-rated worker of corresponding category.

(c) The fall-back wage in the case of piece-rated workers corresponding to the first four categories, whose wages have been phased, should also be worked out in similar manner taking phased increase in future years into consideration for calculation of the fall-back wage on 80 per cent. basis.

13. Minimum Total Emoluments of Clerks.- The minimum total emoluments of the lowest paid clerks, with effect from 1 January 1967, should be Rs.175/- per month consisting of Rs.120/- basic and Rs.55/- dearness allowance at the consumer price index number 166 (1949=100).

14. Pay Scales of Clerks.— The following should be the pay scales for three grades of clerks, with effect from 1 January 1967:—

<u>Grade</u>	<u>Pay Scales</u>
III ..	Rs.120-10-170-12-290 (5+10 years)
II ..	Rs.190-12-250-15-400 (5+10 years)
I ..	Rs.300-15-375-20-575 (5+10 years)

Semi-clerical grade

(in respect of some mines only)

Rs.100-7-135-10-185 (5+5 years).

Clauses 15 to 20 of the report deals with dearness allowance for clerks, categorisation of clerical staff, teachers' pay-scales, dearness allowance for teachers, wages of apprentices and learners, and method of fitment into new pay-scales of monthly-rated workers and daily-rated workers.

21. Holidays and leave facilities.—The workers in the mines, other than those of HSL, MISL should be allowed the undermentioned holidays and leave facilities, subject to the condition that if in any mine the existing holidays and leave facilities as a whole, are better than those recommended, they should continue.

- (i) Six holidays with full pay which should include the Republic Day and the Independence Day.
- (ii) 18 days sick leave with full pay on the basis of existing practice, if any, and where there is none, on the certificate of registered medical practitioner.

22. Gratuity Fund.— The Board has recommended that the Government should consider the possibility of creating a gratuity fund out of a cess to be levied for the purpose. This recommendation will be considered by the Government.

23. New Gratuity Scheme.— The existing gratuity schemes in the limestone/dolomite mines/quarries should continue unless and until a gratuity fund recommended in clause 22 is created. However, in the units of the industry, where there is no gratuity scheme at present a beginning should be made by introducing a gratuity scheme providing for the following terms and conditions:—

Events entitling gratuity.

Quantum of gratuity.

- | | |
|--|--|
| (1) On death or on physical/mental incapacity, whilst in service, which renders the workman unfit for further service. | 15 days' basic wages for each completed year of service, subject to a maximum of 15 months basic wages. |
| (2) On Superannuation at the age of not less than 58 years, after completion of not less than 5 years' service. | -Do- |
| (3) Voluntary retirement or resignation:- | |
| (a) Upto 10 years of service. | Nil. |
| (b) Over 10 years but below 15 years of service. | 10 days' basic wages, for each completed year of service. |
| (c) Over 15 years of service. | 15 days' basic wages for each completed year of service, subject to a maximum of 15 months' basic wages. |
| (4) On termination of service by the employers: | |
| (a) Upto 5 years' service. | Nil. |
| (b) Over 5 years' service. | 15 days' basic wages for each completed year of service, subject to a maximum of 15 months' basic wages. |

24. Option to convert grain concessions, etc. into cash.- The present system of supplying food-grains at concessional rates should continue unless the workers and management desire otherwise and agree to have the value of foodgrain concession as on 1 January 1967 converted into cash. In that case from the said date onwards the workers would be entitled to full quantum of variable dearness allowance as recommended by the Board.

25. Permanency of Workers.- The Board has recommended that all persons with six months' continuous service should be given facilities which are normally available to permanent workers. The Board has added that the break in service caused due to the stoppage of mining work in the rainy season, or by other reasons, on which the workers have no control, should be waived and this period of absence should count in the calculation of continuous service, and that when such workers return to work, they should be given preference over the new workers.

As classification of workmen, e.g. permanent, temporary, etc., is one of the matters to be provided for in the Standing Orders of Establishments covered by the Industrial Employment (Standing Orders) Act, 1946, the above recommendation of the Board will apply only to these establishments which have no Standing Orders.

26. Contract Labour.- The Wage Board has recommended that there should be no discrimination between contract workers and regular workers in the matter of wages. This recommendation is accepted by the Government. The Board has also recommended that early steps should be taken to abolish contract system of labour in terms of the Supreme Court decision and the tripartite decision on this subject and that in particular, it should be the responsibility of the principal employer, wherever contract labour is continued, to see that all labour laws ~~applicable~~ applicable are implemented. This matter is already being pursued by the Government who propose to undertake a general legislation on the subject of contract labour; no separate decision on this recommendation is called for.

27. Existing Earnings and Benefits.- The recommendations mentioned to the above clauses are without prejudice to the existing higher earnings, amenities, benefits, etc. which are at present available to the workers.

28. Period of Enforcement.- The above recommendations are for a period of 5 years taking effect from 1 January 1967 and remaining in force till 31 December 1971 in respect of all categories of workers to which the above recommendations would apply.

29. Wages for purpose of Production/Incentive Bonus Schemes.- The bonus earnings of the workers under the production/incentive bonus schemes, which are at present in operation in some mines/quarries will continue to be determined on the same basic wage in each case as was applicable prior to coming into force of this Board's recommendations till such time as in view of the changed circumstances, the production/incentive bonus schemes are not modified, ~~changed~~

30. Machinery for interpretation.- If there are any differences about the interpretation of the Board's recommendations, they should be settled in a bipartite meeting consisting of the representatives of employers and workers in the concerned unit. If no settlement is reached therein, the dispute should be settled either by conciliation or arbitration or adjudication as provided under the Industrial Disputes Act, 1947, and the Code of Discipline.

(The Gazette of India, Extraordinary,
Part I, Sec.1, 7 June 1967, pp.239-248).

Central Government accepts Recommendations
of Central Wage Board for Coal Mining Industry.

A Resolution dated 21 July 1967 of the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment) states that the Central Wage Board for the Coal Mining Industry submitted its final report to the Government on 13 February 1967.

The Wage Board had already made recommendations for grant of two interim wage increases. These were accepted by the Government and the parties were advised to implement them.

The Government has ~~aa~~ carefully considered the Board's Report and decided that the recommendations in respect of the following matters should be accepted:-

- (a) Minimum Wage;
- (b) Dearness Allowance;
- (c) Wage structure of the time-rated and piece-rated workers except reduction of work-loads in the case of loaders in Madhya Pradesh and Orissa;
- (d) Pay scale of clerical, technical and supervisory staff;
- (e) Coal Mines Bonus Scheme, with the retention of the existing condition relating to minimum attendance;
- (f) Allowances mentioned in Chapter XII of the ~~Report~~ other than underground allowance;
- (g) Underground allowance without the provision for annual increase of 1 per cent. recommended by the Wage Board;
- (h) Sick leave without the provision for accumulation;
- (i) Paid festival holidays;
- (j) Leave without pay;
- (k) Quarantine Leave;
- (l) Paid leave for T.B., Cancer and injury leave; and
- (m) Railway fares.

The above recommendations, as accepted by the Government will be brought into operation with effect from 15 August 1967.

The Board's recommendation regarding introduction of a gratuity scheme will be examined by the Government and decision taken thereon in due course.

In view of Government's recent decision to decontrol coal prices, it has been represented that it will take some time for employers to make the necessary readjustments to enable them to implement the recommendations. Employers and workers have generally agreed to enter into bipartite talks in this connection regarding the phasing of the disbursement of additional benefits in the initial period, wherever employers may have such difficulties. Government would ~~commend~~ commend the holding of such talks between the parties with a view to arriving at mutually acceptable arrangements.

Board's Recommendations.— The Neyveli Lignite Corporation was excluded from the scope of the reference to the Board by Government's decision dated 18 December 1962.

The reference would cover all employees in the coal mining industry who fall within the definition of the term 'workmen' in Section 2(s) of the Industrial Disputes Act, 1947 (Act XIV of 1947), including miners and other sirdars.

Minimum Wage.— The Board is of the opinion that the minimum wage of category I surface worker of Rs.5 per day at All India Average Working Class Consumer Price Index Number 166 (Base 1949=100) would be fair and reasonable. Inclusive of bonus payment at the rate of 10 per cent. of basic pay pro-rata on attendance, the lowest paid category I surface worker will be entitled to Rs.5.50 per day or Rs.143 per month (Paras 24 and 25). Shri Worah, however, had his reservations on payment of bonus pro-rata on attendance.

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Scheme for Dearness Allowance.— "For every point rise over the Index Number 166, to which the Board's wage structure is linked, the dearness allowance shall be 3 paise per day. The method of calculation of the Index shall be on the basis of the average of six months; i.e., from January to June and July to December, in each year and the adjustments will be made on 1 October and 1 April each year respectively as at present. If there are fractions in the average the next higher integer will be taken."

The Board has made it clear that if there is a fall in the average cost of living Index Number for any period of six months from the average Index Number for the previous period of six months, the dearness allowance will be reduced to the extent of such fall at the rate of 3 paise per point per day, but not if the Index Number falls below 166.

Wage Structure: A. Time-rated Categories.— The existing ten categories should be compressed into six categories, as shown in Appendix V of the Report.

The following are the scales of pay for the six daily rated categories at All India Average Working Class Consumer Price Index Number 196 (Base 1949=100).

Categories.	Daily wage Minimum.	Increment.	Daily Wage Period Maximum.	Period Attendance Bonus.
I. ..	5.00	0.10	6.00	10 years + 10 %
II. ..	5.35	0.12	6.55	10 years + 10 %
III. ..	5.90	0.15	7.40	10 years + 10 %
IV. ..	6.90	0.20	8.90	10 years + 10 %
V. ..	7.95	0.28	10.75	10 years + 10 %
VI. ..	10.90	0.40	14.90	10 years + 10 %

B. Collieries of the National Coal Development Corporation including categorisation of the Excavation Section, Deep Shaft and Mechanised Mines.— Monthly paid staff of the National Coal Development Corporation who are at present governed by the Central Pay Commission scales of pay, Railway Rules, Corporation Rules or by other rules should be allowed to opt for the scales of pay and other service conditions recommended by the Board for similar monthly rated staff in the private sector collieries. Such option shall be exercised within 12 months from the date the recommendations of the Board come into effect and the option once exercised shall be final and binding.

The Board recommends the following scales of pay for workmen of the excavation section:—

Category E - Rs.6.75-0.20-9.75
 Category D - Rs.10.75-0.40-14.75
 Category C - Rs.12.00-0.60-18.00
 Category B - Rs.13.50-0.70-20.50
 Category A - Rs.16.00-0.90-25.00

New appointees in category 'F' should be given the scales of the clerical grade III, with option to the existing employees to continue in category V daily scale or to opt for the monthly scale. Job descriptions for these categories given in the Award in Reference No.57 of 1959, should stand. Operators of shovel/drag lines of 10 cubic yard capacity and above or dumpers of 45 tonne capacity and above should be given 25 per cent. higher wages than what they draw in their present categories.

Piece-rated Workers.— The Board has classified the piece-rated workers into 5 groups.

For these 5 groups, the Board recommends the following wage structure with its fall-back wage (minimum guaranteed wage) for each group, as shown below at the All India Average Working Class Consumer Price Index-Number 166(Base 1949=100):—

	<u>Basic Wage</u>	<u>Fall-Back Wage</u>
	<u>Rs.</u>	<u>Rs.</u>
Group I	5.25	5.00
Group II	5.40	5.00
Group III	5.90	5.25
Group IV	6.00	6.00
Group V	6.75	6.00

Work loads have been prescribed for pick miner, machine loader, Quarry pick miner, Quarry miner, Drill coal miner, Quarry loader and Wagon loader.

Different scales of pay for the clerical staff who have been classified under four groups and for technical and supervisory staff classified under eight grades, have been prescribed.

The following are the scales of pay for clerical staff at the All India Average Working Class Consumer Price Index Number 166(Base 1949=100).

- Group III - Rs.180-5-230-7-265 Plus 10% attendance bonus.
- Group II - Rs.205-7-275-10-325 Plus 10% attendance bonus.
- Group I - Rs.245-10-325-15-385 Plus 10% attendance bonus.
- Special Grade - Rs.305-15-425-20-505 Plus 10% attendance bonus.

The Board has decided that the Technical and Supervisory staff should be divided into eight grades (A to H) and recommended the following pay scales at the All India Average Working Class Consumer Price Index Number 166(Base 1949=100):—

- Grade A - Rs.405-20-605-25-730
- Grade B - Rs.305-15-395-20-575
- Grade C - Rs.245-10-305-15-440
- Grade D - Rs.205-7-247-10-337
- Grade E - Rs.180-5-210-7-273
- Grade F - Rs.165-4-205-5-230
- Grade G - Rs.146-3-176-4-184
- Grade H - Rs.140-3-170-4-178.

Outlying Coalfields: Andhra Pradesh.— Coal cutters in this field should be placed in new category IV.

Subject to the broad agreements (reached between the representatives of the management of Singareni Collieries and the representatives of the Unions) the wage structure and the proposed categorisation for Bengal and Bihar should be made applicable to the Singareni Collieries Co.Ltd., with necessary modifications and changes, occasioned by the special condition.

Madhya Pradesh, Orissa and Maharashtra.— Categorisation proposed by the Board for Bengal and Bihar should be adopted in the outlying coalfields of Madhya Pradesh, Maharashtra and Orissa. In the case of specific categories not mentioned in the categorisation proposed by the Board the managements and the unions concerned should at local level, by agreement, fit in such workers in the appropriate categories on the basis of their present emoluments, skill involved and other relevant factors. Workers employed in the private power stations and railways should also be fitted in the proposed categorisation recommended by the Board.

Assam.— The existing separate categorisation of surface and underground workers will be replaced by one categorisation for both surface and underground workers and the differential between surface and underground workmen, will be maintained by a separate underground allowance as in the rest of the country. All time rated daily paid workers shall be placed in six categories as shown in Appendix VA with the following basic consolidated scales of pay at All-India Working Class Consumer Price Index Number 166 (Base 1949=100).

Categories.	Daily-wage Increment.			Daily-wage Period of		Attendance and deferred bonus.
	Minimum.		Maximum.	scale.		
I	...	Rs. 5.75	Rs. 0.11	Rs. 6.85	10 years.	Plus 10%
II	...	Rs. 6.15	Rs. 0.14	Rs. 7.55	10 years.	Plus 10%
III	...	Rs. 6.80	Rs. 0.18	Rs. 8.60	10 years.	Plus 10%
IV	...	Rs. 7.95	Rs. 0.23	Rs. 10.25	10 years.	Plus 10%
V	...	Rs. 9.15	Rs. 0.32	Rs. 12.35	10 years.	Plus 10%
VI.	...	Rs. 12.25	Rs. 0.46	Rs. 17.15	10 years.	Plus 10%

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Clerical Staff.- Basic consolidated scales of pay at All India Working Class Consumer Price Index Number 166(Base 1949=100).

Clerical Grade III - Rs.205-6-265-8-305
(15 years) Plus 10% attendance bonus and deferred bonus.

Clerical Grade II - Rs.235-8-315-12-375
(15 years) plus 10% attendance bonus and deferred bonus.

Clerical Grade I - Rs.280-12-376-16-440
(12 years) plus 10% attendance bonus and deferred bonus.

Special Grade - Rs.350-16-430-20-570 (12 years)
plus 10% attendance ~~allowance~~ bonus and deferred bonus.

Technical and Supervisory Staff.- Scales of pay at cost of living at All India Working Class Consumer Price Index Number 166 (Base 1949=100).

Grade A - Rs.475-20-575-25-825 (15 years)
Plus ~~atte~~ 10% attendance and deferred bonus.

Grade B - Rs.350-16-430-20-630 (15 years)
Plus 10% attendance and deferred bonus.

Grade C - Rs. 280-12-340-16-500 (15 years)
Plus 10% attendance and deferred bonus.

Grade D - Rs.235-8-275-12-395 (15 years)
Plus 10% attendance and deferred bonus.

Grade E - Rs.205-6-235-8-315 (15 years)
Plus 10% attendance and deferred bonus.

Grade F - Rs.190-5-215-6-275 (15 years)
Plus 10% attendance and deferred bonus.

Grade G - Rs.166-4-206-5-216 (12 years)
Plus 10% attendance and deferred bonus.

Grade H - Rs.160-4-200-5-210 (12 years)
Plus 10% attendance and deferred bonus.

The categorisation and grades will be the same as the ones recommended for the rest of the country. In the case of categories not covered or any other difficulty in categorisation the matter should be settled by mutual negotiation failing which by arbitration or adjudication.

Coal Mines Bonus Scheme-1948.- The provisions in Para 8 of the Scheme relating to forfeiture of bonus because of participation in an illegal strike, should be removed.

Bonus should become a definite part of the wage of the worker and it should no longer be conditional on a minimum attendance qualification.

The Board recommends that the Bonus should be paid quarterly as hitherto, but pro-rata on attendance. Shri Worah, however disagreed with the recommendation for payment on pro-rata attendance.

Bonus should be calculated at 10 per cent. of the new consolidated basic wage and the same should be paid quarterly pro-rata on attendance to all employees who are covered by the Board's recommendations and whose new basic pay does not exceed Rs.730 per month.

Underground Allowance.— Underground allowance shall be paid to all those who are entitled to receive it at present at the rate of 5 per cent. of the new consolidated pay with a maximum of Rs.25 per month. This allowance shall be increased by 1 per cent. with a corresponding increase of Rs.5 per month in the maximum after every twelve months from the date the recommendations of the Board come into effect until it reached the rate of 10 per cent. of the basic pay, with a maximum ~~of~~ limit of Rs.50.

~~Diff~~ Different allowances have been prescribed for tip pushing, stacking and ~~leading~~ reloading, overtime for persons holding positions of supervision and management and doing confidential work, officiating acting allowance, water seepage/bailing allowance, dressing allowance, ~~their~~ thin seam allowance, first-aid allowance, surplus allowance, bad ventilation allowance, night shift allowance, etc.

Leave and Railway Fare.— The Board makes the following recommendations:—

Leave.— Privilege leave or annual leave with wages (Majority recommendation):—

- (a) A workman employed underground in a coal mine shall be entitled to annual leave with wages at the rate of one day for every twelve days of work performed by him;
- (b) A workman who is employed otherwise than as stated in (a) above shall be entitled to annual leave with wages at the rate of one day for every sixteen days of work performed by him.

Casual Leave.— Five days paid casual leave in the year with liberty to prefix or suffix casual leave to Sundays, weekly rest days or paid festival holidays should be granted to workmen. (This is a majority recommendations Shri Worah dissenting).

Sick Leave.- All workmen shall be entitled to 15 days sick leave ~~with~~ in the year on full pay or 30 days in the year on half pay with a right to the workmen to accumulate sick leave for a period of 60 days and 120 days respectively, in the entire period of service. (Majority recommendation one member dissenting).

Paid Festival Holidays.- The existing provision for seven paid festival holidays in the year is adequate and should continue. If, however, any unit is granting more than seven paid festival holidays, it shall be continued.

Leave without pay.- One month's leave without pay in the year should be granted.

Quarantine Leave.- The provision of the Model Standing Orders shall stand.

Paid leave for T.B., Cancer, Leprosy, Mental Disease, Paralysis and Occupational Diseases like Pneumoconiosis, Silicosis, etc.- Special leave with pay on medical certificate for at least six months in the first instance should be granted and paid by the Coal Mines Welfare Fund. If within a period of six months it is found that the disease is curable, longer leave should be granted depending on the circumstances of each case.

Injury Leave.- The question of extending the applicability of Rules 83 and 83A of the Fundamental Rules to the Coal Industry should be gone into by the Industrial Committee on Coal Mining.

Railway Fare.- The condition of three months' uninterrupted service on return from leave should be rescinded and all workmen should be paid return railway fare within a week of their being allowed to resume duty on return from leave.

Railway Fare concessions should be allowed to be accumulated for a period of two years. The members representing the industry do not agree with this recommendation.

Railway Fares should include boat fare wherever payable.

The Class by which the workmen shall be entitled to travel will be as follows:-

- If the workman's basic wage is Rs.165/- or less per month - III class.
- If the workman's basic wage is above Rs.165/- and upto Rs.265/- - II Class.
- If the workman's basic wage is Rs.265/- per month - I class.

House Rent Allowance.-Section 5.- House rent allowance of Rs.8 per month should be paid from 1 January 1967 to all workmen who are not provided with free housing. Those who are offered accommodation and do not avail themselves of the offer, will not be entitled to payment of the house rent allowance. The three employers' representatives on the Board do not agree with this recommendation.

No house rent should be charged to workers who are provided with housing accommodation.

Alternative light Employment for Disabled Workmen - Section 7.- Government should look into the matter and formulate a proper scheme to ensure that every disabled workman who is capable of performing lighter work is provided with such alternative employment.

Free Fuel - Section 9.- Free fuel should be supplied to all workmen in the coal industry. Where such practice does not exist it should be introduced and where free fuel is being supplied, the existing practice, quantity and manner of supply should be continued.

(The Gazette of India, Extraordinary,
Part I, Sec.1, 25 July 1967,
pp. 375-392).

Annual Report of the Coal Mines Bonus Schemes
for the Year 1965*.

A summary of the Annual Report for the year 1965 of the Coal Mines Bonus Schemes has been published in the June 1967 issue of the Indian Labour Journal.

Among other things, the Act provides for the payment of quarterly bonus equal to one-third of the basic earnings in the quarter provided certain conditions relating to minimum attendance, etc., are fulfilled. The Bonus Schemes were enforced in various States and in the year 1965 they were in operation in Andhra Pradesh, Assam, Bihar, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, and West Bengal. The Schemes were applicable to those employees in coal mines, whose basic earnings did not exceed Rs.300 per month but they did not apply to persons employed (i) as malis, sweepers, or domestic servants, (ii) in a coal mine belonging to or under the control of the National Coal Development Corporation Ltd., on monthly rates of pay and under conditions of service which for the time being are similar to those obtaining in Railway establishments or under conditions of service which entitle them to pension under the Civil Rules, and (iii) as labourers of a contractor for building, brick making or tile making. The administration of the Schemes has been the responsibility of the Chief Labour Commissioner's Organisation since August 1952.

Out of the 822 collieries, the average number of quarterly bonus returns received during the year was 650 and out of the average number of 563,179 workers employed during the year in collieries submitting returns 358,873 (i.e. 63.72 per cent.) qualified for bonus, as against 421,495 and 354,955 (i.e. 84.2 per cent.) respectively during the previous year. The average number of workers who were paid bonus was 327,818 as against 324,372 during the previous year. The total amount of bonus paid to the workers during the year was Rs.64,744,916 as against Rs.62,895,210 during the previous year.

Of the total 4,808 irregularities including 1,045 brought forward from the previous year, 3,591 irregularities were rectified during the year under report and 82 irregularities were closed either after issue of warning to employers or because unpaid bonuses had been subsequently paid or prosecution/certificate cases had been filed in the Courts.

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* The Indian Labour Journal, Vol.VIII, No.6,
June 1967, pp. 509-511.

Wage Freeze discussed at Chief Ministers' Conference.

At the recent Chief Ministers' Conference held at New Delhi, labour leaders all over the country sharply criticised the proposal to freeze wages. An opinion survey revealed a definite polarization of views on the issue with labour and Leftist political leaders opposing the move and industrialists and Congress leaders favouring it. The following are the views expressed by a cross-section of political, labour and industrial leaders:

Shri Namboodripad, Chief Minister of Kerala said that the talk of freezing prices, profits, dividends and wages, under the present circumstances, had no meaning. After all, the shooting up of prices was not a recent development; it had been going on for more than a decade. Too often had "holding the price line" been talked about. Nobody would believe that it would be done now, unless a serious re-examination is made of the reasons why prices have been spiralling.

Shri Brahamananda Reddy, Andhra Chief Minister was in favour of the move if it was going to arrest prices and ensure that the Plan resources were not upset. It was a big issue which required a threadbare examination and a series of measures should be taken to make the whole issue workable with utmost efficiency.

Shri Ram Swaroop Verma, U.P. Finance Minister said that the wage freeze would adversely affect the labour and benefit the capitalists. There should be control over income and expenditure and more than anything else over prices. He suggested demonetisation to unearth black money, estimated at 15,000 million rupees. Shri S.R. Vasavada, president of the INTUC-affiliated National Federation of Indian Railwaymen did not approve of a wage freeze at a time when living costs were rising and productivity was going up. It would dishearten workers and take away the incentive to increase productivity. Since dearness allowance was generally linked to the cost of living index, wages would automatically fall if prices were lowered.

Shri S.R. Kulkarni, President of the All-India Port and Dock Workers' Federation said that if the Government decided to freeze wages, the organised labour movement would have to think seriously in terms of a "work freeze". The Deputy Prime Minister's statement on the question was likely to be "a camouflage to deprive the Government employees in particular and other workers in general of the benefits of rise in gearness allowance to meet the rising cost of living.

If the Government was serious in evolving and implementing a radical economic and fiscal policy and if it succeeded in holding price line and freezing profits, the question of wage freeze will not arise. There had been a substantial erosion of the real wages of workers, including government employees. The existing level of real wages was even below the pre-war level. It was therefore, clear that the wages were already frozen and there was nothing left to freeze.

(The Hindustan Times, 17 July 1967).

Study of Wages in Private and Public Sectors
published by National Council of Applied
Economic Research: Lowest wages paid by
Industries in Andhra Pradesh

According to a study of wages in the private and public sectors conducted by the National Council of Applied Economic Research elimination of inter-State wage differentials must wait a more balanced regional economic development. The yearly earnings in the States during 1956-1963 show that wages in Andhra Pradesh were the lowest and those in Maharashtra the highest and double of those in Andhra.

Ranked on the basis of average annual earnings, the first six industries are petroleum and coal products, ship-building and repair, electricity, gas and steam, basic metal industries, cement and textiles.

Compared to the first six industries in Sweden, the U.S. and Canada, wage differentials in India are narrower than in those countries.

No generalisation can be made about either the private or public sector of industry paying higher wages. For instance, in Madras nine out of the 12 industries studied pay higher wages in the private sector; in Madhya Pradesh, seven out of the nine industries in the public sector pay higher wages. The wage differences in the cotton textile industry are slowly disappearing.

In the iron and steel industry, the public sector plants pay the highest wages (excluding incentive payments). TISCO and IISCO trail far behind.

In the sugar industry, wages are higher outside U.P. and Bihar.

The Council says that standardisation is necessary if a rational wage structure is to be evolved in the country. In the case of the textile industry, labour has already demanded and the employers have accepted it. "It is only a matter of time before the unions grow sufficiently in strength to demand this in other industries as the experience of other countries demonstrates it."

Specific Obligation.— The Council says that tripartite settlement of the wage question through the agency of wage boards has been accepted by the Government as a policy. It would, therefore, seem to be the best course of action open to the Government that this question of standardisation and the period of transition during which this policy would be implemented, were made a specific obligation of wage boards to work out. The magnitude of the rate schedule, the geographical differential and many other closely connected problems can be adequately dealt with only at the wage boards' level.

The Council has pointed out that, by and large, the wage boards have not considered it necessary to go into the structure of wage differentials in the industry they examined. As in the case of the fixation of the minimum basic wage in different parts of the country, there is no uniformity in their recommendations, each board tending to go its own way. "This is clearly not the desirable procedure."

"It is time at least that the future wage boards were specifically asked to examine the question and ~~also~~ help evolve a scientific wage structure so that no problem of shortage of skills arose in any important field", the Council adds.

(The Hindustan Times, 22 August 1967).

Final Report of the Wage Board for Working Journalists published.

The Wage Board for Working Journalists has, in its final report submitted recently to the Government, recommended a monthly basic pay of Rs.105 for Journalists employed in the lowest class of daily or weekly. It says the basic wage for a working journalist in first class working newspapers and news agencies should be Rs.190 a month, while those working in first class weeklies or periodicals should be Rs.160. The Board has also divided the country into three areas for the purpose of dearness allowance - cities with a population of more than one million, those between 500,000 and one million and those under 500,000.

The minimum and maximum D.A. payable area-wise is: Rs.40 and Rs.120 in Area III, Rs.55 and Rs.140 in Area II and Rs.70 and Rs.150 in Area I.

The Board has recommended the classification of newspapers, news agencies, weeklies and other periodicals into seven categories on the basis of their gross annual revenue.

Working journalists have been grouped into various categories and scales of pay fixed for each of them.

(The Statesman, 10 August 1967).

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

INDIA - JULY-AUGUST 1967.

41 Agriculture.

Tea Districts Emigrant Labour (Repeal) Bill,
1967.

Shri Jaisukhlal Hathi, Union Minister of Labour, Employment and Rehabilitation introduced in the Lok Sabha on 26 June 1967 a Bill to provide for the repeal of the Tea Districts Emigrant Labour Act, 1932, and for matters connected therewith. According to the Statement of Objects and Reasons of the Bill, the Tea Districts Emigrant Labour Act, 1932 regulates recruitment of workers for tea gardens in Assam from outside the State and their repatriation. Experience gained in the working of the Act for the past few years has shown that it is no longer necessary ~~for~~ to continue in existence the pattern of assisted emigrant labour, for tea gardens in Assam, as conditions which justified the introduction of the scheme about thirty years ago, have greatly altered during the intervening period. It is, therefore, proposed to repeal this Act. Any residual functions after the repeal of the Act that may be left over are proposed to be entrusted to the Government of Assam by making an express provision to that effect in the repealing Act.

The Bill provides ~~that~~ notwithstanding the repeal of the Tea Districts Emigrant Labour Act, 1932, and notwithstanding anything to the contrary contained in the said Act, -

(a) every emigrant labourer in whose case, on the 3rd day of August, 1960, a period of three years from the date of his entry into Assam had not expired,

(b) every emigrant labourer entering Assam on or after the 3rd day of August, 1960, being the date of the Agreement arrived at the Ninth Session of the Industrial Committee on Plantations, and before the commencement of this Act, and

(c) every emigrant labourer who is in Assam immediately before the commencement of this Act and whose right of repatriation has not been waived or

forfeited by agreement or otherwise under any provisions of the said Act,

shall, as from the date of expiry of a period of three years from the date of his entry into Assam, whether such expiry occurs before or after the commencement of this Act, have the right to be repatriated, and may be repatriated, under the said Act, as if it had not been repealed and the provisions of the said Act in so far as they relate to the enforcement of the right of repatriation of emigrant labourers shall continue to apply as if for the references therein to the Controller, references to the State Government of Assam or an officer authorised by that Government in this behalf had been substituted:

Provided that no such emigrant labourer shall have the right to be so repatriated unless he makes an application in this behalf-

(a) within a period of six months from the commencement of this Act, where the aforesaid period of three years has expired before such commencement, or

(b) within a period of six months from the date of expiry of the aforesaid period of three years, where the latter period expires after such commencement.

(The Gazette of India, Extraordinary,
Part II, Sec. 2, 26 June 1967,
pp. 523-526).

Recommendations of the Panel on Improvement
in the Working of the Indian Agricultural
Research Institute submitted: Autonomous
Status suggested.

The report of the Panel headed by Dr. Kanungo which was asked to review and suggest improvements in the working of the Indian Agricultural Research Institute, was recently submitted ~~the~~ to the Administrative Reforms Commission. In view of the Institute's national importance the panel felt that it must be autonomous and free from unduly complex administrative restrictions, subject, however, to appropriate audit and with its programmes and activities open to public view.

The panel recommended several short and long-term measures for improving the working and status of the Institute.

Realising the need for a simple straight line of authority to bring the best out of the scientists engaged by the Institute, the panel has suggested that the Institute should have a governing body with a scholar-scientist as its chairman and director of the Institute with an appropriate status. This should be the supreme policy making body.

To absorb the best talents available, the panel has suggested that all recruitments to academic and research posts should be by open competition. The appointment of professor and associate professor should be done by a committee of which the director should be the chairman.

The panel also recommended that divisional heads should be given more powers in the matter of employing temporary skilled labour and unskilled daily wage labour.

(The Statesman, 21 August 1967).

Maharashtra: Agro-Industrial Foundation
set up.

The President of India, Dr. Zakir Husain inaugurated on 24 August 1967 the Indian Agro-Industrial Foundation at Uruli Kanchan, near Poona. The foundation will seek to work for the development of agriculture, horticulture, animal husbandry and allied activities on modern scientific lines to propagate the knowledge and techniques of these subjects among farmers. It proposes to undertake a three-fold programme covering: development, experiment and research, and extension service.

The main activity will be the organisation of a hybrid seed farm in co-operation with the National Seeds Corporation. The local authorities at Uruli Kanchan have offered 100 acres of land to the foundation.

(The Times of India, 25 August 1967).

42. Co-operation.

India - July-August 1967.

Panel to Study Land Acquisition Act set up.

The Government of India announced on 30 July 1967, the appointment of a 25-member Committee comprising members of Parliament and representatives of State Governments to examine the entire framework of the Land Acquisition Act, 1894. The Committee which will be headed by Shri Anand Narain Mulla, M.P., will examine, among other things, the scheme of acquisition of land for public purposes and for companies in the public and private sectors under the Act. The Committee in particular, will examine principles which should govern acquisition of land for a public purpose, principles for determining compensation, reasons for administrative delays and remedial measures, extent of Government responsibility for rehabilitation of evicted families and recommendations about discharge of this responsibility; and feasibility of enacting a uniform Central Law on land acquisition. This may be applicable to the whole country although the subject is in the concurrent list.

The Committee is expected to submit its report to the Government by the end of March, 1968.

(The Hindustan Times, 31 July 1967).

Meeting of Industrial Committee on Plantations
held at Madras, 19 August 1967.

The meeting of the Industrial Committee on-Plantations was held at Madras on 19 August 1967. Among others the meeting was addressed by Shri Jaisukhlal Hathi, Union Minister for Labour, Employment and Rehabilitation. Addressing the meeting the Union Minister said that the Government was formulating a retirement-cum-family pension scheme to cover workers who are members of the Employees' Provident Fund and the Coal Mines Provident Fund. The Government was examining the question of extending the Employees' Provident Fund to workers in Cinchona plantations. Among the plantations, only tea, rubber and coffee were covered under the provident fund scheme at present. He told the meeting a declining trend in employment had been evident for some time in tea plantations accompanied by higher productivity. The reasons attributed for the decline were: mechanization, rationalisation of work, increased labour productivity and tendency towards casualization.

The Minister said the main problem was how to make use of the surplus labour on plantations and the incapacity of the industry to absorb all the new entrants. The problem would become acute in the coming years when repatriate labour from Ceylon started arriving.

The Minister also spoke of the need to regularize the working hours for children in plantations. While the Minimum Wages Act had stipulated a 27-hour week for children the Plantation Labour Act had allowed children to work up to 48 hours a week. He thought this anomaly should be rectified by amending the rules or the Plantation Labour Act.

The meeting decided that the system of contract labour in plantations should be abolished wherever possible. The meeting agreed to amend the Plantation Labour Act so as to raise the wage limit for coverage (by the Act) from Rs.300 to Rs.500 per month, Shri Hathi said. It was also agreed that the State Governments should not amend the Plantation Labour Act without getting prior approval of the tripartite industrial committee on plantations.

(The Statesman, 20 and 21 August, 1967).

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CHAPTER 5. WORKING CONDITIONS AND LIVING
STANDARDS.

INDIA - JULY-AUGUST 1967.

50. General.

Service Conditions of Port Workers Reviewed:
New Allowances Recommended by Court of Inquiry.

The Court of Inquiry presided by Shri Salim M. Merchant, which went into the service conditions of port trust workers, has made the following recommendations:

B Category workmen: (a) attendance money should be increased from Re.1.00 to Rs.1.75 per day; (b) privilege leave should be allowed at the rate of one day for every 17 days; (c) sick leave should be allowed at the rate of 14 days of half pay for every year; (d) five days' casual leave in a year; (e) five days' paid holidays in a year; (f) a gratuity scheme which is already in force in Bombay should be extended to other ports from 1 October 1967; and (g) medical and housing facilities as for A Category ~~categories~~ workers should be extended to these workers.

C Category workers: The C Category workers are at present treated as purely casual labour and they do not get any facilities. The Court of Inquiry has recommended that after four years of services, these workmen ~~should~~ should be put in Category B and will be entitled to all those facilities from that date. They will also be entitled to five days' paid holidays.

(The Hindustan Times, 26 August, 1967).

Kerala: Results of a Family Budget Survey
published.

A family budget survey was conducted under the direction of a three-man committee appointed by the State Government for the purpose of computing a fresh series of working class consumer price indices. Though the survey was limited to a specific purpose, it has thrown interesting light on some aspects of the domestic economy of the working class.

According to the survey the average monthly income per working class household is the highest (Rs.217), at Ernakulam, the hub of industrial activity in Kerala, while it is as low as Rs.116 in Trivandrum, which has very few industries. Ernakulam is also at the top with an average family expenditure of Rs.204.78 and Meppady in South Wynad, where tea, coffee and cardamom are grown, comes last with a little over Rs.122. The families were found to be managing with their income only at Ernakulam, Alleppey and Meppady.

Cost of Food.— Food, clothing and shelter (including fuel and lighting) take away the lion's share of the earnings. The expenditure on this account varies from about 82 per cent. at Ernakulam and Punalur to 87 per cent. in Trivandrum, Alleppey and Trichur and 90 per cent. in Meppady.

The 'food group' alone includes as many as 33 items as against only 14 in the previous survey. Analysis of the data shows that the percentage expenditure on food ranged from 57.18 (lowest) at Ernakulam to 67.33 (highest) at Meppady. The expenditure on food goes up when there is no appreciable increase in income. Wheat and tapioca are also being consumed by the workers in varying quantities in addition to rice.

Size of Family.— The 'miscellaneous group' consists of 13 items, including toilet, recreation, betel leaves, arecanut and tobacco, beedi and intoxicants, newspapers, travel, medical care and education. The expenditure on these items varies from about 12 per cent. at Cannanore and Munnar to 13 per cent. in Trivandrum, Alleppey and Trichur and about 18 per cent. at Punalur and Ernakulam.

The average size of a working class family in Kerala ranges from five in Meppady to 6.65 in Trichur. The average size of an urban family in Kerala, according to the 1961 census was 6.19.

(The Hindu, 31 July 1967).

Main Recommendations of the Education
Commission Accepted.

The Committee of Members of Parliament on Education Policy has accepted all but three of the important recommendation of the Education Commission. The Committee's report was placed on the table of both Houses of Parliament on 25 July 1967 by Shri Triguna Sen, Union Education Minister. The three recommendations which have not been accepted relate to the starting of five or six big universities, selective admission at the secondary and undergraduate stages and the creation of a new administrative structure. The report has recommended that priority should be given to the development of a national system of education to accelerate transformation of the existing social order, provide adequate and equal educational opportunity to every child, make the rising generation conscious of the fundamental unity of the country, proud of its cultural heritage and confident of its great future, emphasize science and technology, and cultivate high moral, social and spiritual values.

The Committee has also recommended that along with development of regional languages as media of education, every effort should be made to develop Hindi as the link language.

(The Hindustan Times, 26 July, 1967).

Chapter 5. Working Conditions and Living Standards.

51. Hours of Work.

India - July-August 1967.

Annual Report on the Working of the Hours of Employment Regulations (Railways) for the Year 1965-66*.

A review of the annual Report on the Working of Hours of Employment Regulations (Railways) for the year 1965-66 has been published in August 1967 issue of the Indian Labour Journal. Among other things, the review discusses the scope and application of the regulations, administration, classification of employees, inspections conduction and irregularities and their rectification. During the year under review, 8,537 establishments were inspected as against 9,834 inspected during the previous year. Out of the total of 104,933 irregularities (including 33,004 irregularities from the previous year), the Railway Administration rectified 77,061 (73.4 per cent.) irregularities during the year under report leaving a balance of 27,872 (26.6 per cent.) irregularities at the close of the year.

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* Indian Labour Journal, Vol.VIII, No.8,
August 1967, pp. 675-679.

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

India - July-August 1967.

Iron Ore Mines Labour Welfare Cess (Amendment)
Bill, 1967.

Shri Jaisukhlal Hathi, Union Minister of Labour, Employment and Rehabilitation, introduced in the Lok Sabha on 19 June 1967 a Bill to amend the Iron Ore Mines Labour Welfare Cess Act, 1964.

According to the Statement of Objects and Reasons of the Bill section 2 of the Iron Ore Mines Labour Welfare Cess Act, 1961, provides for the levy of a cess, on all iron ore produced in any mine, at such rate not exceeding fifty paise per metric tonne as the Central Government may from time to time fix by notification in the Official Gazette. At present, the rate of cess thus levied is twenty-five paise per metric tonne. The proceeds of the cess levied and collected, reduced by the cost of collection, are being utilised to promote the welfare of labour employed in the iron ore mining industry. For collection of the cess, eight Cess Commissioners have been appointed in the important iron ore producing States. The cost of machinery for collection comes to about four to five per cent. of the cess collected. This cost of collection is likely to be higher when the full complement of staff necessary for checking, inspection, supervision and accounting is appointed. In order to reduce the expenditure towards the cost of collection, it is proposed to amend the Act so as to collect the cess as a duty of customs in respect of iron ore which is exported out of India and as a duty of excise in respect of iron ore which is sold or otherwise disposed of by the owners of mines to steel plants and other units producing pig iron, etc. The cess as duty of customs will be collected through the agency of the Customs Department (as is being done in the case of cess on mica) and as duty of excise will be collected through the agency of the steel plants, etc., at the time of receipt of the despatches by them. A saving of approximately 200,000 rupees is expected from this change in the mode of collection of cess.

The Bill seeks to achieve the above object.

(The Gazette of India, Extraordinary, Part II,
Sec. 2, 19 June 1967, pp. 496-501).

56. Labour Administration.

India - July-August 1967.

Annual Report 1966-67 of the Ministry of Labour and Employment published: Labour Problems Reviewed*.

The report on the activities of the Department of Labour and Employment, Ministry of Labour, Employment and Rehabilitation during the year 1966-67, which has been recently published by the Government of India, is in two volumes. Volume I covers the activities of the Department in the fields of industrial relations, wages, social security, working conditions and allied matters. The activities in the field of employment and Training are reviewed in Volume II. The following are some of the salient features of the Report.

features General Labour Situation.- Reviewing certain significant [of the economy during the year 1966-67 such as set back in agricultural production, slackness in industrial growth, devaluation, and the rise in wholesale prices and the working class consumer Price Index, the report points out that these developments had their impact on industrial relations situation during the year. The country lost 10.5 million man-days (provisional) in 1966 on account of strikes and lock-outs in industry as compared to 6.9 million man-days lost in 1965. The deterioration in the industrial atmosphere could be attributed partly to economic reasons, viz., continued rise in prices and consequent stresses and strains felt in the economy.

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Report 1966-67, Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment) Government of India, New Delhi. Vol. I, pp. 103, Vol. II, pp. 48.

In the Central Sphere, while the labour situation was by and large in Railways, Defence establishments and oilfields, the atmosphere was somewhat disturbed in the ports and docks and insurance establishments. A number of strikes were reported in the ports of Calcutta, Bombay, Madras and Visakhapatnam. Industrial relations in Cochin Port were also strained. In the Insurance Companies, there were agitations by the workers on various issues, including the introduction of electronic computers by the Life Insurance Corporation. The settlement arrived at between the Indian Banks Association and the Bombay Exchange Banks Association on the one side and the All India Bank Employees Association and the All India Bank Federation Employees Federation on the other on 19 October 1966 was one of the ~~constanding~~ outstanding examples of the value of the collective bargaining in maintaining an atmosphere of cordial industrial relations.

In the Coal Mines there were 110 strikes and five lock-outs accounting for about 0.18 million of man-days lost in 1966 as compared to 67 strikes and 0.19 million of man-days lost in 1965. Thus, it will be seen that the number of strikes went up but their duration was reduced. During January-February, 1967, 11 more strikes were reported which resulted in a loss of more than 77,600 man-days. In mines other than coal and oilfields 115 strikes were reported and the man-days lost were 0.082 million as compared to 0.582 million of man-days lost in the previous year. Thus, there was a marked decrease in the man-days lost in the non-coal mines in the current year.

Workers had to undergo hardship owing to lay-off and retrenchment particularly in cotton textile mills. But the situation somewhat improved towards the end of the year. In the cotton textile industry as against 35 units which remained closed at the beginning of 1966 there were only 29 non-working units at the end of the year. The number of workers affected also decreased from 44,700 to 39,400. The main reason for the closure of cotton textile mills was the shortage of cotton. To ~~retrive~~ improve the situation Government had to take suitable measures for the procurement and distribution of cotton in the market. The mills were also directed to close for an extra day per week in addition to the normal weekly holidays on payment to the workers of compensation at 50 per cent. of their basic wages and dearness allowance.

Prevention and Settlement of Industrial Disputes.— On the legislative side the Industrial Disputes Act, 1947 continued to govern industrial relations situation in the country. On the voluntary side the Code of Discipline in Industry and Industrial Truce Resolution continued to be the main instruments in the prevention and settlement of industrial disputes, enforcement of awards, etc. The working of the Voluntary Machinery can be judged from the data given below:—

	Code of Discipline & Industrial Truce Resolution		
	1966	1965	1964
(1) No. of complaints received.	864	1,399	1,710
(2) No. of complaints not requiring any action.	154	233	168
(3) No. of complaints requiring action.	710	1,166	1,542
Of those requiring action, percentage of complaints:—			
(a) Not substantiated on enquiry.	13	7	9
(b) Where the breaches were set right or settled otherwise.	62	44	37
(c) Under investigation.	25	49	54

A substantial reduction in the number of total complaints received in the year 1966 was perhaps a reflection of the increasing desire among the Central Organisation of Employers and Workers to settle their disputes through bipartite discussions and negotiations.

The Central Implementation and Evaluation Machinery continued to extend its activities in other directions. In 1966, it secured recognition for 14 unions under the Code of Discipline. It also collected information about the extent of establishment of the grievance procedure in the mines and oil-fields and a report is under preparation.

During the year 1966, 20 cases of alleged violation of the Code of Conduct were received. Of these 6 did not require any action. Five were forwarded to the respective State Governments for appropriate action and 6 were not substantiated on enquiry. In three cases the breaches were brought to the notice of the erring parties.

The conciliation machinery set up under the Industrial Disputes Act, 1947, continued to play a very useful role in bringing together parties to the dispute and exploring ways of amicable settlement. The following table shows the functioning of the Central Industrial Relations Machinery:-

	1966	1965
1. No. of disputes referred to Industrial Relations Machinery.	5,695	5,705
2. No. of failure reports received.	737	625
(i) Of (2) above, No. of disputes referred to adjudication.	255 (35%)	291 (47%)
(ii) Of (2) above, No. of disputes referred to arbitration.	108 (15%)	169 (27%)

It will be seen that there was a marked decline in the cases referred to arbitration and adjudication in 1966 as compared to 1965. In order to promote greater recourse to voluntary arbitration for resolving disputes, the Government have decided to set up a tripartite National Arbitration Promotion Board.

Joint Consultation.- Joint consultation has been receiving greater emphasis. The scheme of Workers' Participation in Management which was started during the Second Plan made further headway. Joint Management Councils have been set up in 47 establishments in the public sector and 100 establishments in the private sector. More or less similar arrangements have been made in the State Bank of India. Seminars continued to be organised to acquaint employers, workers and their unions with the philosophy and techniques of Joint Management Councils. An assessment of the working of the scheme in 21 undertakings has been completed.

Wage Boards and Payment of Bonus Act.- During the year under report Wage Boards were appointed for three more industries viz., (i) Leather Industry, (ii) Road Transport, and (iii) Electricity Undertakings. The Wage Boards for Tea, Coffee, Rubber Plantations, Iron Ore Mining, Limestone and Dolomite Mining and Coal Mining submitted their final reports; the Wage Boards for Leather and Engineering Industries recommended an interim wage increase and the Wage Board for Port and Dock Workers submitted recommendations for a second interim wage increase. The recommendations of these wage boards are being implemented.

The following table indicates the position in regard to the Wage Boards set up since 1957:-

1. Wage Boards which have given final recommendations and which have been implemented, more or less, fully.	Cotton Textiles, Cement, Sugar, (1st Wage Board), Jute, Iron & Steel and Coffee Plantations.
2. Wage Board which have given final recommendations and which are now being implemented.	Tea and Rubber Plantations.
3. Wage Boards which have given interim recommendations and which have been more or less implemented.	Non-Journalists, Working Journalists, Cement (2nd Wage Board) and Port & Dock Workers Wage Board (D.A. and 1st interim increase).
4. Wage Boards which have given interim recommendations and which are being implemented.	Port and Dock Workers (2nd interim increase) Engineering Industries, Leather Industry, Heavy Chemicals and Fertilizers and Sugar Wage Boards.
5. Wage Boards which have not yet made any recommendations.	Second Wage Board for Cotton Textiles and Wage Boards for Road Transport and Electricity Undertakings.
6. Wage Boards which have submitted final report and which are report under consideration of the Government.	Iron Ore Mining Industry, Lime Stone & Dolomite Mining Industry and Coal Mining Industry.

During the year the constitutional validity of the Payment of Bonus Act, 1965 and its various sections was challenged in different High Courts and in the Supreme Court. While the Supreme Court has held Section 10 relating to the payment of minimum bonus as valid, it has declared Sections 33, 34(2) and 37 of the Payment of Bonus Act, 1965 as ultra vires the Indian Constitution. The situation arising out of the Supreme Court judgment was considered by the Standing Labour Committee at its meeting on 26 October 1966. The Committee set up a bipartite committee to examine the matter further. The bipartite committee met twice but no agreement could be reached.

The Minimum Wages Act, 1948 continued to provide wage protection to persons employed in sweated industries. In 1965, a one-man Committee was constituted by the Government of India to undertake a comprehensive survey of the various matters connected with the administration of the ~~various matters~~ Minimum Wages Act, 1948. This Committee has since submitted its report. The question of minimum wages for agricultural labour was discussed at a Seminar in August 1965. A Committee set up by this Seminar considered the question of fixation and revision of minimum wages for agricultural labour and made certain recommendations which have been brought to the notice of the State Governments. The need for strengthening of the enforcement machinery has also been emphasised. In pursuance of another recommendation made at the Seminar, a Co-ordinating Committee on Agricultural Labour consisting of representatives of the Planning Commission and the Ministries and Departments concerned with agricultural labour was set up in November 1966 to coordinate and review the progress of implementation of various schemes for improving the conditions of agricultural labour and to advise how best the activities in these respects could be developed.

Social Security.- In the field of social security, the coverage of the Employees' State Insurance and Employees' Provident Fund Schemes has been enlarged. During the current year, the E.S.I. Scheme was extended to 43,000 workers bringing the total to over 3.1 millions in 273 centres. Medical care benefits were extended to 171,950 family units (Insured Persons) bringing the total number of family units covered so far to about 3.2 millions consisting of about 12.6 millions of beneficiaries. Steps were also taken to improve further the quality of the services rendered by the Corporation. The E.S.I.S. Review Committee set up on the recommendations of the Standing Labour Committee to review the working of the Scheme has submitted its Report. The recommendations of the Committee are under the consideration of the Government.

The basic features of the E.P.F. Act and the Scheme remained unchanged in the year under report. The Act was extended to Tobacco, Paper Products and Licensed Salt industries in the current year bringing a total of 106 industries and classes of establishments under the purview of the Act. The membership of the Fund increased from 4.6 millions at the end of 1965-66 to 4.8 millions at the end of January 1967. The rate of contribution under the E.P.F. Act was increased from 6½% to 8% in 23 more industries, bringing the total number of industries to which the enhanced rate of 8% now applies to 54 out of a total of 106 covered under the Act.

The Coal Mines Provident Fund Scheme, 1948 was extended to the coal mines and ancillary organisations of the Neyveli Lignite Corporation Ltd., with effect from 1 January 1967. The total number of collieries and organisations covered under the Coal Mines Provident Fund Scheme came to 1,287 at the end of 1966-67. The number of subscribers to the fund also increased by 45,956 in the year ~~beginning the~~ bringing the total to 484,521.

Un-employment insurance is an important ingredient of a system of Social Security. A draft outline of an un-employment insurance scheme covering the members of the Employees' Provident Fund and the Coal Mines Provident Fund has been under the consideration of the Government for sometime. The outline was briefly considered by the 23rd Session of Indian Labour Conference in October 1965. It is under further study with reference to its financial and other implications and in the light of experience of comparable schemes in other countries. Meanwhile, the I.L.O. has also offered the services of an expert to assist the Government of India in finalising the Scheme of Unemployment Insurance; the offer has been accepted.

A scheme for Retirement-cum-Family Pension Benefits for workers is also currently under examination by an official working group.

Working Conditions and Welfare.— Welfare, safety and working conditions of labour have an important bearing on production and productivity. There is widespread awareness of the need for increasing productivity and to arrest the present spiralling prices, but little has been done to translate this awareness into practice. Increase of productivity involves the solution of a number of problems like the security of employment and sharing the gains of productivity, etc., which have to be squarely faced.

The President's Conference on Industrial Safety held in December 1965, endorsed the proposal for the setting up of a National Safety Council and State Safety Councils for industries other than Mines. The Standing Labour Committee, at its 24th Session, held in February 1966, approved the proposal. Accordingly the National Safety Council was registered as a Society under the Societies Registration Act with its headquarters in Bombay.

The National Council for Safety in Mines which was set up in July 1963 held safety and accident prevention classes in different mines regularly to educate the supervisory staff including the Overmen and Sirdars employed in coal mines. Three fully-equipped publicity vans have been carrying out publicity and propaganda work in mines through audio-visual means. During the year under report the Council was actively engaged in the revival of Pit Safety Committees to create a consciousness among the miners about the safe methods of working and safety measures to be adopted. The enthusiastic celebration of Safety Week in the various coalfields and mica mining areas ~~were~~ was of great assistance in generally arousing safety consciousness and improving the working conditions in mines.

The activities of the Welfare Funds created for coal and mica mines were expanded during the year. A number of large water supply schemes were in various stages of implementation in the coalfields. In addition, 10 deep wells were dug in coal mining areas and in the mica mine areas 60 wells were constructed. The total number of Cooperative Credit Societies, Primary Cooperative Stores and Wholesale or Central Cooperative Stores of colliery workers which were registered and functioning in different coalfields up to the end of the year under report increased to 564. In the mica mining area in Bihar a Central ~~Government~~ Consumers' Cooperative Stores with 8 branches and 6 primary units continued to supply consumers' goods to mica mining population and 4 primary stores catered to the needs of mica miners in Andhra Pradesh. During the year under report construction of 5,770 houses and 23 barracks was completed under various housing schemes and another 11,974 ~~houses~~ houses and 100 barracks were in different stages of construction in the coal mining areas.

A Committee on Labour Welfare was set up under the Chairmanship of Shri R.K. Malviya. The Committee, among other things, is to review the functioning of various statutory and non-statutory welfare schemes in ~~industrial~~ industrial establishments and suggest ways and means for improving the functioning of existing welfare measures. It is also expected to suggest measures for introducing welfare schemes for rural labour in general with particular reference to agricultural labour.

So far, 2,748 Consumers' Cooperative Stores or Fair Price Shops have been set up under this Ministry's Scheme in about 3,954 industrial establishments in the country employing 300 or ^{more} workers. The total coverage in both the public and the private sectors thus works out to 70%. In the public sector undertakings under the Central Government, the coverage is nearly 90%. The Department of Labour and Employment continued its efforts to persuade the defaulting employers to fall in line with those who had already set up such stores or shops. Since a number of establishments have not yet implemented the Scheme, legislation to make it obligatory for the employers to set up these shops is under consideration. Eleven wholesale stores have been set up with financial and managerial assistance from the statutory Welfare Funds in the coal and mica mining areas and 7 more are being organised. These stores to which about 350 primary stores are affiliated serve a large percentage of coal and mica mine workers.

Training in Labour Policy and Programmes.-

Training of officers administering labour policies and programmes continued to receive adequate attention. The Central Institute for Training in Industrial Relations conducted two courses of specialised in service training for the Central and State Government officers of the Industrial Relations Machinery. Training facilities were also availed of by the nominees of some foreign Governments, under the Colombo Plan, the I.L.O. Expanded Programme of Technical Assistance, Spécial Commonwealth African Assistance Plan and Commonwealth Education Cooperation Plan. The Industrial Safety, Health and Welfare Centres of the Central Labour Institute and the three Regional Labour Institutes conducted a large number of training programmes on industrial safety and hygiene and related subjects. Besides, training programmes for the benefit of various organisations were also organised by the Regional Labour Institutes. Exchange of trainees and experts under the various Technical Assistance Programmes continued. Thus, while India received technical assistance from advanced countries and International Organisations, it has also been possible for her to spare experts needed by other countries either directly or through agencies in charge of international cooperation.

The Scheme of Workers' Education operated through the Central Board for Workers' Education continued to maintain steady progress. Over 128,300 additional workers attended worker education classes held at factories and establishments. The Board brought out a number of publications on matters of interest to workers. The Scheme of grants-in-aid was expanded to include short-term courses, like one-day school and three-day seminar, which unions and workers could conduct with greater facility than the normal three-month course.

Size and content of the Fourth Plan.-In last year's report, it was mentioned that the labour policy and programmes to be pursued in the Fourth Plan will be an extension of the principles accepted by the Third Plan. The Labour Panel constituted by the Planning Commission is currently engaged in giving a final shape to its recommendations. The Labour Panel has now made its recommendations in regard to the Labour Policy and Programmes.

A sum of 1,450 million rupees has been tentatively indicated for the programme of craftsmen training and labour welfare in the Draft Fourth Plan. The break up of the remaining 200 million rupees is as under:-

TABLE	Fourth Plan Provision (in Million Rupees)
I. Labour Schemes - Centre.	<u>120.0</u>
(a) Safety, working conditions, etc.	35.2
(b) Industrial relations.	17.4
(c) Labour welfare & social security.	55.0
(d) Research surveys.	<u>12.4</u>
II. Labour Schemes - States.	<u>38.0</u>
III. State Governments' share towards	
Employees' State Insurance Scheme.	<u>42.0</u>
TOTAL.	<u>200.0</u>

Under safety and working conditions, it is proposed to expand the activities of Central and Regional Labour Institutes and to have a comprehensive programme including the more effective enforcement of mining and industrial safety legislation. The new programmes in the field of Industrial Relations relate to increasing emphasis on the preventive aspects. Besides, the Industrial Relations Machinery would be suitably strengthened and trained for more intensive conciliation work to preserve industrial harmony and for effective implementation of labour legislation and awards.

Additional welfare measures are also envisaged both at the Centre and the State levels. These measures include an integrated programme for agricultural labour which contemplates extension and better enforcement of the Minimum Wages Act, introduction of an advisory service in rural areas and other welfare measures including provision of mobile dispensaries, mobile shops and mobile audio-visual vans. As the over-all size of the Fourth Plan is not yet final the programme content and also the allotment of funds for the craftsmen training and labour welfare is liable to undergo change.

National Commission on Labour.— A comprehensive review of labour laws, industrial relations and working and living conditions of labour has not been made since the Royal Commission on Labour reported as far back as 1931. Government, therefore, decided to undertake a fresh and comprehensive review of the labour policy and its working and appointed on 24 December 1966, a National Commission on Labour. (For details please see pp. 1-2 of the Report of this Office for November-December 1966).

Among other things, Volume II of the report deals with programmes of craftsmen training and manpower and employment with tentative allocation of 1,250 million rupees. The Directorate-General of Employment and Training is incharge of the development and administration of programmes, relating to Employment and Vocational Training on a national basis.

A copy each of Volume I and Volume II of the Report, 1966-67, of the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment) was sent to Geneva on 23 August 1967 vide this Office minute D.2/3607/67 of the same date.

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32. Public Finance and Fiscal Policy.

India - July-August 1967.

Budget Demands of Labour Ministry Passed:
Unemployment Insurance Scheme to be
Introduced: Measures proposed to check
recession and delay in Payment of Wages.

Replying to the debate on the budget demands of the Ministry of Labour, Employment and Rehabilitation, the Union Minister Shri Jai Sukh Lal Hathi told the Lok Sabha on 20 July 1967, that the Government proposed to bring forward an unemployment insurance scheme and certain measures to ensure job security for workers.

The scheme, which may be introduced before the end of the year, will cover initially only those who are members of the Employees' Provident Fund, the Coal Mines Provident Fund, and exempted funds under the Employees Provident Fund Act 1952.

The rate of benefit will be 50 per cent. of average pay in the case of members of the Employees' Provident Fund and 50 per cent. of average total emoluments in the case of members of the Coal Mines Provident Fund. The average will be calculated on the basis of pay or total emoluments received by an employee 12 months before termination of employment. The rate of contribution to the Unemployment Insurance Fund, which will be administered by a separate board, will be 0.35 per cent. of pay or total emoluments to be paid by both the employer and employees. The employer will be made responsible for collection of contributions. The Centre will meet the cost of administration of the fund.

To eliminate delays in regard to payment of wages, Shri Hathi said, "I am thinking of giving executive power and authority" to recover wage dues in the same way as land revenue arrears. The present procedure of going to labour courts for non-payment of wages took a long time, he noted. Shri Hathi recognised that "many things" had to be done for labour so that it might be inspired by a spirit of partnership in the country's industrial progress.

"Some of the things" which were proposed to be done, he said, included an amendment of the Industrial Disputes Act to give the labour tribunals the power to go into the merits of the case when there were complaints of wrongful dismissals. At present the tribunals had only the power to inquire whether proper procedures had been followed. He also proposed to provide for a "subsistence allowance" to workers during the period of suspension.

Referring to the hardship caused to workers because of the present recession, Shri Hathi said the industries which had been most hit were textile and engineering. His Ministry had taken up the question with the Ministries concerned. A decision had been taken to set up a textile corporation to take care of "sick mills". As far as the engineering industry was concerned, the Railway Ministry had decided to place more orders for wagons and this should help the industry.

Referring to the demand for wage freeze, Shri Hathi said he might point out that the Government was considering increasing the wages of coal mine labour as recommended by the Wage Board. Shri Hathi emphasised that the exertions of labour alone would not bring about productivity. They had also to see that there was a "progressive management" and a cadre of managers who would carry the workers with them, not merely "extract" work from them.

In this context, Shri Hathi spoke of the importance of quick redressal of workers' grievances. The implementation machinery both at the Centre and in the States had to be geared up. The State Governments had agreed to call meetings of the implementation committee as often as possible.

On the subject of automation, Shri Hathi said: "In a country where there is growing unemployment we should take care that this is a selective one. *Workers should not be rendered surplus on account of introduction of automation."

Shri Hathi also condemned gheraos and ruled out any wage freeze in isolation.

(The Hindustan Times, 21 July 1967;
The Statesman, 29 July 1967).

Chapter 6. General Rights of Workers.

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67. Conciliation and Arbitration.

India - July-August 1967.

Industrial Disputes (West Bengal Amendment) Bill, 1967.

- The Government of West Bengal published on 6 July 1967 the text of the Industrial Disputes (West Bengal Amendment) Bill, 1967, proposed to be introduced in the Legislative Assembly of the State. The Statement ~~and~~ of Objects and Reasons of the Bill declares that in accordance with judicial pronouncements, universities and other educational institutions, solicitors' firms, research institutes, etc., are not "industries" under the Industrial Disputes Act, 1947. These are, therefore, outside the purview of the said Act and there is thus no machinery for settling disputes arising therein. This is not a happy state of affairs. Disputes or differences between the employers and the persons employed in such institutions or establishments are not uncommon and, in the absence of any machinery for promoting a settlement, they often lead to considerable unrest. It is considered necessary, therefore, to amend the Industrial Disputes Act, 1947, in its application to West Bengal, to bring the aforesaid institutions and establishments within the purview of the said Act. To guard against any other establishments remaining outside the purview of the Act, it is also necessary to give Government powers for bringing such establishments under the Act, when considered necessary, by a notification.

Difficulties are sometimes experienced in filling up the posts of Presiding Officers of the Labour Courts. Persons with requisite qualifications as laid down in the Industrial Disputes Act, 1947, are not always easy to find. To remove this difficulty, it is considered necessary to provide for appointment of First Class Magistrates and persons employed in Higher Labour Service with five years' experience as Presiding Officers of the Labour Courts.

The object of this Bill is to amend section 2 and 7 of the Industrial Disputes Act, 1947, in its application to West Bengal, keeping the aforesaid purposes in view.

A proposed amendment to clause(j) and section 2 of the Act provides that after the word "workmen", the following words shall be added, namely:-

"and notwithstanding any decision of any Court to the contrary, shall also include any university, college, school and other educational institution, institute for carrying on research work, auditor's or solicitor's firm, and any other establishment as the State Government may, by notification in the Official Gazette, declare as industry".

(The Calcutta Gazette, Extraordinary,
6 July 1967, pp. 2037-2038).

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN
CATEGORIES OF WORKERS.

INDIA - JULY-AUGUST 1967.

71. Employees and Salaried Intellectual Workers.

Andhra Pradesh: Revised Pay Scales recommended
by Andhra Pay Commission.

The Chief Minister of Andhra Pradesh, Shri K. Brahmaananda Reddi placed before the State Assembly in Hyderabad on 24 June 1967 the report of the Andhra Pay Commission submitted by Shri N.D. Krishna Rao, former Chief Justice of Andhra who headed the Commission. As a result of the revised pay scales, the additional expenditure to be incurred would be 3.6 million rupees this year and 12.5 million rupees next year. The additional cost in future would be 22.1 million rupees. There are more than 0.23 million Government employees.

The Commission had reduced the existing 146 different pay scales, excluding I.A.S., I.P.S., and other special scales to 26.

(The Hindu, 26 July 1967).

Maharashtra: Revised Pay Scales recommended
by Badkas Pay Commission.

The Finance Minister of Maharashtra, Shri S.K. Wankhede, placed on both the Houses of Maharashtra Legislature on 5 July 1967 the 815-page printed report of the Badkas Pay Commission. The report has recommended rationalised pay scales for the employees of Maharashtra Government, involving an additional expenditure of about 50 million rupees to the Government. The Commission has recommended that the minimum pay of Class IV employees should be Rs.70 per month against the present Rs.65. This is to rise to a maximum of Rs.90 per month. The pay-scales for the junior clerk, recommended by the Commission, is Rs.110 to Rs.200.

At present, there are three scales for junior clerks, the starting pay being Rs.100 in one and Rs.120 in two others.

The revised scale for the senior clerks is Rs.150 to Rs.270. The Commission has recommended this uniform scale for this category, abolishing the existing multiplicity of scales. The starting pay in these existing scales varied between Rs.120 and Rs.200 per month.

In the case of Government employees getting mofussil scales of pay at present, there will be no immediate benefit to those getting a pay of over Rs.1,100. Those getting between Rs.500 and Rs.1,100 will get an increase between Rs.30 and Rs.10. The increase in the case of those drawing salaries between Rs.100 and Rs.500 will vary between Rs.10 and Rs.20, while those getting below Rs.100 will get a rise between Rs.8 and Rs.20.

(The Times of India, 6 July 1967).

73. Officials and Public Employees of
National, Regional and Local Administ-
rations, of Nationalised Undertakings
or Undertakings Managed with the
Participation of the Public Authorities.

India - July-August 1967.

Agreement Reached on D.A. Issue between
Central Government and its Employees:
Strike Withdrawn: Additional D.A. to
be paid in Cash.

The Central Joint Council of Action of Central Government Employees served a notice for a nation-wide token strike on 11 September 1967 if the demands of the Central Government employees including the payment of dearness allowance dues in cash were not met by the Government. Consequent upon an agreement reached between the Government and the union leaders at a meeting held at New Delhi on 29 August 1967, the strike notice by the JCA was withdrawn. The Deputy Prime Minister, Shri Morarji Desai agreed to pay in cash the additional dearness allowance to employees in the pay-slab of Rs.70-449 from 1 September 1967.

About 2.7 million Central Government employees in the income slabs up to Rs.449 a month will receive additional dearness allowance in cash with their September pay due on 1 October 1967. The D.A. arrears for the period of February 1 to 31 August will remain deposited in the employees' provident fund accounts till 31 March 1968, and can be withdrawn by them at their option the following month.

According to the revised rates, employees in the lowest slab will get an additional D.A. of Rs.12 over the existing rates of Rs.47 a month, and Rs.20 in the highest slab over the existing Rs. 120.

The increased rates seek to neutralize the rise in the cost of living up to 185 points (from 1 February) and 195 points (from 1 June).

On rough calculation, the revised D.A. rates would cost the exchequer an approximate amount of 290 million rupees during September to March 1968. The arrears for the period of February to August are estimated at 240 million rupees.

The Government will have to pay in cash another 72 million rupees during the rest of the current financial year if the cost of living index rises further by 10 points to 205, when employees in the income slab of Rs.450 to Rs.499 will also be entitled to revised D.A. rates.

The D.A. rates rise for every 10 points is Rs.6 for employees drawing less than Rs.110 a month; Rs.7 for the Rs.110-149 slab; Rs.8 for the ~~the income slab of Rs.450 to Rs.499 will~~ Rs. 150-209 slab; Rs.9 for the Rs.210-399 slab; and Rs.10 for the Rs.400-499 slab.

(The HindustanTimes, 30 August and 12 September, 1967).

Chapter 9. Social Security

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92. Legislation.

India - July-August 1967.

Working of the Maternity Benefit Acts during 1965*.

June issue of the Indian Labour Journal contains a review of the Working of the Maternity Benefit Acts during 1965.

During the year under report, the percentage of establishments submitting returns to the total number of establishments covered by the State Acts/Central Act varied from 11.8 in Madhya Pradesh to 100.0 in Bihar, Orissa and Uttar Pradesh in respect of factories and 49.0 in Tripura to 100.0 in Punjab and West Bengal in respect of plantations.

Among the various States, Kerala reported the largest number of cases in which maternity benefit was paid either fully or partially. Next in order came Mysore, Madras and Gujarat. In plantations, Assam reported the largest number of cases in which maternity benefit was paid during the year under review. The number of claims paid in factories as well as the amount of maternity benefit paid was the highest in Kerala. The proportion of women workers who were paid maternity benefits in full or part in factories and plantations, to the total number of women workers who claimed such benefits during the year under review was fairly high in all the States.

The percentage of claims to the total number of women employed in 'factories' and in 'plantations' was the highest in Kerala and West Bengal respectively. As compared to 1964, the overall percentage of claims to the total of women employed were lower in factories, plantations and mines during 1965.

* The Indian Labour Journal, Vol.VIII, No.6,
June 1967, pp. 511-513.

The average amount of benefit paid per case in factories varied from State to State, the highest (Rs.251.00) being in 'Bihar' and the lowest (Rs.63.00) in Punjab. The average amount of maternity benefit paid per case during 1965 was Rs.117.00, Rs.120.00 and Rs.196.00 for factories, plantations and mines respectively.

The number of complaints received was the highest in Kerala in respect of factories and in Assam in respect of plantations. Prosecutions were launched only in a few cases, as generally the violation of the Acts or the Rules thereof, which led to complaints was reported to be of a minor nature.

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11. Political Situation and Administrative Action.

Twenty-Seventh Session of Standing Labour Committee, New Delhi, 27 September 1967.

The Twenty-Seventh Session of the Standing Labour Committee was held at New Delhi on 27 September 1967. The meeting, chaired by Shri J.L. Hathi, Union Minister of Labour, Employment and Rehabilitation, was attended by representatives of State Governments and Employers' and Workers' Organisations. The Director of this Office attended the meeting by special invitation.

Agenda.- The meeting had before it the following agenda:

1. Casual Labour (Regulation and Abolition) Bill, 1967, as proposed by the Government of West Bengal.
2. Amendments to Employees' Provident Fund Act, 1952.
3. Powers to be given to certain officers for enforcing payment of dues to workers under the Payment of Wages Act, Minimum Wages Act and Payment of Bonus Act.
4. Wage Boards - Review of existing procedure for implementation of recommendations - whether provision should be made for statutory enforcement.
5. Unemployment Insurance Scheme.
6. The Industrial Disputes (West Bengal Amendment) Bill, 1967.

Items 1 and 6 was later withdrawn from the agenda on the request of the Government of West Bengal as the State's Labour Minister could not attend the meeting due to illness.

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Chairman's address.— The Chairman in the course of his address said that important subject for consideration related to the implementation of Wage Board recommendations. There have been complaints that implementation has been far from complete and a suggestion has been made that the entire system of Wage Boards should be placed on a statutory basis. It was not by any means clear that this would be a complete remedy. The system of tripartite Wage Boards had been painstakingly built up over the years. In a sense, it was a system of assisted collective bargaining. Placed on a legal basis, it would be robbed of its voluntary character and approximate towards the system of wage determination by tribunals, which already existed. Giving statutory backing to the recommendations of the Wage Boards might require consequential changes in the constitution and working of these bodies. Another alternative suggested was that employers' organisations should assume the responsibility to ensure that the recommendations of the Wage Boards were honoured by all their constituents. But, if in spite of their efforts, implementation through persuasion was not secured to the fullest extent, some effective method had to be found for bringing round the recalcitrants at the margin.

Much had been made of the principle of unanimity in Wage Board recommendations. Unanimity was certainly an eminently desirable principle but to say that only unanimous recommendations of the Wage Boards were to be implemented, could be an indirect way of inviting dissent. It had again, been suggested that Government should have no right to modify the recommendations of a Wage Board. He wondered whether such a provision was desirable. After all, a democratic Government should be in a position to take the total view of the economy and of the interests of the different sections of the community. And it might not be in public interest to require that in dealing with the recommendations of a Wage Board, Government should keep its wider responsibilities in abeyance. He would suggest an impartial consideration, on available evidence, whether there was anything to show that Government had ever exercised its discretion lightly.

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Main Conclusions:

Item 1: Casual Labour (Regulation and Abolition) Bill, 1967, as proposed by the Government of West Bengal.- This item was withdrawn from the Agenda at the request of the West Bengal Government.

Item 2: Amendments to Employees' Provident Funds Act, 1952.- (i) There was general agreement that the present procedure for instituting prosecutions and recovery ~~proceeding~~ proceedings involved delay. To reduce such delay, powers should be vested in the Provident Fund Commissioner to issue certificates for recovery of dues and to request Collectors direct to recover dues under the R.R. Act. A suggestion was made that in the matter of instituting prosecutions the Central Provident Fund Commissioner and the State Governments may have concurrent powers.

(ii) As regards exemption, it was agreed that no further exemption should be granted unless workers ~~ten~~ themselves want exemption. So far as the existing exemptions are concerned they should be withdrawn in case of default by the employers.

(iii) It was also felt that the penalty provision for failure to deposit Provident Fund collections should be made more stringent.

(iv) Workers' and employers' representatives were of the view that the Provident Fund money need not necessarily be invested in Government securities and that the investment policy and pattern should be revised with a view to ensuring higher returns without risk to the fund.

Item 3: Powers to be given to certain officers for enforcing payment of dues to workers under the Payment of Wages Act, Minimum Wages Act and Payment of Bonus Act.- (i) It was agreed that the present procedure for recovery of workers' dues in the shape of wages and bonus should be revised.

(ii) The consensus of opinion was that designated officers should be vested with powers to issue certificates for the recovery of wages and the minimum bonus of 4 per cent., payable under the Payment of Wages Act, the Minimum Wages Act and the Payment of Bonus Act. Such Officers should, however, be of sufficiently high status.

Item 4: Wage Boards - Review of existing procedure for implementation of recommendations - whether provision should be made for statutory enforcement.-(i) There was general agreement that the delay involved in the working of Wage Boards should be eliminated and a procedure should be evolved for securing fuller implementation of Wage Board recommendations.

(ii) To work out concrete proposals to this end, a Sub-Committee was constituted, consisting of 4 employers' members and 4 workers' members with the Labour Minister of Assam as the chairman. The Sub-Committee would submit its report within a period of two months.

Item 5: Unemployment Insurance Scheme.- This subject was briefly discussed. It was decided that the views of the State Governments should first be ascertained on the general scheme of Unemployment Insurance as also on the pilot scheme.

Item 6: The Industrial Disputes (West Bengal Amendment) Bill, 1967.- This item was withdrawn from the Agenda at the request of the Government of West Bengal.

(Documents received from the Ministry of Labour, Employment and Rehabilitation, New Delhi).

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12. Activities of External Services.

India - September-October 1967.

(a) Visitors:

On 22 September 1967, a three-man UNESCO Study Group of the Singapore Trade Union Congress visited this Office and called on the Director.

(b) Talks and Lectures:

On 19 September 1967, the Director addressed the Delhi Management Association. The subject of his talk was "The Influence of the ILO on Indian Labour Legislation".

On 18th September 1967, the Director gave the valedictory address to the 21st batch of Worker-Teacher Trainees of the Workers' Education Centre, Delhi.

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13. Press and Opinion.

India - September-October 1967.

In addition to the attached clippings, the following references to the ILO appeared in Indian Journals received in this Office.

1. The Indian Worker, New Delhi, dated 21-8-67, publishes a news-item about the visit to India of Mr. Whitaker, the ILO's Asian Regional Adviser on Management Development and Small-Scale Industries.

2. The Indian Worker, New Delhi, dated 14-8-67, publishes -

(a) An item about the ILO Governing Body's interim-report on complaints by ICFTU and others concerning violation of trade union rights in Liberia.

(b) An article entitled "Inaugust Ordeal Facing INTUC this August". The article makes an incidental reference to the ILO.

(c) An article on the progress of workers' education in India. The article under sub-title 'ILO Experts' Views' makes a reference to Dr. Charles A Orr.

(d) An article entitled "Unemployment Insurance Scheme in India: A Sociological Perspective". The article makes an incidental reference to the ILO.

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Chapter 2. International and National Organisations

25. Wage-Earners' Organisations.

India - September-October 1967.

Maharashtra: Trade Unions Opposed to
Automation: Convention held at Bombay,
22 October 1967.

Shri Saroj Chowdhary, Convener of the All-India Committee Against Automation, opened in Bombay on 22 October 1967, a Convention of trade union organisations. Shri D.P. Chadda, presided over the Convention. Those taking part in the Convention were the Communist controlled Trade Union Congress, the SSP controlled Hind Mazdoor Panchayat, the United Trades Union Congress, the PSP dominated Hind Mazdoor Sabha and the Jana Sangh sponsored Bharatiya Mazdoor Sangh.

In a resolution adopted by the Convention it called upon the Union Government to halt the process of automation and relieve the "resultant unemployment" reports. The Convention urged the State Government to intervene and "force" the Union Government to take action in this regard. The resolution, said that it was not opposed to technological progress or automation on principle, but it was opposed to automation as it was resulting in large-scale unemployment.

(The Statesman, 23 October, 1967).

Hotel Workers Convention held at Bombay,
1 October, 1967.

A Convention of hotel workers was held at Bombay on 1 October 1967. Among other matters the Convention urged the Government to ~~review~~ revise the minimum wage scale, reduce the working hours from nine to eight and improve the workers' service condition. A resolution adopted at the Convention demanded Rs.200, Rs.150 and Rs.125 for skilled, semi-skilled and unskilled workers. The Convention demanded the application of the Shops and Establishments Act and the "full legal protection" of workers.

Another resolution wanted the gratuity scheme, the Bonus Act and the provident fund benefits to be applied to the workers of all establishments, irrespective of the number of persons employed.

(The Times of India, 2 October, 1967).

11th Annual Convention of the National
Federation of Indian Railwaymen-held
at Gauhati, 20-23 October 1967.

The eleventh Annual Convention of the National Federation of Indian Railwaymen was held at Gauhati from 20 to 23 October 1967. Shri S.R. Vasavada presided over the meeting. Shri A.P. Sharma, the General Secretary of the N.F.I.R. submitted his annual report. The Convention was addressed by the Railway Minister Shri C.M. Poonacha. Among others, the Convention adopted resolutions, on full neutralisation of the price-rise, steps to stabilise country's economy, wrongful equating of Railways with civil services, promotion-prospects and procedure, compulsory pre-mature retirement, prevention of accidents in railway workshops, economy measures, railway finances, casual labour, supply of foodgrains to railwaymen and housing accommodation for gangmen.

Presidential address.- Delivering his presidential address, Shri S.R. Vasavada said that the Gajendragadkar Commission's report was highly unsatisfactory in certain respects. Even the minimum paid worker was denied full neutralisation of the rise in the cost of living and that no improvement was suggested in the D.A. formula. He also asked the delegates to work for a new pay commission, as recommended by the Gajendragadkar Commission, if the Government failed to curb the rising prices. He disapproved of the Government's rejection of this recommendation of the commission. It was the duty of the federation 'to secure justice for the employees', he affirmed. Shri Vasavada welcomed the joint consultative machinery as a step that conferred equal status to the employees in the industry, and asked the railwaymen to make the machinery effective and fruitful.

Rising Prices.- He, however, cautioned them that arbitration would cease to be the mighty weapon it was unless the employees strengthened themselves and were ready to use the alternative weapon of strike either when arbitration was not available ~~for~~ or when the employer failed to implement the award of the arbitrator.

Shri Vasavada condemned gherao as a trade union weapon. He said 'once the working class movement gives up democratic and peaceful methods, it will cease to be a constructive movement of masses and may well become a movement which will savour of gangsterism'.

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Resolution.— Adopting the resolution on full neutralisation of the price rise the National Federation of Indian Railwaymen held the view that dearness allowance was a device to help employees maintain their standards of living in the face of rising prices when there was no automatic adjustment of wages with the price Index; in other words, it was simply the neutralisation of the effects so far as the wage rates were concerned, of changes in the price level of the commodities on which wage earners spent their incomes. Taking into view the conclusions of the Fair Wage Committee and the recommendations of the Second Pay Commission the Federation demanded that the lowest categories of employees namely all the class IV staff, should be allowed cent per cent neutralisation of the price-rise, with adequate neutralisation for other employees.

The resolution on steps to stabilise country's economy suggested the following measures for being taken by the Government: 1) Suppression of hoarding and profiteering; 2) Effective distribution policy; 3) Removal of the restriction on movement of food-grains; 4) Ban on export of commodities of daily consumption like oil seeds, vegetable oils, etc.; 5) Curtailment of all credit facilities which would encourage hoarding and speculation; 6) Investment out of tangible resources only on those Projects which if discontinued might result in huge losses to the country; 7) Check over profits of corporate sector and income of proprietary firms through adequate-monetary measures; 8) Levy of agricultural income tax; 9) Tightening up of the machinery for the collection of Income-Tax; and 10) Avoidance of wasteful administrative expenditure.

The resolution on Promotion Prospects and Procedure put forth several demands which stated that: i) Direct recruitment in intermediate grades should be stopped; ii) Proposals for upgrading of posts and distribution of higher percentage posts in higher grade, should be considered on their merit; iii) Seniority should be re-introduced as an important factor in the selection test for considering the fitness of a candidate for promotion; iv) Marks under various counts, should be re-arranged so as to leave less scope for individual discretion of officers; v) The Selection Tests should be prescribed only when there is a distinct change in the responsibilities and the work on promotion is of a higher order; vi) The procedure laid down for non-selection tests also be suitably revised; and vii) The clause in the Confidential Report authorising an officer to give opinion on the suitability or otherwise of the concerned employee, for promotion should be deleted.

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The resolution on Prevention of Accidents in Railway Workshops urged upon the Railway Board to arrange to reconstitute Safety Committees in all Workshops with equal or more representation to organised labour and provide for their periodical meetings. The main functions of these Committees should be (1) to review the accidents taking place in the Workshops and to evolve preventive measures; (2) to look for possible ~~for~~ causes of accidents and plan effective preventive measures.

Adopting the resolution on Casual Labour, the General Body of the National Federation of Indian Railwaymen expressed its satisfaction at the determined and successful efforts made by the Federation in securing for the casual labourers, labourers employed on the railways, various concessions like absorption in the regular cadre, leave, medical attendance, protection against artificial break in service etc. At the same time this General Body was aware that till and until the question of the daily rates of pay of these employees was satisfactorily settled, the main problem of the casual labour would have remained unsolved and the exploitation of this huge mass of labour would not have stopped. The daily rates allowed to these employees were appallingly low. Also, the rules laid down for fixing the daily rates of wages were confusing, unrealistic and difficult to implement. This General Body strongly urged upon the Government to guarantee the casual labourers, the daily minimum rates of pay at the rate of 1/26th of the minimum of the pay-scale together with the dearness allowance allowed to the employees in the permanent cadre doing same or similar work.

(Documents received in this Office during November 1967).

Chapter 3. Economic Questions

32. Public Finance and Fiscal Policy.

India - September-October 1967.

Aggressive Export Drive Recommended by UN Export Promotion Team.

The UN Export Promotion Team which visited India early this year, has recommended in their report submitted to Government recently, that India should launch an aggressive and concerted drive to sell its products abroad. The report emphasises that if India is to make a dent in sophisticated foreign markets, a well-planned promotion and sales campaign should be formulated and executed jointly by the public and private sectors.

After a comprehensive study of the export potential of various products, the team has selected 19 engineering, chemical and other items with good chances of sales abroad, provided vigorous steps are taken immediately to encourage their export.

Other steps recommended to boost export of these products include quality control, reduction of production costs by adopting modern manufacturing techniques, ~~attractive~~ attractive packaging and launching marketing programmes on a scientific and sustained basis.

(The Hindustan Times, 6 September, 1967).

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11 Per Cent Fall in Exports Estimated
after Devaluation.

Trade / According to an official review prepared for the Board of meeting held on 3 October 1967, India's exports fell by 11 per cent. during the 12 months after devaluation of the rupee. The review estimates exports during the period at \$ 1,520 million, \$ 189 million less than exports during the previous 12 months.

In spite of the overall setback in exports after devaluation, gains in overseas sales have been reported in iron and steel, leather and leather manufactures, raw jute, iron and steel scrap, pulses and fruits and vegetables. These increases were not sufficient to offset the substantial decline in exports of many items including traditional items such as tea, jute goods and cotton piece goods.

According to the review, exports to the US recorded a drop of about 300 million rupees during June 1966-May 1967 against exports of the previous 12 months. Exports to Britain fell by 300 million rupees, to West Germany by 45 million rupees and to Russia by about 300 million rupees.

(The Hindustan Times, 30 September, 1967).

34. Economic Planning, Control and Development.

India - September-October 1967.

Report of the Mudaliar Committee on Foreign
Collaboration: Continuance of Import of
Know-How and full utilisation of indigenous
Technology Recommended.

A Committee on Foreign Collaboration headed by Dr. A.R. Mudaliar which was appointed in February 1966 submitted its report recently to the Government. The Committee was required to recommend to the Government general guidelines regarding the utilisation of indigenous know-how and the types of cases in which foreign collaboration might be allowed.

Regarding its first term of reference as to the extent to which import of technical know-how from abroad could be dispensed with at the present stage of economic development in India, the Committee has come to the conclusion that there is no ground at all for taking the "extremist view that import of foreign know-how should be dispensed with".

The Committee has at the same time stressed the need for full utilization of indigenous technology capable of commercial exploitation, and has recommended that both at the licensing stage and the foreign agreements approval stage, a scheme based on indigenous know-how should normally be given preference to one based on imported know-how.

In this connection it has emphasised the importance of an independent Corporation, like the National Research Development Corporation to ensure the availability of design and engineering services and provide the risk capital for the entrepreneurs taking up commercial development of indigenous know-how. It has also suggested that the Council of Scientific and Industrial Research should take action to generate confidence in industry regarding indigenous know-how.

The Committee in its report has pleaded for the continuance of the import of know-how to enable Indian industry to keep in touch with the world technological mainstream. The Committee feels that in industries where substantial import of capital goods is involved and where the Government's policy allows foreign capital participation joint ventures involving foreign equity participation are more beneficial, compared to other forms of collaboration.

Among other important recommendations is a suggestion that no rigid rule should be followed in the matter of the duration of technical collaboration agreements. Accepting the suggestion the Government considers that in the matter of extension of existing agreements, a stricter approach than has ~~adhered~~ hitherto been followed should be adopted.

(The Statesman, 19 September 1967).

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Hazari Report on Planning and Industrial
Licencing submitted to Planning Commission.

Dr. R.K. Hazari the Bombay Economist, submitted, recently his final report on planning and industrial licencing to the Planning Commission. The report is in two parts. In his final report Dr. Hazari calls for careful planning of credit to reinforce the priorities ~~of~~ set by national plans. He feels that it is necessary to get guidelines ~~to~~ make sure that bank credit is apportioned among various industrial sectors in the light of the country's overall needs and not merely on the basis of security borrowers offer.

(The Statesman, 16 September, 1967).

Report on Banking System Released:
Formation of Credit Council recommended:
Nationalisation of Banks Disfavoured.

In a report prepared by Shri V.A. Pai Panandikar of the Reserve Bank of India, commissioned by the Finance Minister apropos the AICC Resolution demanding social control over banks, Shri Pai has recommended that the primary emphasis of reform should be on change in the operating methods rather than a change of ownership. The report recommends the constitution of a National Credit Council on the French pattern to set guidelines for the operation of commercial banks to make their credit policies and practices conform to national priorities and social objectives. The report argues that a nationalized banking system is incompatible with a mixed economy. Functioning under adequate and proper controls, private banking could subserve social objectives at the same time as it retains the flexibility and responsiveness necessary to meet the varying needs of private individuals and entrepreneurs.

The report takes into account arguments both for and against complete nationalisation of the banking system to come to the conclusion that nationalisation has "a series of adverse economic, administrative and financial implications".

(The Statesman, 6 October, 1967).

Monopolistic and Restrictive Trade
Practices Bill, 1967.

Shri Fakhruddin Ali Ahmad, Minister of Industrial Development and Company Affairs, Government of India, introduced in the Rajya Sabha on 18 August 1967 a Bill to provide that the operation of the economic system does not result in the concentration of economic power to the common detriment, for the control of monopolies, for the prohibition of monopolistic and restrictive trade practices and for matters connected therewith or incidental thereto.

According to the Statement of Objects and Reasons of the Bill, the Bill is designed to ensure that the operation of the economic system does not result in the concentration of economic power to the common detriment and to prohibit such monopolistic and restrictive trade practices as are prejudicial to public interest.

It is in pursuance of the recommendations made by the Monopolies Inquiry Commission in their report submitted to the Government on the 31st October 1965, and the resolution dated 5 September 1966, containing Government decisions thereon laid down before both Houses of Parliament on 6 September 1966. The structure of the Bill basically remains the same as recommended by the Monopolies Inquiry Commission. Certain modifications have been introduced in accordance with the terms of the Government Resolution dated 5 September 1966, in so far as the powers of the proposed Monopolies and Restrictive Trade Practices Commission are concerned. Certain other modifications introduced, include provisions for comprehensive control over undertakings which along with other inter-connected undertakings under the control of the same persons or groups command assets of 200 million rupees or more in order to more effectively control concentration of economic power.

The proposed Commission is sought to be vested with mandatory powers in regard to cases of restrictive trade practices and advisory powers in respect of cases concerning monopolistic practices and concentration of economic power. In respect of the latter category of cases, the final decision would lie with the Government.

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The main provisions of the Bill fall under the following heads:-

(i) Regulating expansions, mergers and amalgamations and appointment of directors in respect of "dominant undertakings" having assets of 10 million rupees and more and of undertakings which by themselves or with inter-connected undertakings have assets of not less than 200 million rupees in value.

(ii) Regulating the starting of new undertakings which would become inter-connected undertakings of such existing undertakings the total assets of which exceed 200 million rupees.

(iii) Control over and prohibition of monopolistic and restrictive trade practices as are found to be prejudicial to public interest.

(The Gazette of India, Extraordinary,
Part II, Sec. 2, 18 August 1967,
pp. 943-990).

35. Productivity.

India - September-October 1967.

How Far Size Affects Productivity of the
Industrial Unit*.

The object of this article which has appeared in September 1967 issue of the Indian Labour Journal is to test on the basis of the data collected, the correctness of the theoretical principle that the larger size industrial units are more efficient and economical in operation due to their high productivity. The author describes the criteria by which the size of an industrial unit is measured, and gives formulae for measurement of productivity and labour efficiency. To illustrate his point of view the author has given a table of rank correlation coefficients between size and productivity in major industries of India. Also he has given figures measuring productivity (from 1953 to 1958) by size in Iron and Steel industry of India, in Cotton Textile industry, in Sugar industry and Jute industry.

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* Indian Labour Journal, Vol. VIII, No. 9,
September 1967, pp. 768-780.

Productivity of Bhopal Electrical Workers
on Par with Britain.

According to a press report which has appeared in the Statesman of 4 September 1967, workers of the 52 sections of the Bhopal Heavy Electricals plant have achieved a per capita labour productivity comparable to that obtaining in Britain. The plant's management is confident of achieving with 18,000 men a level of output by 1970 for which its British consultants thought it may need 28,000. In assessing the plant's long-range labour requirements, the consultants, Associated Electrical Industries proceeded on the assumption that Bhopal would require half as many men again as a comparable British plant. The sophisticated nature of the industry, and the fact that Bhopal is the first plant of its kind, accounted for the difference felt by the consultants.

Their estimate of per capita productivity held good during the first four years of production at the plant (1960-64). But now - in the 52 sections of the plant where a production bonus incentive was introduced two years ago - performance has touched British levels.

As a result of this scheme, the output of 2,850 men now employed in these sections exceeds that of 3,400 men deployed before incentives were introduced. Bonus nets them an additional 20 per cent. to 25 per cent. take-home pay. The staff rendered surplus in these sections has been transferred to new production divisions. The scheme is proposed to be extended to the rest of the plant shortly.

(The Statesman, 4 September 1967).

36. Wages.

India - September-October 1967.

Journalist Wage Board Report accepted
by Government.

A notification was issued on 27 October 1967 accepting all the recommendations by the Government of the wage board for working journalists, except those relating to the age of retirement and re-employment. The wage board had recommended that the retirement age of a working journalist should be 58 years, but he should be continued in service up to the age of 60 years on production of a fitness certificate. The Law Ministry is understood to have turned down this particular recommendation on the ground that it was untenable with the terms of reference laid down for the board.

The board considered the paying capacity of the industry and the financial burden likely to fall upon the industry as a result of the new scales recommended. It was held that some newspaper establishments were already in a position to bear the financial burden arising out of its recommendations while some others were not at present able to do so.

It had, however, observed that management of papers which did not appear now to be in a position to bear the additional burden imposed by the new wage scales, could improve their capacity by tightening up their organisation.

The date of operation of the recommendation of the wage board would be 1 January 1967, in the case of class I, II, and III of newspaper and news agencies and class I periodicals. In the case of all others, the date would be 1 July, 1967.

(The Times of India, 28 October, 1967).

Working of the Payment of Wages Act, 1936
on Railways during 1965.

A summary of the annual report on the Working of the Payment of Wages Act, 1936 on Railways for the year ending 31 December 1965* has been published in October 1967 issue of the Indian Labour Journal.

The Payment of Wages Act seeks to ensure regular and prompt payment of wages to the workers and to protect them against unauthorised deductions and fines. The review describes the various amendments made to main Act during the year.

Employment and Wages.— The total average daily number of persons employed on Railways (excluding Railway Factories) covered by the Act was approximately 1,105,540 and the gross amount paid as wages to such persons was Rs.1,727,752,764.11 during the year under report. As regards Contractors' Establishments, annual returns were received only from 220 out of 899 establishments. The figures of average daily employment and total amount paid as wages in these 220 Contractors' Establishments were 22,783 (including 5 children) and Rs.12,250,441.89 respectively.

Inspections and Irregularities.— During the year under report 9,809 establishments (8,850 Railways establishments and 959 Railway Contractors' Establishments) were inspected and 18,274 irregularities (14,635 relating to Railway establishments and 3,639 relating to Railway Contractors' establishments) were detected. Out of 14,635 irregularities detected in respect of Railway establishments, 7,800 (53.3 per cent.) related to non-payment of wages; 3,708 (25.3 per cent.) to non-display of notices etc.; 1,014 (6.9 per cent.) to delayed payment of wages; 554 (3.8 per cent.) to non-maintenance of registers; 202 (1.4 per cent.) to improper maintenance of registers; 423 (2.9 per cent.) to unauthorised deductions; 53 (0.4 per cent.) to fines; 9 (0.1 per cent.) related to deductions for damage or loss; and 871 (5.9 per cent.) to miscellaneous irregularities. The percentage of irregularities relating to the recovery of advance was negligible being only one case.

* Indian Labour Journal, Vol.VIII, No.10, October 1967, pp.867-872.

Out of 3,639 irregularities detected in Railway Contractors' establishments during the year under report, 1,342 (36.9 per cent.) related to non-maintenance of registers; 1,173 (32.2 per cent.) to non-display of notices etc.; 108 (3.0 per cent.) to non-payment of wages; 587 (16.1 per cent.) to improper maintenance of registers; 30 (0.8 per cent.) to delayed payment of wages; 6 (0.2 per cent.) to recovery of advances; 28 (0.8 per cent.) related to unauthorised deductions; and 365 (10.0 per cent.) to miscellaneous irregularities.

Rectification of Irregularities.— Out of a total of 21,441 irregularities, 15,132 irregularities (70.6 per cent.) were rectified during the year, leaving a balance of 6,309 (29.4 per cent.) irregularities for rectification at the end of the year.

As regards rectification of irregularities noticed in respect of Railway Contractors' establishments out of a total of 1,177 irregularities were pending rectification at the end of the calendar year 1964 and 3,639 irregularities were detected during the year under report, making a ~~total~~ total of 4,816 irregularities for rectification. Of these 4,816 irregularities, 3,619 (75.2 per cent.) were rectified during the year, leaving a balance of 1,197 (24.8 per cent.) for rectification at the end of the year.

Fines and Deductions.— As authorised under Section 8 of the Act, fines were imposed in 10,249 cases in respect of Railway Establishments (other than Railway Factories) involving an amount of Rs.171,292.94 during the year under report. The amount of fines realised is credited to the Staff Benefit Fund and the disbursements from the Fund during this year amounted to Rs.2,235,097.74 in respect of persons employed in Railway Establishments (other than Railway Factories).

In respect of Railway Establishments (excluding Railway Factories) deductions amounting to Rs.4,241.48 and Rs.171,042.16 were made from wages on account of breach of contract (absence) and damage to or loss of goods in 348 and 14,558 cases respectively during the year under report.

Claims.— Out of the total amount of Rs.4,347,753.45 claimed as wages in 2,492 applications, only a sum of Rs.36,371.21 was awarded. Of the total amount of Rs.1,079,354.30, claimed at compensation in 2,492 applications, only a sum of Rs.4,594.00 was awarded as compensation.

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Madras: Minimum Rates of Wages fixed for
employment in Hosiery Industry.

In exercise of the powers conferred under the Minimum Wages Act, 1948, the Government of Madras has with effect from 30 August 1967 fixed the following minimum rates of wages for the different classes of employees employed in hosiery industry in the State.

Class of Employees.		Minimum Rates of Wages.
(1)		(2)
Class I	--	Rs. 1.55 per day.
Class II	--	Rs. 2.35 per day.
Class III	--	Rs. 3.10 per day.
Class IV	--	Rs. 3.90 per day.
Warping(Piece Rate)	--	Rs. 2.35 per roll.
Supervisor/Foreman/ Mechanic.	--	Rs.155.00 per mensem.
Clerks.	--	Rs.115.00 per mensem.
Watchmen/Peons.	--	Rs. 62.00 per mensem.

Categories of employees under the classes mentioned above and employed in any hosiery manufactory.

Class I.

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

Class II.

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

Class III.

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

Class IV.

Overlook tailors.
Flatlock tailors.
Cutting.

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

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

3. Weekly holiday wages have to be necessarily paid.

(GO.Ms.No. 2742, Industries, Labour and Housing (Labour) dated 29 August, 1967, Fort St. George Gazette, Part II, Sec.1, 30 August 1967, page 1513).

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

INDIA - SEPTEMBER-OCTOBER 1967.

41. Agriculture.

74th Annual Conference of the United Planters'
Association of Southern India, held at
Ootacamund, 2 September 1967.

The 74th annual Conference of the United Planters' Association of Southern India was held at Ootacamund on 2 September 1967. The Conference was inaugurated by Shri V.V. Giri, the Vice-President of India. The Conference was addressed, among others, by Shri M.R.M. Punja, Chairman of the United Planters' Association of Southern India, Shri Bhagwan Singh, Chairman of Tea Board and Shri Babeeb Mohamed, Chairman of Rubber Board.

Inaugurating the Conference Shri V.V. Giri, the Vice-President of India, stressed the importance of scientific plantation development for increasing productivity quantitatively and qualitatively so that both the Industry and the country could get the much needed foreign exchange in an abundant measure. In the matter of exports, he advised the planters to be honest and to have a 'special eye' on quality.

Speaking on the importance of maintenance of good industrial relations and the rights and responsibilities of the industrial partners, viz., the managements and workers, Shri Giri said that the employers should realise that in a changing social and economic order which had the ultimate object of achieving a socialistic pattern of society, they should concede to the workers a greater measure of participation in the management of industries. It should be clearly understood, he said, however, much the employers might invest, the industry would be paralysed if the workers refused to work. The basic criterion for determining the line of advance should not be mainly private profit, but social gains.

Chairman's Address.— Addressing the Conference, Shri M.R.M. Punja, Chairman of the United Planters' Association of Southern India, said that in all the three major plantation crops, tea, coffee and rubber — they had achieved new records in the levels of production and yields during last year. The coffee crop had made a significant rise from a bare 16,054 tonnes in 1947-48 to over 76,000 tonnes during 1966-67. South India produced 95.4 million kilogrammes of tea last year compared to 43.6 million kgs. produced two decades ago. The rubber crop which stood at 16,712 tonnes in 1947 had risen to 53,196 tonnes last year, inspite of the "longest strike" the industry had ever suffered.

Shri Punja said Government policies and executive actions were unrelated to facts prevailing in the industry and this caused them grave concern. He said that there should be a direct link between the Government and the industry, without making the necessity to go through statutory bodies like the Tea Board.

(The Hindu, 3 September, 1967).

Fourteenth Annual Conference of the
Association of Planters of Madras
State held at Coonoor, 29 August 1967.

The 14th annual Conference of the Association of Planters of Madras State was held at Coonoor on 29 August 1967. The session was inaugurated by Shri C.N. Annadurai, Chief Minister of Madras. Among others, the session was addressed by Shri N.H. Sethna, Chairman of the Association of Planters of Madras State.

Chief Minister's speech.— Addressing the Conference, Shri C.N. Annadurai said that he would advocate the cause of plantation industries with the Union Government for better amenities and tax relief. He agreed to look into forest legislation which hindered plantation practices.

The Chief Minister agreed with the planters that the internal market for tea should not be neglected in favour of exports. He complimented the planters on improving the living conditions of the workers. The Chief Minister asked planters to absorb 10,000 repatriates from Ceylon and said that he was requesting the Union Government to declare a tax holiday for three years for those plantations which absorbed the Ceylon repatriates.

Chairman's Address.— Shri N.H. Sethna, Chairman of the Association of Planters of Madras State, urged the State Government to give concessions under the Agricultural Income-Tax, and also provide other incentives, in additions to those offered by the Union Government. Expressing concern at the fall in tea exports — exports from South India were 45 ~~million~~ million kgs. in 1966 — ~~Shri Sethna~~ as against 48 million kg. in 1965 — Shri Sethna urged Government to reduce the tax burden on the industry. Other countries had been able to sell their produce at prices lower than our cost of production and show profits, he said.

Shri Sethna said: Production of tea in Madras had gone up by 46 per cent. in the last ten years, as against an increase of 9.3 per cent. in area. The yield was 1,452 kg. per hectare, as against 1,082 kg. in 1957. Production of tea in the State was 48.68 million kg. in 1966, a rise of 0.91 ~~per~~ million kg. over 1965.

Referring to coffee, Shri Sethna said that with a total area of 25,849 hectares, Madras produced only 8,555 tonnes in 1966-67, a yield of 331 kg. per hectare in Mysore. compared to 671 kg. per hectare in Mysore.

(The Hindu, 30 August, 1967).

Central State Farms Project Started.

According to a news item appearing in the Hindustan Times, 5 October 1967 spade work has just begun on 2,000 acres on the periphery of Hirakud lake for the rabi crop to initiate the first of the 15 Central State farms to be started all over the country during the next six years. There will be two Central State Farms laid out along the edge of Hirakud. Each of the mechanised farms envisaged will have a minimum of 10,000 acres.

Under the new project agreement with the Soviet Government machinery for the first five farms will be received as a gift and the rest bought from Soviet manufacturers.

With the diversion of water to the Bhakra-Nangal canal system, much of the alluvial Sutlej bed is available for cultivation. The third farm project will be located here and staff appointments are now being made to get it under way.

Negotiations with the Haryana Government for siting the fourth Central State farm at Hissar are now in the final stages.

Land is being acquired in the Tungabhadra area to obtain a contiguous stretch of 10,000 acres for the fifth farm.

Kerala and Maharashtra have shown interest in location of one farm project in their States. The technical and economic feasibility of their bids are being examined.

The first five farms will be in operation by the end of the next year. The others will come into being during the next five years two each year.

(The Hindustan Times, 5 October, 1967).

44. Merchant Marine and Fisheries.

India - September-October 1967.

Commission to be set up for development of Ports.

Addressing a meeting of the National Shipping Board held at Bombay on 8 September 1967, the Union ~~Minister~~ Transport Minister announced, that the Government proposed to appoint a high-power commission of enquiry to go into the entire subject of the development of major ~~are~~ ports, in the country particularly with a view to meeting the changing requirements of foreign trade.

The proposed enquiry would help in achieving the twin objectives of the well-being of port personnel and the economic and efficient working of the major ports.

Dr. Rao said that the Indian shipping industry should go in for large bulk carriers and tankers to meet the requirements of iron-ore and oil trades and to keep pace with the technological revolution.

In the liner trade, the future of shipping industry in the world seemed to belong to container ships he added.

The change-over from the conventional liner vessel to the container ship would require sweeping changes in other sectors also. The ports would have to wear a new look. The road and rail systems would also have to be geared up to meet the requirements of the container age. Customs procedures would have to be modified. All these matters required urgent and detailed consideration he added.

(The Hindu, 9 September, 1967).

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - SEPTEMBER-OCTOBER 1967.

50. General.

Labour Events during 1967 Reviewed.

An article entitled "Twentyieth Year of Independence - Work in the Field of Labour"*, published in September 1967 issue of the Indian Labour Journal reviews, after a brief introduction of the economic progress made by India, some of the important events and developments in the field of labour during 1967. These are broadly in respect of appointment of Wage Boards in additional industries, extension of Social Security benefits under the Employees State Insurance and Provident Fund Schemes, progress made under the Workers' Education Scheme, constitution of Commission on Dearness Allowance and the National Commission on Labour, etc.

In the field of industrial relations, the Governments' policy of voluntary settlement of disputes through the Code of Discipline in Industry and the Industrial Truce Resolution continued to exercise its restraining influence. Figures of man-days lost owing to industrial disputes are an index of the climate of industrial relations. The country lost 10.5 million man-days (Provisional) in 1966 on account of strikes and lock-outs in industry as compared to 6.9 million man-days in 1965. The deterioration in the industrial atmosphere could be attributed partly to economic reasons, namely, continued rise in prices and consequent stresses and strains felt in the economy. In the Central Sphere, while the labour situation was by and large peaceful in Railways, Defence establishments and Oil-fields, the atmosphere was somewhat disturbed in the ports and docks and insurance establishments. The Code of Discipline reinforced by the 1962 Industrial Truce Resolution, continued to guide industrial relations in the country during the year 1966-67.

* Indian Labour Journal, Vol. VIII, No. 9, September, 1967, pp. 747-768.

The conciliation machinery set up under the Industrial Disputes Act, 1947, continued to play a very useful role in bringing together the parties to the dispute and exploring ways of amicable settlement. The following table shows the functioning of the Central Industrial Relations Machinery during the year 1965 and 1966:

	1965	1966
1. No. of disputes referred to Industrial Relations Machinery.	5,705	5,695
2. No. of failure reports received.	625	737
(i) Of (2) above, No. of disputes referred to adjudication.	291 (47%)	255 (35%)
(ii) Of (2) above, No. of disputes referred to arbitration.	169 (27%)	10 (15%)

It will, thus, be observed from the above Table that there was a marked decline in the cases referred to arbitration and adjudication in 1966 as compared to 1965. In order to promote greater recourse to voluntary arbitration, for resolving disputes, the Government have decided to set up a tripartite National Arbitration Promotion Board.

The article also describes the functioning of the various labour welfare schemes, consumer cooperatives and fair price shops, health and safety of workers, etc.

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Working of the Employment of Children Act,
1938, in Respect of Railways and Major
Ports during 1965.

The Employment of Children Act, 1938 prohibits the employment of children under 15 years of age to work in any occupation connected with the transport of passengers, goods or mails by Railways and in the handling of goods within the limits of a port. The Act also lays down that children between 15 and 17 years of age, employed in these occupations, must be allowed an interval of rest of not less than 12 consecutive hours in a day (including 7 consecutive hours between 10 P.M. and 7 A.M.).

Inspections and Irregularities.—During 1965, in all 3,850 establishments (3,788 Departmental and 62 Contractors) were inspected and 392 irregularities (380 in Departmental Establishments and 12 in Contractors' Establishments) were detected.

Of the 392 irregularities detected, 390 (99.5 per cent.) related to non-display of abstracts and one each related to employment of under-aged children and other irregularities (0.5 per cent.).

Rectification of Irregularities.— One hundred and fifty six irregularities were pending rectification at the end of the previous year and 392 irregularities were detected during the year, making a total of 548 irregularities for rectification. Of these, 442 (80.7 per cent.) were rectified during the year under report and 106 (19.3 per cent.) irregularities remained pending at the end of the year.

(Indian Labour Journal, Vol.VIII, No.10,
October 1967, pp. 873-874).

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56. Labour Administration.

India - September-October 1967.

Punjab: Annual Administration Report on
the Working of the Labour Department in
the State for the year 1966.

The Government of Punjab published on 15 September 1967 its review on the annual administration report on the working of the Labour Department in the State for the year 1966. According to the review the Labour Commissioner, Punjab, is assisted by the Joint Labour Commissioner-cum-Chief Conciliation Officer, Deputy Labour Commissioner, Assistant Labour Commissioners, Chief Inspector of Shops, Statistical Officer and Wage Inspector, 2 Labour Officers, 4 Conciliation Officers, 1 Medical Inspector of Factories, 5 Inspectors of Factories, 9 Labour Inspectors, 5 Wage Inspectors and 20 Shop Inspectors helped the Labour Commissioner in the administration of labour laws in the field.

new

Two hundred two ^{new} factories were registered as against 94 factories deregistered. The total number of registered factories at the end of the year 1966 was 4,069. The Shops and Commercial Establishments Act continued to be enforced in 92 towns, covering 133,224 shops/establishments which employed 86,162 persons. Motor Transport Workers Act, 1961, was enforced with respect of 91 undertakings during the year under report.

In addition to the Labour Welfare Scheme, the following Centres/States Labour enactments were administered by the Labour Department:-

(a) Central Legislation - (i) The Factories Act, 1948. (ii) The Industrial Disputes Act, 1947. (iii) The Payment of Wages Act, 1936. (iv) The Minimum Wages Act, 1948. (v) The Workmen's Compensation Act, 1923. (vi) The Trade Unions Act, 1926. (vii) The Industrial Employment (Standing Orders) Act. (viii) The Motor Transport Workers Act, 1961. (ix) The Maternity Benefit Act, 1961. (x) The Working Journalists (Conditions of Service and Miscellaneous provisions) Act, 1955. (xi) The Working Journalists (Fixation of Rates of Wages) Act, 1956. (xii) Employment of Childrens Act, 1938.

(xiii) The Plantations Labour Act, 1951.

(b) State Legislation- (i) The Punjab Shops and Commercial Establishments Act, 1958. (ii) The Fair Wage Clause and East Punjab Public Works Department Contractors Labour Regulations. (iii) Punjab Labour Welfare Fund Act, 1965. (iv) Punjab Industrial Establishments (National and Festival Holidays and Casual and Sick Leave) Act, 1965.

(c) Labour Welfare Schemes- (i) Workers' Holiday Home. (ii) Labour Welfare Centres. (iii) Subsidised Industrial Housing Scheme of Government of India.

During the year under report 5,118 complaints were received by the field staff from workers/unions. One hundred sixty-five complaints were pending at the beginning of the year. Out of these 5,383 complaints, 5,089 complaints were settled/disposed of, leaving a balance of 194 complaints. This shows that the staff of the Labour Department had been doing good work during the year, 1966.

The Labour situation in the State remained somewhat disturbed. The main factor contributing to the same was the closure of industrial establishments, particularly in the border districts in consequence of Indo-Pakistan conflict as well as the spiralling prices of essential commodities. Four hundred fifty-four disputes were pending in the beginning of the year and 1,510 were received during the year 1966, making a total of 1,964. Out of these, 522 were successfully settled in conciliation, 16 cases were referred for arbitration by the parties, 402 disputes were withdrawn by the workmen/unions, 172 disputes were referred for adjudication and 232 were rejected or filed, leaving a balance of 620 disputes. Twentyone work-stoppages (20 strikes and one lock-out) with a loss of 170,642 mandays took place during the year under report. Ninetyeight out of 204 establishments, required to constitute works committees had constituted such committees by the beginning of the year under report, 9 new such committees were constituted and 10 works committees ceased to function during the year leaving the total number of works committees at 97. ~~Out of these, 76 awards~~ The Industrial Tribunal Labour Court gave 192 awards during the year out of which 105 required implementation. Out of these, 76 awards were implemented leaving 29 unimplemented. Onehundred thirtyseven Industrial and Newspapers Establishments had their standing orders certified by the beginning of the year and 31 more establishments got the same certified raising the total to 169 during the year under report. Four hundred fortythree trade unions were functioning at the

beginning of the year. Thirty were registered during the course of the year, raising the total to 473 at the end of the year under report.

The Industrial Establishments in the State satisfactorily complied with provisions of the Payment of Wages Act, 1936. For fixing of minimum rates of wages 22 Scheduled Employments were covered under the Minimum Wages Act at the beginning of the year. As a result of the re-organisation of the State, Tea Plantation Industry in Kangra District has gone to Himachal Pradesh, but at the same time minimum rates of wages were fixed in respect of one more scheduled employment namely Ferrous Metal Rolling and Re-Rolling Industry during the year, thus maintaining the number of Scheduled Employments at 22 at the end of the year. Out of 31 claims regarding less/non-payment of wages, 16 were decided by the authority under section 20 of the Minimum Wages Act directing payment of Rs.45,970.

A sum of Rs.64,501.68 Paise was paid as compensation under the Workman's Compensation Act in the 208 accidents cases. Out of 208 accidents in various establishments, 12 were fatal. A sum of Rs.309.50 was paid ~~to~~ as maternity benefit on only one claim.

In the Industrial towns in the State, 13 Labour Welfare Centres continued to function satisfactorily. Workers and members of the families numbering 192 availed themselves of the facilities of the Holiday Home for industrial workers at Dalhousie. During the year under report, 7 Advisory Committees under the Minimum Wages Act continued to function for fixation/revision of minimum rates of wages. The Implementation and Evaluation Committee held its 34th Meeting on 25 August 1966.

The following industries were declared as public Utility Service: (1) Motor Transport Services. (2) Cement Industry. (3) Cotton Industry. (4) Service in Hospitals and Dispensaries. (5) Fire Brigade Service.

(Supplement II to Punjab Government Gazette, 15 September 1967, pp.143-146).

Chapter 6. General Rights of Workers.

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63. Individual Contracts of Employment.

India - September-October 1967.

Punjab: Annual Report on the Working of
the Industrial Employment (Standing Orders)
Act for 1946 for the year 1966.

The Government of Punjab published on 4 August 1967 its review on the working of the Industrial Employment (Standing Orders) Act, 1946, in the State for the year 1966. According to the review, 222 establishments employing 52,084 workmen ~~are~~ were covered under the Act at the end of the year under report as compared to 183 employing 41,824 workers in the beginning of the year 1966. During this year 39 establishments employing 10,260 workmen were covered under the Act.

Twenty-five applications for certification of the standing orders were pending at the beginning of the year and 29 more were received during the year. Thirty-one applications were disposed of leaving a balance of 23 applications.

At the beginning of the year under report 137 establishments employing 32,495 workers had their standing orders. Standing orders of 31 establishments were approved during the year. Thus there were 168 establishments employing 44,508 workers which had their standing orders at the end ~~end~~ of the year under report.

Neither any establishment was prosecuted nor any exemption was granted to any establishment from the Provisions of this Act during the year under review.

(Supplement II to Punjab Government
Gazette, 4 August 1967, pp. 65-66).

67. Conciliation and Arbitration.

India - September-October 1967.

Agreement reached on Code of Discipline
in Banking Industry.

Some important decisions pertaining to management-employees relations in the banking industry were taken at New Delhi on 6 October 1967, at the behest of the Union Labour and Employment Minister, Shri Jaisukhlal Hathi. Two representatives of the Indian Banks Association and four each from the All-India Bank Employees' Association and the All-India Bank Employees' Federation were present at the meeting.

Both employers' and employees' representatives agreed to accept a common code of discipline and it was decided that all the unions claiming the support of a majority of workers would be recognised. The majority union would have the right of collective bargaining. The minority union would not disturb the agreements reached by the banks with the majority union.

It was decided that the Indian Banks' Association would similarly see that its members do not disturb the uniformity that had been brought about as a result of a bipartite agreement.

It was also agreed that a grievance procedure should be established at the local, State and national levels. The employers' representatives agreed to pay a subsistence allowance on a ~~par~~ par with the provisions contained in the Central model standing orders.

Regarding the adoption of the code of discipline and recognition of the majority union, the committee which was constituted in 1965 would be revived. The Indian Banks' Association would nominate a new representatives.

Industrial Peace reported in Public Sector
Undertakings: Findings of Case Studies.

According to case studies of labour conditions and industrial relations in five Public Sector Undertakings conducted in 1966-67 by the Union Ministry of Labour and Employment, industrial peace reigns in all excepting one. The exception is Fertilizers and Chemicals, Travancore Ltd., of Alwaye, Kerala. Here, while the management has provided excellent service conditions and has a record of fair implementation of most labour laws, inter-union and intra-union rivalry has been blamed for much labour unrest.

Indian Telephone Industries, Bangalore, has on the other hand, been held up as a plant where cordial relations between labour and management have brought it several coveted honours among public sector undertakings. This happy state of affairs is attributed to the "enlightened personnel and labour policies consistently followed by the management".

(The Hindu, 30 August, 1967).

"GHERAO" Held Unlawful by High Court.

In a judgement in the Jay Engineering Gherao case, delivered in Calcutta by Shri D.N. Sinha, Chief Justice of the Calcutta High Court, the Gherao at the company's ~~office~~ office was held unlawful and the Chief Justice said that the Labour Minister of West Bengal, had acted without jurisdiction in giving directions to the police in this connection. The police, the Chief Justice held, should act according to law. Inaction by the police was reprehensible, he observed. He quashed the circulars of March 27 and 12 June relating to industrial disputes, especially gheraos, and directed the executive authorities not to give effect to them.

not to interfere

The case arose out of an application made by Jay Engineering Works Ltd., under Article 226 of the Constitution complaining of unlawful acts, wrongful confinement, restraint and trespass by its workers.

In his judgment, the Chief Justice said: "All workmen guilty of wrongfully^u restraining any person belonging to the management, or wrongfully confining him during a gherao, are guilty under Section 339 or 340 IPC, and have committed cognizable offences for which they are liable to be arrested without warrant and punishable with imprisonment and fine".

(The Statesman, 30 September, 1967).

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Punjab: Annual Report on the Working of
the Industrial Disputes Act, 1947, in the
State for the Year 1966.

The Government of Punjab published on 15 September 1967 its review on the annual report on the working of the Industrial Disputes Act, 1947, in the State for the year 1966. According to the review, the Labour Department had been directing its full energies towards the promotion of cordial relations between labour and management and towards the maintenance of industrial peace in the State during the year 1966. The conciliation machinery consisting of one Chief Conciliation Officer and 4 Conciliation Officers under the overall control of the Labour Commissioner made all endeavours to settle the disputes quickly and promptly and to effect settlements between disputants. The implementation and enforcement of other labour laws was also carried out through the labour officers and inspectors.

Disputes.- In the beginning of the year 1966, 454 disputes were pending as against 244 at the beginning of the previous year. A total of 1,510 fresh disputes were received during the year raising the total number of disputes to be disposed of during the year to 1,964. Of these 522 cases were settled during conciliation as against 707 cases out of 2,315 in the previous year, 402 cases were withdrawn during conciliation by the workmen as against 429 cases during the previous year; in 16 cases parties agreed to arbitration as against 31 cases during the previous year; 172 industrial disputes were referred for adjudication as against 195 during the previous year; 232 cases were rejected ~~against 195 during the~~ by the Government as against 409 during the previous year. The number of industrial disputes pending at the end of the year was 620 as against 454 during the previous year.

Strikes.- There were only 20 strikes and one lock-out during the year 1966 as compared to 27 strikes during the previous year. The number of man-days lost during the year under report, however, increased to 179,642 as compared to 54,484 during the previous year, 12 cases of work stoppages occurred in the private sector and 9 in the public sector. The causewise classification of work stoppages is given below:-

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(1) Wages and bonus	--	16
(2) Retrenchment	--	1
(3) Others	--	4
Total.		<u>21</u>

Speedy Disposal of Disputes.— Out of 522 disputes settled amicably during the year under report, about 39 per cent. were settled in less than a month's time.

Works Committees.— Out of 98 Works Committees functioning at the beginning of the year 10 ceased to function during the course of the year under report and 9 new Committees were constituted during the year. The number of Works Committees functioning at the close of the year was 97.

Adjudication Machinery.— Eighty-one cases were pending with the Industrial Tribunal/Labour Court at the beginning of the year under report and 172 cases of disputes under section 10 and 31 cases under section 33-A of the Industrial Disputes Act, were referred for adjudication during the year under report making a total of 284 cases to be disposed of during the year. One hundred ninety-two cases were disposed of during the year and the number of pending cases at the close of the year was 52.

In addition 2,080 applications under section 33 of the Industrial Disputes Act were received during the year under report. Six hundred fifty-eight such cases were ~~and~~ pending at the beginning of the year making a total of 2,746 applications to be disposed of during the year under report. A total of 2,362 applications were disposed of during the year and the balance at the close of the year was 384 applications.

Implementation of Awards/Settlement.— One hundred ninety-two awards under sections 10 and 33-A of the Industrial Disputes Act were received from the Industrial Tribunal/Labour Court during the year under report as against 253 awards received during the previous year. Of these, 105 awards required implementation, 76 awards were implemented during the year and 29 awards remained unimplemented at the close of the year as against 34 at the close of the previous year. ~~Of these, 105~~ Prosecutions were launched under section 29 of the Industrial Disputes Act in four cases. In 13 cases recovery certificates were issued against the management for effecting recovery of the workers' dues in terms of various awards/agreements.

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An amount of Rs.45,711.25 Paise representing workers' dues was realised from the various managements as arrears of land revenue as against Rs.5,750.74 Paise realised during the previous year.

Implementation and Evaluation Committees.- The State Evaluation and Implementation Committee held its 38th Meeting on 25 August 1966. The Committee is now being reconstituted.

Recognition of Unions.- No union applied for recognition during the year under report.

General.- On the whole different provisions of the Industrial Disputes Act were smoothly administered during the year under review. The number of strikes decreased as compared to the previous year. The number of man-days lost, however, increased as compared to the previous year. This was due to strikes in some of the big industrial concerns involving heavy loss of man-days.

(Supplement II to Punjab Government
Gazette, 15 September 1967, pp.141-142).

Industrial Disputes (Amendment) Bill, 1967.

Shri Jaisukhlal Hathi, Minister of Labour, Employment and Rehabilitation, Government of India, introduced in the Rajya Sabha on 3 August 1967 a Bill further to amend the Industrial Disputes Act, 1947. According to the Statement of Objects and Reasons of the Bill, Section 25FFF of the Industrial Disputes Act, 1947, provides for payment of compensation to workmen in case of closing down of an undertaking and the amount is calculated at the rate of fifteen days' average pay for every completed year of continuous service or any part thereof in excess of six months. But, in the case of closure on account of unavoidable circumstances beyond the control of the employer, the ceiling limit of compensation is the average pay for three months.

A central workers' organisation has suggested an amendment of section 25FFF of the Act to remove the ceiling limit of compensation in case of closure of a mining undertaking by reason of exhaustion of its reserves. According to its suggestion such closing down should not be deemed to be on account of unavoidable circumstances beyond the control of the employers because the employers have definite knowledge of the exhaustion of the ore-reserves of mines. The Industrial Committee on Coal Mining, in its ninth session (Calcutta - 10-11 August 1964) and the Industrial Committee on Mines other than Coal in its fourth session (New Delhi - 20-21 February, 1965), have agreed to the suggestion to amend the Act for the aforesaid purpose. Accordingly, it is proposed to amend section 25FFF to provide for payment of full compensation to workmen in the event of closing down of a mining undertaking due to exhaustion of its reserves subject to the condition that no retrenchment compensation would be payable to the workmen concerned when an employer provides them with alternative employment with effect from the date of closure at the same remuneration as they were entitled to receive, and on the same terms and conditions of service as were applicable to them, immediately before the closure.

The Bill is designed to give effect to the above proposal.

(The Gazette of India, Extraordinary,
Part II, Sec. 2, 3 August 1967, pp. 647-649).

68. Labour Courts.

India - September-October 1967.

"Inam" (Reward) paid to Workers is not
Wages under ESI Act: Judgment of
Supreme Court.

In a judgment given by the Supreme Court at New Delhi on 6 October 1967, the "inam" paid by a company to its workmen as an incentive for greater production under a scheme cannot be called "wages" under the Employees' Insurance Act and therefore no contribution either as employers' special contribution or employees' contribution was payable by the company in respect thereof. The court examined the scheme and said that the payment of "inam" did not become a term of the contract of employment.

(The Hindustan Times, 7 October, 1967).

Club Not to be Treated as Industry:
Supreme Court Ruling.

While dismissing the appeal filed by the Madras Gymkhana Club Employees' Union against the management on 3 October 1967 for payment of bonus to them for 1962, the Court held that activities carried on by the Madras Gymkhana Club did not make it an "industry" as defined in the Industrial Disputes Act and hence no reference could be made under the said Act for the adjudication of a dispute between the club and its employees. It upheld the award of the Industrial Tribunal, Madras, that the club was not liable to pay bonus to its employees for the year 1962 as it was not an "industry".

(The Statesman, 4 October, 1967).

CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN
CATEGORIES OF WORKERS.

INDIA - SEPTEMBER-OCTOBER 1967.

71. Employees and Salaried Intellectual Workers.

Madras: State Government Staff to get
Central D.A. and Allowances.

The Madras Government sanctioned on 9 October 1967 additional dearness allowance to its employees to bring it on a par with that drawn by the Central Government employees. The Government has also decided to sanction with effect from 1 October 1967, City Compensatory allowance to its employees within the limits of Madras City drawing a pay not exceeding Rs.500 a month. The additional rates of D.A. which will also be applicable to the employees of local bodies and to teachers in aided schools, will take effect from 1 November 1967 (pay drawn on 1 December 1967).

The following are the revised rates (figures within brackets indicate the present D.A.): Pay below Rs.90 (Rs.47), Rs. 59; Rs.90 and above but below Rs.150 (Rs.70), Rs.84; Rs.150 and above but below Rs.210 (Rs.90), Rs.106; Rs.210 and above but below Rs.400 (Rs.110), Rs.128; Rs.400 and above but not exceeding Rs.500 (Rs.120), Rs.140; Above Rs.500 but not exceeding Rs.519, the amount by which the pay falls short of Rs.640. (Those who get Rs.400 and above but below Rs.1,000 get already Rs.120).

(The Hindu, 10 October, 1967).

74. Indigenous Labour.

India - September-October 1967.

Annual Convention of the All-India Backward
Classes' Federation held at Hyderabad, 10
September 1967.

The annual Convention of the All-India Backward Classes' Federation was held at Hyderabad on 10 September 1967. The Convention was inaugurated by Shri V.V. Giri, Vice-President of India. Choudhary Braham Parkash presided.

Inaugurating the Conference Shri V.V. Giri said that the solution for the problems of backward classes lay in an integrated approach to their social and economic development and the provision of maximum opportunity, in political terms, to the people to grow to full measure of their capacity. Enlightened public opinion in the country was not only seized of the special needs of these classes but also would support efforts to accelerate the pace of their development.

Shri Giri said that educational assistance to students belonging to backward classes should go beyond the award of scholarships. There should be provision for coaching facilities and arrangement for watching their progress.

Choudhary Brahma Prakash, in his presidential address, said that during the last 20 years a few classes and a small percentage of people had become very rich, while the vast masses had gone poorer. He complained that the percentage of backward classes in the services was negligible. He suggested that the backward classes must organise themselves and should be completely non-political.

(The Hindu, 11 September, 1967).

CHAPTER 8. MANPOWER PROBLEMS.

INDIA - SEPTEMBER-OCTOBER 1967.

81. Employment Situation.

Findings of a Study Team on Recruitment and Selection Set up by Administrative Reforms Commission.

According to a study team of the Administrative Reforms Commission which went into the problems of recruitment, selection and training, India has six million Government employees: 2.4 million in Central Services and 3.6 million in the States. The number of employees is going up by about 6 per cent. a year both at the Centre and in the States. ~~The number~~ Over 100,000 new posts have on an average been created by the Centre every year.

The study team is also of the view that the quality of candidates entering non technical all-India services is going down. With fewer first class students taking competitive examination, the proportion of men holding second and third class degrees has sharply increased among recent entrants.

(The Statesman, 20 October, 1967).

West Bengal: Tenthousand Jute Workers
Retrenched.

According to a leading jute industrialist, 10,000 jute workers were retrenched in West Bengal during August 1967 and an equal number are likely to be thrown out of employment in the next 8-12 weeks. It was stated that this course had been forced on the industry by the Government's refusal to agree to a proposal that a day's production should be cut - workers being paid 50 per cent. of their wages for the day - to overcome the "recession" caused by shrinking demands for jute sacking. Had the industry's proposal been accepted, he says, this large-scale retrenchment could have been avoided.

(The Statesman, 3 September, 1967).

Contract Labour (Regulation and Abolition)
Bill, 1967.

Shri Jaisukhlal Hathi, Minister of Labour, Employment and Rehabilitation, Government of India, introduced in the Lok Sabha on 31 July 1967 a Bill to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances and for matters connected therewith.

According to the Statement of Objects and Reasons of the Bill, the system of employment of contract labour lends itself to various ~~abuses~~. The question of its abolition has been under the consideration of Government for a long time. In the Second-Five-Year-Plan, the Planning Commission made certain recommendations, namely, undertaking of studies to ascertain the extent of the problem of contract labour, progressive abolition of the system and improvement of service conditions of contract labour where the abolition was not possible. The matter was discussed at various meetings of Tripartite Committees at which the State-Governments were also represented and the general consensus of opinion was that the system should be abolished wherever possible and practicable and that in cases where this system could not be abolished altogether, the working conditions of the contract labour should be regulated so as to ensure payment of wages and provision of essential amenities.

The proposed Bill aims at the abolition of contract labour in respect of such categories as may be notified by the appropriate Government in the light of certain criteria that have been laid down, and at regulating the service conditions of contract labour where abolition is not possible. The Bill provides for the setting up of Advisory Boards of a tripartite character, representing various interests, to advise the Central and State Governments in administering the legislation and registration of establishments and contractors. Under the scheme of the Bill, the provision and maintenance of certain basic welfare amenities for contract labour, like drinking water and first-aid facilities, and in certain cases rest-rooms and canteens, have been made obligatory. Provisions have also been made to guard against defaults in the matter of wage payment.

The salient provisions of the Bill are summarised below.

The provisions of the Bill are to be made applicable to every establishment in which twenty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour; and to every contractor who employs or who employed on any day of the preceding twelve months twenty or more workmen.

The appropriate Government may, after giving not less than two months' notice of its intention so to do, by notification in the Official Gazette, apply the provisions to any establishment or contractor employing such number of workmen less than twenty as may be specified in the notification.

The provisions do not apply to establishments in which work only of an intermittent or casual nature is performed.

The word 'establishment' is defined to mean any office or department of the Government or a local authority, or any place where any industry, trade, business, manufacture or occupation is carried on.

A workman shall be deemed to be employed as "contract labour" in or in connection with the work of an establishment when he is hired in or in connection with such work by or through a contractor, with or without the knowledge of the principal employer.

The appropriate Government may, after consultation with the Central Board or, as the case may be, a State Board, prohibit, by notification in the Official Gazette, employment of contract labour in any process, operation or other work in any establishment.

Before issuing any such notification in relation to an establishment, the appropriate Government shall have regard to the conditions of work and benefits provided for the contract labour in that establishment and other relevant factors, such as -

(a) whether the process, operation or other work is incidental to, or necessary for the industry, trade, business, manufacture or occupation that is carried on in the establishment;

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(b) whether it is of perennial nature, that is to say, it is of sufficient duration having regard to the nature of industry, trade, business, manufacture or occupation carried on in that establishment;

(c) whether it is done ordinarily through regular workmen in that establishment or an establishment similar thereto;

(d) whether it is sufficient to employ considerable number of whole-time workmen.

Welfare and Health of Contract Labour.- The appropriate Government may make rules requiring that in every establishment -

(a) to which this Act applies,

(b) wherein work requiring employment of contract labour is likely to continue for such period as may be prescribed, and

(c) wherein contract labour numbering one ~~hundred~~ hundred or more is ordinarily employed by a contractor,

one or more canteens shall be provided and maintained by the contractor for the use of such contract labour.

Such rules may provide for -

(a) the date by which the canteens shall be provided;

(b) the number of canteens that shall be provided and the standards in respect of construction, accommodation, furniture and other equipment of the canteens; and

(c) the foodstuffs which maybe served therein and the charges which may be made therefor.

In every place wherein contract labour is required to halt at night in connection with the work of an establishment -

(a) to which this Act applies, and

(b) in which work requiring employment of contract labour is likely to continue for such period as may be prescribed,

there shall be provided and maintained by the contractor for the use of the contract labour such number of rest-rooms or such other suitable alternative accommodations within such time as may be prescribed.

It shall be the duty of every contractor employing contract labour in connection with the work of an establishment to which this Act applies, to provide and maintain -

(a) a sufficient supply of wholesome drinking water for the contract labour at convenient places;

(b) a sufficient number of latrines and urinals of the prescribed types so situated as to be convenient and accessible to the contract labour in the establishment; and

(c) washing facilities.

There shall be provided and maintained by the contractor so as to be readily accessible during all working hours a first-aid box equipped with the prescribed contents at every place where contract labour is employed by him.

Wages.- A contractor shall be responsible for payment of wages to each worker employed by him as contract labour and such wages shall be paid before the expiry of such period as may be prescribed.

Every principal employer shall nominate a representative duly authorised by him to be present at the time of disbursement of wages by the contractor and it shall be the duty of such representative to certify the amounts paid as wages in such manner as may be prescribed.

It shall be the duty of the contractor to ensure the disbursement of wages in the presence of the authorised representative of the principal employer.

In case the contractor fails to make payment of wages within the prescribed period or makes short payment, then the principal employer shall be liable to make payment of wages in full or the unpaid balance due, as the case may be, to the contract labour employed by the contractor and recover the amount so paid from the contractor either by deduction from any amount payable to the contractor under any contract or as debt payable by the contractor.

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Other provisions of the Bill relate inter alia to constitution of advisory boards, registration of establishments employing contract labour and licensing of contractors, penalties and procedure.

(The Gazette of India Extraordinary,
Part II, Sec.2, 31 July 1967,
pp. 617-637).

83. Vocational Training.

India - September-October 1967.

Seminar on Educational and Training
Programmes for the Advancement of
Women in Asia, Bombay 27 September,
1967.

An international Seminar on "Long-term educational and Training Programmes for the Advancement of Women in Asia", was held in Bombay from 27 September to 1 October 1967. The Seminar, attended by 130 delegates and some 40 observers, was organised by the National Council of Women in India in collaboration with the Indian National Commission of UNESCO and the Maharashtra State Women's Council, Bombay.

Among other recommendations, the Seminar suggested that the education for women should be planned to suit the particular needs of the community and the basic right to education up to the level of university should be accepted. Another recommendation was that scientific, education should be imparted in villages to make the rural areas self-sufficient and to create conditions of agro-industrial bias. Agricultural colleges should be established in taluka towns. The Seminar felt that university students should be sent to rural areas, before they obtained the degree, to work for a year so that the dignity of labour would be enhanced.

To attract women to work in villages and rural areas, special village allowance, health insurance and social security transport facility and recreational facilities should be provided.

A report on training women for economic advancement said the Government in co-operation with councils of women or other non-Governmental organisations establish hostels for unattached professional women in central villages equipped for co-operative livings and improve ~~communications~~ communications between villages and towns.

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To tackle the problem of shortage of trained personnel in nursing and health, a three⁷-year training programme leading to a degree in nursing and a one-year training programme which would prepare women as practical nurses should be begun, it said. Rationalisation of the pattern of financing of the ~~pattern of~~ units under the socio-economic schemes, liaison between the production centre and the market were among the suggestions.

For ~~training~~ increasing the training opportunities for rural women, it supported the idea of establishing a mobile training unit.

(The Times of India, 2 October, 1967).

Chapter 9. Social Security

93. Application.

India - September-October 1967.

Punjab: Annual Report on the Working of
the Workmen's Compensation Act, 1923, in
the State during the year 1966.

The Government of Punjab published on 15 September 1967 its review on the annual report on the working of the Workmen's Compensation Act, 1923, in the State for the year 1966. According to the review, the Workmen's Compensation Act, 1923 (Central Act), provides protection to the workmen (getting up to Rs.500 per mensem) against industrial hazards, occupational diseases and accidents.

The Compensation Commissioners, under the Act, in the State had 201 cases for disposal during the year including 73 cases which were pending at the beginning of the year. Out of 201 cases, 110 were related to fatal accidents, 63 to permanent disablement and 28 for temporary disablement. One hundred forty-one cases were disposed of during the year under report leaving a balance of 60 cases pending at the end of the year. Out of these 60 cases, 32 related to fatal accidents, 13 to permanent disablement and 5 to temporary disablements. There were 340 cases of accidents during the year under report. Compensation was paid in respect of 207 cases. Twelve were fatal, 20 related to permanent disablement and 175 temporary disablement. Various managements in the State paid Rs.64,501.68 as compensation under the Act. There was no report regarding any death or permanent disablement caused by occupational diseases. Twenty-nine complaints about non-payment of compensation for the injuries sustained by workmen were received by the Department. There were three pending complaints from the last year. All but one complaints were disposed of during the year under report. No amendments in Act/Rules were made during the year under report.

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The Employees State Insurance Scheme was extended to four more towns in Punjab during the year under report. Therefore, the scope of Workmen's Compensation Act diminished to this extent as this Act does not apply to the Factories where Employees State Insurance Scheme is applicable.

(Supplement II to Punjab Government Gazette, 15 September 1967, pp. 142-143).

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CHAPTER 12. INDUSTRIAL COMMITTEES.

INDIA - SEPTEMBER-OCTOBER 1967.

121. Special Information.

~~14. Conventions and Recommendations.~~

India - September-October 1967.

Recommendations of Industrial Committee
on Jute, held at New Delhi, 28 October,
1967.

The Industrial Committee on Jute which held its 4th session at New Delhi on 28 October 1967, recommended among other matters, establishment of a small committee (comprising, among others, the State Labour Commissioner, the jute Commissioner and the workers' and employers' representatives), to go into specific instances of non-implementation of the Wage Board's recommendation concerning payment of fall-back wages and suggest measures to secure its full implementation. The proposed Committee should look into the cases of defaulting mills complained of and not of individual workers. The session also suggested that Wage Board's recommendations regarding permanency of workers should be implemented without further delay, wherever this had not been done so far. As for the workers' suggestion about fixing the quantum of the 'permanent complement' on a basis other than the formula laid down by the Wage Board, the two sides should get together and try to reach a settlement.

In the discussions on the bonus problem, the workers' representatives urged that there should be a proper procedure under which mill accounts and bonus calculations were available to them for examination. It was agreed that for this purpose the jute mills would make available a number of copies (say 5) of the following documents/papers to the State Labour Department: (a) balance sheets; (b) profit and loss accounts; and (c) details showing how the 'allocable surplus' had been worked out by them. On the question of bonus for the uncovered period during 1964 i.e. for the months for which no bonus had been paid to the workers either in terms of the Jute Wage Board's recommendations or the Payment of Bonus Act, it was agreed that the two sides would get together and try to reach a settlement.

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A suggestion was made that the scope of the proposed Textile Corporation should be extended to the jute industry so that the sick jute mills which had closed down, due to mis-management could also be taken over, wherever necessary, by the proposed Corporation. The Chairman said that the suggestion would be brought to the notice of the Ministry of Commerce for their consideration.

As regards revision of wages after 31 December 1967, the Committee recommended that the employers and workers should enter into bipartite discussions to reach an agreement. The revision of the dearness allowance scheme would naturally be covered within the scope of these discussions. The Chairman suggested that dearness allowance could be revised quarterly rather than every six months as at present. If, however, no agreement was possible through such discussions, a meeting of the Industrial Committee could be convened again, say, some time early next year, to help the parties in coming to a settlement.

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INTERNATIONAL LABOUR OFFICE
BRANCH OFFICE, NEW DELHI

Industrial and Labour Developments in
November-December 1967

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CHAPTER I. INTERNATIONAL LABOUR
ORGANISATION

INDIA-NOVEMBER-DECEMBER 1967

12. Activities of External Services

1. Lectures

a) On 22nd November, on the invitation of the Director of the Indian School of International Studies, the Director of the Branch Office addressed a batch of Indian Foreign Service Probationers. The subject of his address was "The ILO".

b) On 12 December 1967, on the invitation of the Director of the Asian Institute of Educational Planning and Administration (a project of the Government of India which is run in collaboration with UNESCO) the Director of this office addressed the participants on their current course. The subject of his talk was "Training for Industry". The participants are senior Govt. Officials drawn from different Asian countries. During his talk he also explained the part played by I.L.O. in rendering assistance in the training of craft Instructors, development of Apprenticeship Scheme, Productivity and Management Development etc. through various Technical Assistance and Special Fund Projects in this country.

2. Meetings

a) The Director represented the ILO at the Fifth Indian Cooperative Congress held at New Delhi from 2-4 December 1967.

b) The ILO was represented by the Director of this office at the Sixth Session of the Governing Board of the International Institute for Educational Planning held in New Delhi on 8-9 December 1967.

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CHAPTER I. INTERNATIONAL LABOUR
ORGANISATION

INDIA-NOVEMBER-DECEMBER 1967

13. Press and Opinion

In addition to the attached clippings, the following references to the work of the ILO appeared in Indian Journals received in this Office:-

1. The 2nd October 1967 issue of 'Indian Worker' (Gandhi Jayanti Number) publishes an article on 'Gandhiji's immortal Role in the emancipation of Labour'. The article makes an incidental reference to the ILO.
2. The September 1967 issue of 'Bank Karmachari', reviews the First World Conference on Education in the Labour Movement, held in Montreal from 24 August. There is an incidental reference to the ILO.
3. The November-December 1967 issue of 'Bank Karmachari', publishes an article on 'ILO and Workers' Education'.
4. The Same issue of the journal publishes a report on the ICFTU World Conference on education in Labour Movement. The report contains references to the ILO.
5. The October 1967 issue of 'All India Organisation of Industrial Employers' Labour News' under its 'foreign news' column, publishes a news-item concerning the signing of an agreement for the establishment of the Cyprus Productivity Centre with ILO as the Executing Agency.
6. The September 1967 issue of 'Asian Labour' publishes an article on 'Non-Manual Employment'. The article discusses the ILO's role in the field and concludes: "This constant watch and careful study of national prospects and policies are what led the ILO Director-General to choose the role of the non-manual worker in economic and social development as the main theme for discussion at the 51st session of the International Labour Conference held in Geneva in June this year."

7. The July-September 1967 issue of 'Oceanite' editorially writes about the 'technological revolution in maritime industry and the role of the ILO'. After commenting on the ILO's maritime work the editorial concludes:

"The 50th Anniversary (Diamond Jubilee) of the setting up of the ILO will be due in 1969. Let us hope there will be world-wide celebrations of the historic event. A special Maritime Session of the ILO will be held in that year to give it the most fitting recognition as a wing of the United Nations that has done such a lot for all the seafarers of the world."

8. The October 1967 issue of 'Asian Labour' contains the following references to the ILO:

a) A write up on 'Buiter - the new ICFTU General Secretary': mention is made of his association with the ILO's Metal Trades Committee.

b) A summary of a paper by the Education Officer, USDAW, Great Britain submitted to the ICFTU World Conference on Education in the Labour Movement held in Montreal: Mention is made of the ILO's valuable contribution to growing documentation on the subject.

c) An article on 'The United Nations and Human Rights'. There is an incidental reference to the ILO.

d) A news item about the appointment of Dr. Vladimir Velebit as Chief of the Research and Planning Department of the ILO.

9. The October 1967 issue of 'Workers' Education' contains the following references to the ILO:

a) A news-item regarding the distribution of certificates to the trainees of the 21st Worker Teachers' Training Course at the Delhi Centre. The prizes were distributed by the Director of this Office who also delivered the valedictory address.

b) A news-item about a talk on 'India and the ILO' broadcast by Regional Director of the Alwaye Centre

c) A select bibliography on workers' education. The list includes ILO publications.

10. The October 1967 issue of 'Labour Gazette' Bombay, publishes two brief items concerning (a) 51st Session of the International Labour Conference; and (b) new Chairman of the Governing Body.

11. The December 1967 issue of 'Asian Trade Unionist' contains:

a) A summary of the conclusions of the first ICFTU World Conference on Education in the Labour Movement held in Montreal. Incidental references are made to the ILO.

b) A news-item about the First Asian Trade Union Economic Conference. There is an incidental reference to the ILO.

c) A list of important decisions on labour laws collected from the 'International Labour Review' and published under the heading 'Important Cases Noted by ILO'.

12. The December 1967 issue of 'AIOIE Labour News' publishes a news-item about the setting up of a special employment exchange for the physically handicapped persons. The item refers to the ILO's suggestions for improvement of job opportunities for disabled persons.

13. The December 1967 issue of 'Asian Labour' publishes -

a) a note on the First ICFTU Asian Trade Union Conference to be held in Delhi. There is an incidental reference to the ILO.

b) a note about the ICFTU's protest to the ILO against mass arrests and trials of workers of Spain.

c) a note about the ILO meeting of Experts on Programmes of Adjustment to Automation and Advanced Technological Change

d) A note about the appointment of Mr. Kaplansky as "ILO Jubilee Celebration" Coördinator.

14. The December 1967 issue of "Insurance Worker" publishes the inaugural speech of the Labour Minister in the United Front Government (since dismissed) of West Bengal at the Second National Convention Against Automation held at New Delhi in December 1967. In the course of his address, the Minister *said*: *observed*: "Has not the ILO observed that as a result of automation "displacement" among the clerical employees doing book-keeping, filing, accountancy, invoicing works "will be very high" (Effects of "Mechanisation and Automation Page 22),"

15. An article on 'Personnel Management in Asian Countries' is published in the November-December issue of 'Social Action'. The article observes: "Labour legislation in some of the countries also gives varied connotation to these terms and hence a very useful service to industry would be for the ILO to constitute a select committee which would recommend to industries in all member countries standard terminology and functional descriptions in the field of labour-management relations."

16. Indian Labour Journal, dated November 1967 publishes a news-item about the 51st International Labour Conference.

17. November 1967 issue of 'Labour Gazette' publishes an article on 'Promotion of social Justice and Development of Human Resources by the Director of the Office. The article dealing with the work of the ILO was sent to the UNIS in connexion with the U.N. day celebrations.

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CHAPTER 2. INTERNATIONAL AND
NATIONAL ORGANISATIONS

INDIA-NOVEMBER-DECEMBER 1967

25. Wage-Earners' Organisations.

Maharashtra: Indian Trade Unions and
Bombay Industrial Relations (Amendment)
Bill, 1967. *

The Government of Maharashtra published on November 16, 1967 the text of the Indian Trade Unions and Bombay Industrial Relations (Amendment) Bills 1967 which was introduced in the Maharashtra Legislative Assembly on 9 November 1967.

According to the Statement of Objects and Reasons of the Bill the Indian Trade Unions Act, 1926, provides for the registration of Trade Unions, and in certain respects defines the law relating to registered Trade Unions. The Act, however, does not contain any provision for deciding internal disputes in a registered Trade Union. These disputes, which are at present decided by civil courts take a long time to decide with the result, that pending the decision of the dispute, the work of the registered Trade Union, which cannot function, is paralysed. To tide over this difficulty, it is proposed to ~~take~~ ^{empower} power to members of Trade Unions with the consent of the Registrar of Trade Unions to refer such disputes to the Industrial Court constituted under the Bombay Industrial Relations Act, 1946, and to bar the jurisdiction of civil courts from entertaining such disputes. It is also proposed to empower the Industrial Court to pass interim orders, and its decisions are to be made final and binding on parties. The Bill seeks to achieve these objects.

* (Maharashtra Gazette, Part V, 16 November 1967, pp. 299-310)

Fifteenth Convention of National
Federation of Petroleum Workers
held at Baroda, 11 November 1967 *

The 50th Convention of the National Federation of Petroleum Workers was held at Baroda on 11 November 1967. The Convention was inaugurated by Shri Jaisukh Lal Hathi, Union Minister for Labour, Employment, and Rehabilitation. Shri Hathi in his address called for a "radical readjustment of trade union strategy in India as the country was developing on a planned basis with the public sector emerging as the biggest employer. Just as public-sector employers should strive to be model employers, trade unions in the public sector should strive to be "model unions". A model union need not be a tame body, it should be a strong organisation with self-confidence but should always avoid "trial of strength through work stoppages". Referring to the current economic difficulties, Shri Hathi said "If we lose confidence in ourselves and in our plans, the path of recovery will be more difficult. I have every hope that your organisation will have the level-headedness to consider the general economic situation in an objective way and extend its help in restoring to the economy the momentum it seems to have lost". Dealing with the progress of the oil industry, he said the Oil and Natural Gas Commission had created new history in exploration, oil production by ONGC, which now stood at three million tonnes a year, would be doubled in the next few years. By the end of the Fourth Plan, ONGC and Oil India would together produce about 9.5 million tonnes.

* Times of India,
13 November 1967.

Fourteenth National Convention of
the Hind Mazdoor Sabha held at
Baroda, 2 - 5 December 1967

The 14th National Convention of the Hind Mazdoor Sabha was held at Baroda from 2-5 December 1967. Shri Devan Sen presided over the Session. Among others, the Convention adopted resolutions on wage freeze, trade union activity, bonus, social security and wage boards. The resolution on wage freeze adopted by the Convention alerted all trade unions in the country against the efforts of the Central as well as the State Governments to impose under the pressure of big business, a policy of wage freeze on the country. The resolution on trade union unity reiterated that unified movement of the working class representing the biggest organised force in the society could play a decisive role not only in defending workers interest and in promoting social justice but also in preserving and further strengthening the cause of democracy.

The resolution on bonus adopted by Hind Mazdoor Convention called upon the Government of India to bring before Parliament a bill to amend the payment of Bonus Act with a view to

- 1) enhance the rate of minimum bonus payable;
- 2) to clarify that tax as a prior charge is not the national tax payable but the tax payable after taking into account the bonus payable as was the original intention according to the statement of the Labour Minister in Parliament, during the debates on the said bonus law;
- 3) to ensure, through a more carefully worded provisions of the law that past levels of Bonus, determined under the Labour Appellate Tribunal formula or by long standing practice, should not be adversely affected;
- 4) that the rate of return on paid-up capital and reserves should be at rates lower than stipulated in the said Act; and
- 5) Confer the benefits of the Act on employees of Government undertakings too.

Resolution on Social Security. The resolution on social security adopted by the Convention demanded, among other things, that the Government should take immediate steps to

i) implement the recommendations of the Study Group on Social Security about the integration of the Provident Fund and ESI Scheme and introduction of additional benefits, after discussing them in the Indian Labour Conference,

ii) to implement the recommendations of the Employees' State Insurance Scheme Review Committee;

iii) to finalise and enact a scheme for unemployment benefit in consultation with the Central Organisations of workers; and

iv) provide a suitable death/disablement/retirement gratuity scheme for all workers.

Resolution on Wage Boards. The resolution on wage boards urged that

i) the practice of appointing sitting judges of High Courts or the Supreme Court, as Chairman of Wage Boards should be adopted

ii) the Wage Boards should be required to submit their decisions expeditiously, and in every case within a time limit of not more than two years;

iii) it should also be laid down that the date of effect of the wage revision recommended should be from the date of appointment of the wage board or from the date of expiry of the previous wage board's recommendations; and

iv) the terms of reference to the wage board shall be settled in consultation with the representatives of trade union organisations.

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28. Employers' Organisation

Annual Meeting of the Associated Chambers of Commerce and Industry held at Calcutta, 18 December 1967

The annual meeting of the Associated Chambers of Commerce and Industry was held at Calcutta on 18 December 1967 under the Chairmanship of Mr. C.A. Pitts, the Chamber's President. Among others, the meeting was addressed by Shri Morarji Desai, the Deputy Prime Minister and Finance Minister.

Presidential Address.- In his presidential address Mr. C.A. Pitts pinpointed agricultural failures, over ambitious planning and the ineffectiveness of devaluation as the three major causes of recession and said what was needed was to determine how to take advantage of the bountiful harvests to overcome recession.

Mr. Pitts said that in the short term good ~~harvests~~ investments would result in some increase in demand for consumer goods and easier food prices would have a lowering effect on the cost of living, and on the balance of payments situation through a decrease in food imports.

In this context, Mr. Pitts suggested, despite the Finance Minister's opposition to it, that if some measure of deficit financing was necessary, then "it should be accepted".

Mr. Pitts felt that a beginning to new investment in projects which were vital to the economic growth of the country was essential if a real and lasting recovery from economic recession was to be put in train. And if some measure of deficit finance was necessary for this, this should be accepted.

Mr. Pitts suggested a lowering of the rates of direct taxation on companies and on individuals. In the present situation such a suggestion might "smack of irresponsibility", but Mr. Pitts averred that he was doing so, not because of a desire for relief for a privileged sector of society, but because the Chamber was convinced that such a step would have a stimulating and expansionist effect ~~effect~~ on savings and investment out of all proportion to the immediate loss of revenue.

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Other suggestions made by Mr. Pitts were better returns from public sector investments, the utilization of the knowledge and experience of organized private sector industry and commerce in the formulation of national plans, the mobilization of rural resources and intensification of exports and import substitution.

Mr. Pitts also criticized the provisions of the Patents Bill and the Monopolies Bill, now before Parliament. He felt that the Government would be more apt, if it concentrated on restrictive trade practices, and shelved for some years its proposals on the concentration of economic power.

On labour, Mr. Pitts was happy that, leaving aside West Bengal, there was little unrest in the rest of the country. The labour administration was one area in which no accusing finger could be pointed to the Government. He was glad that "gheraos" had come to an end. Its continuance would have spelt the death-knell to any expansion of industry in West Bengal, and perhaps an end even to established industry.

Deputy Prime Minister's Speech: The Deputy Prime Minister and Finance Minister, in his address to the Associated Chambers of Commerce and Industry underlined increased food production, mobilization of resources and promotion of exports as the three major problems facing the country. He pointed out that it would not be right for the private industry to say that Government policies were responsible for all this; nor would the Government be right in putting the blame on the people or the private sector. The main question was how to resume the momentum of growth without jeopardizing the chances of a return to economic stability.

In the context of resource mobilization and the need to stimulate investment, Shri Morarji Desai said that the present tax structure had to be given a close look. He agreed with Mr. Pitts that the scope for further simplification and rationalization of the tax structure must be examined. The Government would consider concrete suggestions in this regard. A simple tax system would certainly reduce the burden on the honest tax-payer.

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While the Government recognized the role of the private sector the latter would also appreciate that its role in development had a wider social purpose. The legislative action, which might appear to restrict the freedom of action of private enterprise, would also have to be viewed in the larger perspective. In this connexion, he mentioned the Patents Bill and observed that the grant of "everlasting monopoly" of the results of research to any individual or organization would go against the social purpose.

Mr. Desai again reminded his audience of the need to maintain the advance on the agricultural front on the one hand, and to develop industries with export potential on the other.

Mr. Desai declared that no economic progress was possible unless law and order was preserved. The enthusiasm of the few - whether misguided or otherwise - should not be allowed to disrupt the quiet but steady endeavours being made by many.

Resolutions. The following are some of the important resolutions moved in the meeting:

1) Resolution on agriculture

Moving the resolution on agriculture, Mr. D. Hogg said it was not fully appreciated that ceilings and scientific land management did not go together, for large-scale farming was a prerequisite to scientific management. In view of the fact that cooperative farming had not made much headway and recent trends even in the collectivist countries were towards "de-collectivization" an effective breakthrough in the semi-stagnant sector could be through a policy of establishing joint stock companies to undertake large-scale farming.

The resolution pleaded for an energetic campaign to promote efficient water conservation through major projects but particularly through minor irrigation, including the sinking of wells. It said agro-industries, including those units which provided agricultural inputs and those which processed and marketed agricultural produce, should be given a high degree of priority in such matters as the supply of capital, credit and raw materials and in the grant of tax concessions.

2) Resolution on Direct Taxation

Moving the resolution on direct taxation, Mr. John K. John pointed out that an income-tax rate of 70% could hardly enthruse overseas investors to invest in India. The Chambers would, therefore, plead for a reduction in the high rate of tax to create conditions for further foreign investment.

The Chambers recommended that excise duties, which formed the greatest part of indirect taxes, be used by the Government as a more positive and flexible instrument of economic policy. A rationalization of the existing system of collection of excise duties should be made to reduce the inordinately large and costly machinery, reduce the number of resident and supervisory staff, simplify the rules and forms, eliminate procedural delays and reduce the cost of collection. The Chambers also suggested evolution of a suitable machinery whereby manufacturers could obtain a rebate on excise duties paid on constituent items of cost for goods exported to enable exporting manufacturers to compete in world markets; and an effective system of granting rebates on excise duty in return for increased beyond specified levels.

In a tersely worded resolution, keeping in view the "deterioration in labour relations in some of the most industrialized parts of the country", it said the situation was seriously "damaging national prosperity and economic growth". The resolution also condemned gheraos. The resolution laid equal emphasis on "inter-union" rivalry being the most important single cause of failure of labour relations. It stressed the urgent need to speed up existing legal machinery for settling disputes by appointing additional tribunals and putting time limits for them.

* The Hindustan Times,
19 December 1967

The Statesman
20 December 1967.

CHAPTER 3. ECONOMIC QUESTIONS

INDIA-NOVEMBER-DECEMBER 1967

34. Economic Planning Control and Development

Meeting of the National Development
Council held at New Delhi. 1.12.1967
Proposal of Agricultural Income-tax
opposed *

At a meeting of the National Development Council held at New Delhi on 1 December 1967, the Chief Ministers of States rejected the Centre's proposal for an agricultural tax (see pp. 30 of this report)

During the discussion the Chief Ministers expressed their own difficulties about raising resources. Mr. Sukhadia said that his State had reached the saturation point in taxation. He opposed the proposal for an agricultural income-tax and said that there should be uniform irrigation charges in Rajasthan, Punjab, Haryana and U.P.

Mr. Brahmananda Reddy felt that the idea of an agricultural income-tax had relevance only for States where cash crops and plantations existed in large areas. He felt it was wrong to imagine that all States had a uniform capacity for resource mobilization.

Mr. V.P. Naik felt that not only would the yield from the proposed agricultural income-tax be small, but would also lead to much harassment of the farmer.

Mr. S. Nijalingappa was also of the same view. He felt that this tax could be levied only on cash crops.

Mr. C.N. Annadurai felt this was not the time to consider new tax proposals.

The Gujarat Chief Minister, Mr. Hitendra Desai said that while a "bold attempt" would have to be made to raise resources the Plan should be related to realities. What share mobilization of resources from the agricultural sector should take should be left to the States.

Fourth Plan put off by another
year and begin from 1969: Economy
to be stabilised during 1968-69 *

The Union Government endorsed on 28 November 1967 the proposal of the Planning Commission to put off the finalisation of the Fourth Plan by one more year in view of the continuing uncertainty about the resources, internal and external. It was also decided that the three years between the Third Plan and the postponed Fourth Plan be treated as consolidation[^] annual plans.

In deciding to postpone the beginning of the Fourth Plan to 1969-70, the Union Cabinet considered in detail the present economic situation, the likely impact of the measures taken to over-come the current recession, the possible beneficial effects of the bumper harvest this year and the prospects for external assistance. The consensus was that the 1968-69 plan should also be an annual affair mainly to stabilize the economy. This will provide a firm base to make reasonably realistic long-term projections for the formulation of the Fourth Plan. It was also recognized that even this would not be possible unless immediate efforts were made to hold the price line, mobilize savings and channelize investments to priority spheres.

The extremely unsatisfactory resources position generally and that of the States in particular also came up for consideration. The Commission's suggestion for the imposition of an agricultural income-tax so as to mop up the enormous gains expected from the bumper harvest found general support. Since agricultural income is essentially a State subject, it was decided that the proposal should be placed before the NDC.

No precise estimates of the likely yield from agricultural income-tax have yet been made. But there have been unofficial estimates that about Rs.1,000 crores of additional income might be generated in the agricultural economy as a result of bumper food and cash crop production this year.

* The Hindustan Times
29 November 1967.

Study of Economic and Scientific
Research Foundation Published:
Inflation responsible for recession *

According to a study entitled "Recession and After" published by the Economic and Scientific Research Foundation, the research wing of the Chambers of Commerce and Industry, the main reason for the present recession in manufacturing activity was not the drought but inflation. The foundation says the strategy of demand-induced growth, which maintains as a matter of deliberate policy a level of aggregate demand substantially in excess of the aggregate supply mainly through the creation of paper money to finance excessive Government expenditure and investment, has led to the present "squeeze" in manufacturing activity.

The fact that a large proportion of this expenditure has been generally wastefully used has further aggravated the inflationary situation.

The only effective long-term solution to the recession is a re-casting of the planning strategy to promote and expand real output rather than attempt to lure the economy forward through excess demand.

The foundation cautions that it will be wrong to dismiss the current recession or squeeze as a passing phase or to think that the situation will correct itself automatically as soon as there is an improvement in the food supply. It is also wrong to think that a bigger Plan would remove the squeeze.

* The Times of India
1 November 1967.

Study on Performance of Indian Companies
Published by Economic and Scientific Re-
search Foundation: Profitless Expansion
of Public Undertakings.

According to a recent study entitled "Top 200 Companies" published by the Economic and Scientific Research Foundation, public sector undertakings are expanding in size more rapidly than the private companies but their growth has been unprofitable in terms of returns.

In fact, the leading companies are going through a phase of profitless growth, "which does not augur well for the future of Indian industry, since it is the top companies which set the pace for growth. When they falter the entire industrial sector falters.

The study shows that not a single manufacturing company in the public sector is included among the first 20 according to return or net assets.

According to the study, Indian Oil Corporation, a public sector undertaking, has pushed ahead from 17th place in 1964 to fourth place in 1965 and is surging forward so rapidly that it may soon displace at least one of the private sector steel companies".

The three steel companies continued to lead in the field headed by the State-owned Hindustan Steel which had a sales turnover of Rs.205 crores, followed by TISCO (Rs.123 crores) and Indian Iron Rs.79 crores. The annual turnover of Indian Oil Corporation was Rs.78 crores. The six other companies among the first ten by sales turnover were Hindustan Lever (Rs.71 crores), MMYC (Rs. 68 crores), TELCO (66 crores) Imperial Tobacco (Rs.59 crores), Delhi Cloth Mills (Rs.53 crores) and ACC (Rs.52 crores)

The study points out that while the sales turnover of the top 200 companies increased by 14 per cent during 1965, their net profits actually declined by nearly five per cent from Rs.121 crores in 1964 to Rs.115 crores in 1965.

The foundation's study is in contrast to a Reserve Bank study which had stated that the net profits of the corporate sector as a whole increased by 4.5 per cent during the same period, along with a nine per cent increase in sales.

Comparing its own study with that of the Reserve Bank, the Foundation says: "The conclusion is inevitable that while the bigger companies are increasing in size - a wholly desirable development reflecting international trend in business growth - the growth has been unprofitable in terms of returns.

Engineering companies form largest group (58) in the list of top 200 companies, followed by textiles (52). The petroleum companies are the largest in unit size in terms of sales, each with an average turnover of Rs.45 crores and the paper companies the smallest

* The Hindustan Times,
18 December 1967
The Statesman
19 December 1967.

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50th Session of Indian Economic
Conference held at Madras 27 December
1967 *

The 50th Session of the Indian Economic Conference was held at Madras on 27 December 1967. Shri L.K. Jha, Governor of the Reserve Bank inaugurated the Conference. Among others the Conference was addressed by Shri M.V. Mathur, Vice-Chancellor of Rajasthan University. Shri Mathur in his address advocated the constitution of a standing finance commission and an inter-State planning and finance council. Prof. Mathur also said that State-level planning and finance boards should be set up. These steps, he said, would strengthen the planning process, raise additional resources and regulate the flow of Central Funds to the States for Plan and non-Plan purposes.

Prof. Mathur said that the postponement of the Fourth Plan the worsening of the financial position of the States and the altered political complexion of the State Governments necessitated an immediate review of outstanding Union-State financial issues by a Presidential commission. He proposed that the Governor of the Reserve Bank ~~Governor~~ be treated as an ex-officio member of the Planning Commission and a panel of 15 or 20 best brains in the business and professional spheres should be appointed to advise the commission.

Shri L.K. Jha, Governor of the Reserve Bank who inaugurated the Conference said that in underdeveloped countries a chronic shortage of capital coupled with shortage of foreign exchange meant that very few industries were exposed to competition, internal or external. In the absence of free competition, he said, economists had to find out what alternative spur to efficiency could be devised. Another problem, Mr. Jha said, was how to prevent the growth of monopoly in such a situation.

* The Statesman
28 December 1967.

National Credit Council to be set
up for assessing credit needs *

The Government of India is considering the formation of a National Credit Council with 20 members. The Council will be a consultative Advisory Body which will assess the credit needs of different sectors of the economy and laying down credit priorities.

The Council will advise the Government and not the Reserve Bank. In that sense the Council's authority will not impinge on the Reserve Bank's powers. Even so, the functions of the Council relating to credit requirements would tend to overlap those of the Reserve Bank. Similarly, the Council's role in working out credit priorities would involve consultation with the Planning Commission.

Both bodies are, therefore represented on the Council to be headed by Mr. Morarji Desai. The Reserve Bank will have on the Council its Governor, Mr. LK. Jha, as its vice-Chairman and the Deputy Governor in charge of agricultural finance Mr. P.N. Damry, as a member. The Secretary of the Reserve Bank Central Board, Mr. Narasimham, will be its Secretary. The Vice-Chairman of the Planning Commission Mr. D.R. Gadgil and the Chairman of the State Bank, Mr. V.T. Dahejia, will also be its members.

* The Statesman
3 December 1967.

Rise in National Income Estimated
by Central Statistical Organisation:
37.8 increase in per capita income *

According to a brochure brought out by the Central Statistical Organisation, the net national product at factor cost also known as national income, increased from Rs.13,453 crores in 1960-61 to Rs.20,424 crores in 1964-65.

The per capita income at current prices increased from Rs.310 in 1960-61 to Rs.427.1 in 1964-65. This shows an increase of 37.8% as against an increase of 9.4% at 1960-61 prices.

The gross national product at current market prices increased from Rs.15,137 crores to Rs.23,308 crores during the same period.

* The Statesman
6 November 1967.

Computer Centre opened at New Delhi.
7 November 1967 *

A computer Centre comprising of two computer units was opened at New Delhi on 7 November 1967 which marks the beginning of electronic data processing in Government record. The Centre was inaugurated by the Deputy Prime Minister, Shri Morarji Desai. The Units are medium sized in operative capacity and are designed for a variety of business and scientific application. The Computer Centre will operate mainly as an open shop for public undertakings and Government departments to get their records organised to expedite routine operations. The operating offices will make their own arrangements for programming, preparation and transfer of data to punch cards that will be fed into the computers for specific operations.

Nearly 30 organisations are ready to use the new facility.

Inaugurating the Centre, Shri Morarji Desai said the experience of advanced countries showed that the use of computers had increased the employment potential. The Government had assured the employees that no unemployment would be caused by the use of computers and those rendered idle would be provided alternative jobs.

He said that in the present world there was no escape from use of electronic devices for processing data. The human mind could do a lot but circumstances were bound to enter into calculations leading to subjective judgments. This could be easily avoided by using machines which arrived at conclusions based on facts devoid of emotions.

* The Hindustan Times
18 November 1967.

Cotton Textile Companies (Management
of undertakings and Liquidation or
Reconstruction)
Bill, 1967

Shri Dinesh Singh, Commerce Minister, Government of India, introduced in the Lok Sabha on 20 November 1967 a Bill to provide in the public interest for the liquidation of cotton textile companies while keeping the undertakings as running concerns or for the reconstruction of cotton textile companies in certain cases and for matters connected thereunder.

According to the statement of Objects and Reasons of the Bill The cotton textile industry provides one of the basic necessities of life and affords gainful employment to millions of people. Over the last few years, this vital industry has been passing through difficult times. Some mills have already had to close down and the continuing economic operation of many others is beset with serious difficulties. These difficulties have been aggravated in many cases by the heavy burden of past debts. The taking over of the management of these mills for a limited time and then restoring them to the original owners has not remedied the situation. Steps, are, therefore, necessary to bring about a degree of rationalisation of the financial and managerial structure of such units with a view to their rehabilitation, so that production and employment may not suffer.

While keeping such financially weak textile mills in operation, the provisions contained in the Bill enable Government to consider their compulsory liquidations or their reconstruction.

Where liquidation is called for, provision has been made for the sale of the undertaking concerned as a running concern at or above a reserve price which will be fixed by Government after taking into account the financial condition of the companies and other relevant factors. If no satisfactory offer is received, the undertaking will be purchased by Government at the reserve price fixed by it.

Where reconstruction is appropriate Government would prepare a suitable scheme for the purpose. Such a scheme may, inter alia, provide for the appointment of a new Board of Directors, the reduction of the

interests or rights of the members and creditors and for the acquiring of controlling interest in the company by Government. Any loans and advances made to the Company after the Government has started running the undertaking would not however be subject to reduction.

The Bill seeks to give effect to the above proposals.

The Bill was passed by the Lok Sabha on 28 November 1967. During the debate Mr. Dinesh Singh said the Government contemplated to set up a textile corporation. The object was to create under the Government an agency with expertise for running the textile industry.

The corporation would also set up textile mills in the public sector.

Mr. N.K. Somani (Swa-Raj) accused the Government of failing to come to the aid of the faltering mills at the right time.

He said representatives of the Government never provided any positive answers to the problems of the textile industry.

He said that a heavy excise duty combined with decline in the purchasing capacity of the consumer had hit the industry hard. To add to it the prices of cotton had gone up and so had wages.

He was doubtful that the Government would be able to muster necessary expertise to run the mills it proposed to take over.

Mr. P. Ramamurti (CPI (M) - Madras) expressed disappointment with the Bill and said what was needed in the present-day conditions of the textile industry was complete nationalisation.

The second best thing for the Government to do would have been to bring a Bill to confiscate the "sick" mills as a punishment for mismanagement.

Mr. Bedabrata Barua (C - Assam), supporting the Bill, said the Government should come into the textile in a big way.

Mr. Brij Bhushan Lal (JS-U.P.) said existing laws gave the Government ample powers to step in if a mill was mismanaged. The present Bill was really an attempt to nationalize the industry by the back door.

The Commerce Minister, Mr. Dinesh Singh assured the House that both production and employment in the textile industry would be maintained at all costs. The Minister told the House that the Corporation to run the "sick" mills taken over by the Government would consist of experts and not bureaucrats. Labour would be associated with the running of these mills whose boards of management would be reconstructed.

The Rajya Sabha passed the Bill on 11 December 1967. Winding up the debate, Deputy Minister for Commerce, Mohammed Shafi Qureshi said the Bill was intended to safeguard the interests of cotton growers, consumers, management and labour. It was a step towards modernization and "towards achieving a revolution in cotton textile industry."

The Deputy Minister assured that the workers of mills under liquidation proceedings would not be rendered jobless since they would be kept as "running concerns".

The Bill as passed by Parliament received the Assent of the President on 26 December 1967 and was gazetted as Act No.29 of 1967.

*(The Gazette of India, Extraordinary, Part II, Sec.2, 20 November 1967, pp. 1103-1117; Gazette of India, Extraordinary, Part II Sec.1, 26 December 1967, PP 363-373)
The Hindu 28.11.67. The Statesman (DeDelhi) 29.11.67 and the Hindustan Times 12.12.1967.)

35. Productivity

Meeting of the Heads of Public
Undertakings held at New Delhi,
19 December 1967: Incentive
Scheme to be Introduced. *

At a meeting of the heads of public undertakings held at New Delhi on 19 December 1967, Shri M. Chenna Reddy, Union Minister for Steel, Mines and Metals said that several remedial measures were now under preparation to improve relations between management and workers. The present unsatisfactory relations which were causing serious losses in production must end, he felt. The Government proposed to associate labour with the management at all levels in public sector undertakings.

While the Government was now planning a scheme of incentives to all staff of public sector undertakings, including their chairmen, it also proposed to provide deterrent punishment to those whose performance fell below certain levels.

Mr. Reddy said that he favoured the idea of providing a "statutory set-up" for these undertakings as this would help define the "precise relationship" between Parliament, Government and the project concerned. When the limits of accountability of each project were thus defined, there would be no danger of work being hampered by unnecessary interference in its day-to-day work.

* The Statesman
20 December 1967.

36. Wages

Meeting of the Central Minimum Wages Advisory Board held at New Delhi, 26 December 1967: A Compromise Minimum Wage proposed by Union Labour Minister *

A meeting of the Central Minimum Wages Advisory Board was held at New Delhi on 26 December 1967. Addressing the meeting Shri Jaisukh Lal Hathi Union Labour Minister said that the minimum wage will have to be an ad hoc compromise for quite some time to come. He also felt that the minimum wage would have to be fixed with reference to the region and the industry, implying thereby that a statutory minimum wage for the entire country would not be possible in the immediate future. Mr. Hathi said at present there had to be a compromise between needs and the translation of such needs into a statutory minimum wage. Thus what "we can attempt to do right away is to fix what will seem a compromise minimum wage which takes care of the various essential considerations" he added.

Mr. Hathi said the Minimum Wages Act did not spell out the contents of the minimum wage nor did it outline the various elements that should make up the minimum wage.

Mr. Hathi said a minimum wage should not lead to serious unemployment because of the employer's inability to pay. However, he added "we should make it quite clear that if an employer wishes to engage labour he must be prepared to pay a certain minimum wage, as laid down from time to time".

The Board was also told to make concrete proposals to fix a minimum wage for agricultural labour and to ensure that such a wage is paid in all the States.

* The Statesman,
27 December 1967.

Recommendations of Second Wage Board
for Cement Industry: Higher Wages
suggested *

The second wage board for the cement industry has recommended a minimum wage of Rs.164.60 less Rs.3 for amenities provided, against the present wage of Rs.152.47. It has also increased the minimum house rent allowance from Rs.7.50 to Rs.13 for one category of workers and provided an allowance ranging from Rs.15 to Rs.19.50 for another.

The Wage Board has also suggested guaranteed increments ranging from Rs.10 to Rs.12 for lower grade workers and from Rs.27.50 to Rs.30.50 for higher grade employees.

While the employees' representatives had demanded 100 percent neutralization of the increase in the cost of living, the wage board has recommended only 90 per cent neutralization. It has linked DA to the consumer price index and has suggested a fluctuation of Rs.1.49 for every rise or fall of two points in the price index.

The date of operation of the recommendations is April 1, 1967. The board has exempted new factories from the provisions of its report for a period of 18 months from the date they start production. It has however stipulated that these factories will have to bear the additional cost to the extent of 75 per cent of the revised wages.

* The Hindustan Times,
29 November 1967.

Air India Staff to get Bonus:
Agreement Concluded with Management.*

An agreement was concluded on 11 November 1967 between Air India and the Air Corporation Employees' Union over the 1966-67 bonus issue which had been under negotiations since some time past. Under the terms of the agreement a bonus equal to half the monthly salary for March 1967 will be paid to the employees in addition to the bonus payable under the Payment of Bonus Act, as ex gratia payment.

A month's salary as bonus was paid to the employees for the past three years.

* The Times of India
12 November 1967.

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

INDIA- NOVEMBER-DECEMBER 1967

41. Agriculture

Rs.31.9 million Sanctioned for
Agriculture in Fourth Plan *

The Union Government has approved recently a co-ordinated research and development plan for soils, irrigation, agronomy and engineering.

Sponsored by the Indian Agriculture and Research Institute, the plan is being implemented in co-operation with the universities and agricultural institutes of State Governments. Over Rs.3.19 crores have been sanctioned for the scheme during the Fourth Plan.

Under the scheme of simple fertilizer trials 75 centres have been planned all over the country. Over Rs.2.26 crores have been sanctioned for the scheme which aims at obtaining scientific information on growth factors in different soils with emphasis on the newly introduced high-yielding crop varieties.

The national demonstration on major food crops is to cost Rs.10 lakhs for the current year over 2,000 demonstrations have been planned. The main object of the scheme is to demonstrate convincingly the modern techniques of obtaining maximum production for the whole year by taking multiple cropping, best varieties of seeds and best agronomic soil and water management practices over plots of one to two acres.

The scheme for research in irrigation in river valley projects areas is aimed at finding out water requirement of crops, to evolve a suitable cropping pattern and to study the inter-relationship of irrigation to other farm practices and properties of soils.

Three centres are to be opened in different parts of the country under the scheme for which Rs.21 lakhs have been approved.

* The Statesman
13 November 1967.

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

INDIA - NOVEMBER-DECEMBER 1967

4.1. Merchant Marine and
Fisheries

Dock Workers (Regulation of Employment)
Amendment Bill, 1967 *

Shri Jaisukh Lal Hathi, Minister of Labour, Employment and Rehabilitation, Government of India, introduced in the Rajya Sabha on 20 November 1967 a Bill to amend the Dock Workers (Regulation of Employment) Act, 1948.

According to the Statement of Objectives and Reasons of the Bill Dock Workers (Regulation of Employment) Act, 1948, provides mainly for reducing the hardship caused to dock workers on account of the casual nature of their employment. The Act empowers the Central Government, in relation to any major port, and the State Government, in relation to any other port, to make a scheme for the registration of dock workers and regulating the employment of dock workers, whether registered or not, in a port.

So far schemes have been framed for certain specified categories of stevedore labour in the ports of Calcutta, Bombay, Madras, Cochin, Vishakhapatnam and Mormugao, providing for allotment of work by rotation payment of guaranteed minimum wages, attendance allowance, etc.

The actual working of the Act and the schemes made thereunder has made it necessary to make certain amendments in the Act. Though a scheme made under section 3 of the Act may make provision for welfare measures with respect to dock workers, there is no provision in the Act empowering the Central Government to make provision for welfare measures with respect to the staff of the dock labour boards in such a scheme. In order to enable the Board to incur expenditure on welfare measures with respect to its staff, it is proposed to amend suitably sub-section (2) of section 3 of the Act.

At present when a company (including a firm or other association of individuals) commits an offence under the Act, there is no provision making the Director, Manager, etc. of the company liable for the offence. It is proposed to insert a new section in the Act on the lines of section 22C of the Minimum Wages Act, 1948, and similar provision contained in some other labour laws, for making the Directors, Managers, etc., of the companies liable for offences or abetment thereof punishable by schemes framed under the Act.

The Bill seeks to give effect to the amendments proposed above.

(The Gazette of India, Extraordinary,
Part II Sec. 2, 20 November 1967, pp.
1099-1101)

Hindustan Shipyard Workers to get
more Dearness Allowance: Agreement
concluded with Board of Directors. *

Following an agreement reached at Visakhapatnam on 30 October 1967 between the Chairman of the Board of Directors and the Staff Association, the 56-day old strike by 1,180 workers of the Hindustan Shipyard was called off.

Under the agreement, 93 workers, whose services were terminated, would be taken back immediately into service.

The workers would be paid dearness allowance on par with Central Government employees with retrospective effect from February 1967, and the ad hoc DA increase of Rs.10 being paid from 1 July would be discontinued.

The DA dues for the five months from February to June 1967 would be credited into provident fund account.

The staff members would not be paid salary during the period of strike. They would, however, be paid one month's salary as advance, redeemable in 10 equal instalments. Those not in station would be given reasonable time to join duty.

Meanwhile, the Wage Board for engineering industries would be approached with a request to constitute a separate sub-committee for the purpose of examining the Wage structure of shipyard employees.

* The Patriot,
31 October 1967.

National Conference on Shipping,
Shipbuilding and Ports held at
New Delhi, 16 December 1967

The National Conference on Shipping, Shipbuilding and Ports held its 3 day session at New Delhi on 16 December 1967. Among others, the Conference was addressed by Dr. V.K.R.V. Rao, Minister for Shipping and Transport and Mr. R. Venkataraman, member in Charge of Transport and Shipping in the Planning Commission.

The Conference was of the unanimous view that in the overall interests of the national economy, the ship industry should be given the highest priority.

The Conference took an integrated view of the developments needed in all sectors connected with the shipping industry. With regard to acquisition of additional tonnage a committee of the Conference suggested that adequate allocation of resources be made to the Shipping Development Fund to finance purchase of new vessels. The amount suggested was a minimum of Rs. 20 crores a year.

In view of the difficulty in buying ships on deferred payment basis, the committee recommended that the period for payments of the deferred portion of the price could be reduced. Saying it would be unrealistic to insist that deferred payment terms must be spread over eight to 10 years, it asked the Government to ascertain from the shipbuilding countries the new basis on which orders from India could be accepted.

The committee suggested that where export trade was hampered due to lack of shipping tonnage and where there are distinct possibilities of improvement in exports, the Government should release foreign exchange to buy new vessels.

Mr. R. Venkataraman, member in charge of transport and shipping in the Planning Commission, suggested that since heavy investment on shipbuilding facilities might not be possible in the immediate future, it might be advisable for India to buy at least the larger ships for the present. But this was a matter which has to be looked into, he added.

He said the Planning Commission was fully alive to the problem of development of ports and added that to be able to receive some of the larger vessels which were being built in the world, it would be necessary to concentrate on improvement facilities at three or four major ports instead of attempting to modernize all major ones.

Summing up, Dr. V.K.R.V. Rao, Minister for Shipping and Transport, said it was not proposed to go in for big investment in ship construction for the next three years. He hoped the Vizag shipyard would become a profitable concern in three years. For this, its capacity would have to be raised to six ships a year from the present three.

Since resources were scarce, Dr. Rao felt that methods should be evolved to raise them without too much dependence on the Government.

The Statesman,
19 December 1967

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - NOVEMBER-DECEMBER 1967.

50. General.

Working Conditions of Labour in Jute Industry: Report of the Indian Jute Mills' Association for 1966*.

The following review of the working conditions of labour in the Jute Industry is summarised from the Report of the Committee of the Indian Jute Mills' Association for the year 1966.

General Labour situation.- The industry's production drive received a severe set-back during the year under review owing to the acute shortage of raw jute. Thus the industry had to face a period of the difficulty which inevitably had some impact on the general labour situation. After exhausting all means of alleviating the jute shortage without exposing the workers to the risk of large-scale displacement, the mills were ultimately obliged to resort to a six-day block closure. With a view to minimising the effect on the labour, lay-off compensation for the period of the block closure was paid to the workers on a more liberal basis than is prescribed by the law. Nevertheless, some labour unrest could not be avoided over this issue, and demands for lay-off compensation by some workers in spite of their ineligibility for it led to indiscipline and riotous activities in a number of mills.

* Indian Jute Mills' Association: Report on the Committee for the Year ending 31st December, 1966: 1967: pp.vi+XXXI+182.

Apart from the political stimulus which usually encourages agitational activities during a pre-election year, there appeared to be an environment of growing indiscipline throughout the country. The food shortage and the continuous rise in the cost of living aggravated the situation. The position was made worse by the leftist parties, whose calls for general strikes were the cause of 91 per cent. of the work stoppages in the jute mills during the year under review. Acts of violence which followed one of the general strikes created a serious law and order problem warranting the imposition of a curfew in many areas. As a result a number of jute mills suffered a further loss of production.

Multiple machine assignments, such as the operation of two looms or two spinning frames by one man, are no longer new in the industry. Yet, in the event of labour unrest, it was noticed that the trade unions incited the workers to stop such operations even though the dispute was not connected with multiple machine assignments. Another way of causing difficulty was to incite the night-shift workers to stop work over the demand for a night-shift allowance or a reduction of working hours without a corresponding drop in wages in spite of the fact that these demands had been duly considered and negatived by the Wage Board.

It is against the background of general unrest prevailing in the country that the work stoppages in jute mills have to be seen and the fact that only 9 per cent. of the stoppages during the year were connected with industrial disputes says a great deal for the standard of labour relations maintained in the industry.

In order that the jute mill employees might continue to enjoy the benefit of a bonus before the Pujas holidays in West Bengal, and to maintain a standard practice in the industry within the ambit of the Payment of Bonus Act, the Association in consultation with the Government of West Bengal advised member mills in West Bengal to follow previous year's practice by paying to their employees in 1966 the minimum bonus prescribed by the Act as an interim bonus payment.

Bonus to jute mill workers was paid up to 1964 on the basis of the unanimous recommendations of the Central Wage Board for the Jute Industry. Ignoring the fact that the recommendations of the Wage Board are to remain effective up to 31 December 1967, the unions contended that bonus in 1964 was payable on the basis of the formula prescribed in the Bonus Act by virtue of Section 33 of the Payment of Bonus Act stipulating a retrospective application of the Act in some specified cases. The dispute was ultimately referred to the Second Industrial Tribunal, West Bengal, for adjudication.

The Tribunal ~~awarded~~ awarded that "the bonus payable to workers in jute mills for the year 1963-64 cannot be regulated or determined in accordance with the provisions of the Bonus Act 1965 and the Tribunal can only accept the other alternative, namely, bonus payable to the workers employed in jute mills for the year 1963-64 must be regulated and determined in accordance with the recommendations of the Central Wage Board for the Jute Industry." The controversy regarding the payment of bonus to jute mill workers in 1964, which was started by the unions soon after the acceptance by Government of the Report of the Bonus Commission with certain modifications and which was also discussed by the Industrial Committee on Jute in 1964 and 1965, thus came to an end.

The Association's Labour Department.— The role of the Association's Labour Department in the sphere of labour-management relations continued to be as effective as before. The Labour Department maintained constant touch with all units and kept the Association informed of the general labour situation either daily or weekly according to circumstances. The tribunal awards, labour laws and judicial verdicts on labour matters were constantly scrutinised by the Labour Department explaining their implications and devising a standard procedure ~~main~~ for their application by member mills so as to ensure the maintenance by the units of a uniform labour policy.

Officers of the Labour Department devoted a considerable part of their time to attending joint conferences, both bipartite and tripartite, in resolving various disputes which might otherwise have resulted in major industrial unrest or have been sent for adjudication.

A number of night offices established in the jute mill areas were fully utilised by the Association's Area Labour Officers in redressing various types of grievances by holding discussions directly with the workers or their trade union leaders. Discussions held at the night offices, as well as at the Association's headquarters, ironed out many points of misunderstanding which could have given rise to labour unrest. Complaints recorded at the night offices, and those forwarded by the Labour Directorate, were speedily enquired into by the Association's Area Labour Officers, and the necessary remedial action in the light of their findings was taken without delay. Another aspect of the activities of the Association's Labour Department is the constant vigilance on all matters affecting labour-management relations and the timely preventive steps taken to guard against potential vulnerability.

With the growing appreciation of the value of joint negotiations, more and more disputes are now settled through bipartite and tripartite agreements in which the Association's Labour Department is not only brought into the matter but called upon to play a leading role.

The absence of proper negotiating machinery on behalf of the labour is, however, often felt. Because of a multiplicity of unions and inter-union rivalry, there is no particular union in the jute industry which can claim to represent the generality of workers. The trade unions therefore have no official recognition, but the Association has an open door policy for all unions and deals with any union for the settlement of disputes, as and when the situation so warrants.

The Association's Labour Department Officers are in charge of the administration of group welfare centres in the jute mill areas where various welfare activities are organised. They also act as secretaries of a number of welfare organisations functioning in different areas for the promotion of labour welfare.

Strikes and Lockouts.— The number of strikes and/or lockouts in the jute industry and the consequent loss of man-hours in each of the past five years is given below:—

Year	Number of Strikes and/or Lockouts	Man-hours lost
1962	11	4,640,483
1963	15	2,104,280
1964	86	5,870,328
1965	30	5,600,487
1966	145	11,595,834

The total ~~man-days~~ man-hours lost due to work stoppages for the year 1966 increased considerably to a figure that has been the highest in the last decade. There were 145 stoppages resulting in a loss of 11,595,834 man-hours in the previous year. It may be noted that 91 per cent. of these stoppages (i.e. 132 stoppages), involving 538,857 workmen and a loss of 4,497,694 man-hours, were not connected with any industrial dispute but were brought about by the calls for general strikes on 10 March, 7 April and on 22 and 23 September as protests against the Government's food policy.

The remaining 13 stoppages, involving 49,620 workmen and a loss of 7,098,140 man-hours, were connected with industrial disputes in individual mills. Rowdy and indisciplined conduct, intermittent strikes, go-slow tactics etc. accounted for three of these stoppages. Protests against the issue of charge-sheets, the dismissal of some workers, a reorganisation of work etc. accounted for five other stoppages. An illegal strike and riotous conduct on the part of a large section of non-permanent workers in support of their demand for lay-off compensation for the period of the block closure without qualifying for this benefit was responsible for another stoppage. Intermittent strikes by the night-shift workers of a mill to press their demand for the rotation of shifts and a night-shift allowance etc. caused one more stoppage of long duration. Another workstoppage was brought about by the workers of a mill demanding ~~the~~ the recall of a mill labour officer who had submitted his resignation. Demand for the dismissal of the canteen manager, and insistence on the part of the workers of a mill to keep the unit closed during the block closure as against the management's decision to keep it running, were the reasons for the remaining two stoppages.

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In addition to the foregoing stoppages ~~there~~ there were also 30 short duration sectional stoppages during the year. Protests against warnings and suspension orders, claims for reversion to time rate, dissatisfaction with the quality of yarn, demands for lay-off compensation for the period of block closure by the non-permanent workers who did not qualify for such benefit, a refusal by spinners to work on ~~pair~~ pair frames, and the apprehension of a shrinkage of employment prospects for budli hands etc. were some of the reasons for these short duration sectional stoppages.

Paid Holidays.— In pursuance of the award of the Second Omnibus Tribunal the jute mills in West Bengal, as in the past, granted nine festival holidays. An additional holiday with pay was granted by the mills on 12 January 1966, because of the death of the Prime Minister.

Works Committees.— The Works Committees which have been functioning in the mills since 1947 continued to serve as a valuable medium of communication between labour and management. These committees not only helped the management to solve, many day to day problems but also rendered invaluable services in times of major labour troubles. Works Committees were also utilised for the purpose of obtaining a fair assessment of the workers' reactions to the various management policies and decisions.

On the expiry of the terms of office of the Works Committees fresh elections were held in seventeen mills during the year. The importance of these committees was also evident from the keen interest taken by the various trade unions in securing representation on these committees through their nominees. An analysis of the composition of the existing Works Committees reveals that 29.5 per cent. of the elected members are the nominees of the INTUC, 24.7 per cent. of the AITUC and 11.7 per cent. of the other unions functioning in the jute mill areas. The remaining 34.1 per cent. are independent candidates without any declared ~~policy~~ party affiliation.

Industrial Health.- Industrial Health remained generally satisfactory during the year. A few cases of chicken-pox and small-pox, however, were reported from the jute mill areas; but there was no outbreak of a small-pox or cholera epidemic due to the usual steps taken by the mill managements for mass vaccination and inoculation.

With the commencement of the 'benefit period' in the Hooghly District from August 1966 all the jute mills in West Bengal came under the full purview of the Employees' State Insurance Scheme, and mills were no longer required to pay sick leave pay as stipulated by the award of the Omnibus Tribunal. Absenteeism due to sickness showed an appreciable increase due to the workers taking advantage of the sickness benefit under the Employees' State Insurance Scheme.

Social and Welfare Activities.- The promotion of social and welfare activities in the jute mill areas continued during the year 1966 to be part of the social work programmes of the Association and its member mills.

As in the past, the Association's Welfare Centres offered facilities to the workers for the proper utilisation of their spare time. These centres conducted various activities in the social, educational, recreational as well as cultural fields and to supplement these activities the network of welfare centres run by individual mills also functioned effectively.

Indoor and outdoor games, reading rooms, libraries, radio programmes, physical culture classes, athletics, music lessons, dramatic societies, etc., were some of the attraction of the welfare centres which were well patronised by the workers and their dependants; special programmes on the occasion of important national or festival holidays were also organised.

The promotion of education amongst the workers' children has been one of the chief functions of the Association's Welfare Centres since their inception. Free primary schools attached to these centres catered for a large number of workers' children.

The family planning campaign, which was initiated at the instance of the Association's Labour Department last year, has been successful in bringing home to both employees and employers the importance of family planning. Propaganda work through the media of cinema show, talks hand-bills, posters, etc. continued throughout the year. Over one hundred trainees (both men and women) from various mills joined a three-day

family planning orientation camp organised by the Howrah Town Jute Mills Welfare Association. Encouraged by the workers' response another camp was organised and a group of 73 workers from three mills attended a three-day family planning orientation camp organised by one of the mills. In collaboration with the Central Ministry of Health and the State Publicity Department, one mill organised a family planning exhibition and orientation camp for three days. Dr. Jack Lipkes, the inventor of "the loop" inaugurated a family planning unit at another mill on 29 May.

To observe India Productivity Year the Howrah Town Jute Mills' Welfare Association organised a symposium at Fort William Mill on 6 January when the different aspects of productivity were discussed. The symposium was attended by the mill managers, personnel officers and supervisors of a number of mills in the Howrah District. About one thousand workers of Barnagore Mill attended a meeting on productivity on 7 January when an oath to the effect that every effort would be made to increase productivity was taken by the participants. Special meetings of the Works Committees of a number of mills, stressing the need for an organised effort to increase productivity were also convened.

In pursuance of a programme organised by the Central Board of Workers' Education, unit level classes were opened for the training of workers in a number of mills.

Employees' Provident Fund Rules.— In order to bring the existing Jute Mills Workers' Provident Fund Rules into line with the corresponding provisions in the Statutory Provident Fund Scheme various amendments had to be made. These amendments were the subject matter of a series of discussions between the Association and the Provident Fund Authorities. As a result the proposed amendments to the Jute Mill Workers' Provident Fund Rules were submitted to the Provident Fund Authorities for approval. After the Rules had been duly approved by the Regional Provident Fund Commissioner, and after the formal adoption of the amendments by their respective Boards of Trustees, member mills in West Bengal gave effect to the amended Rules from 1 June 1966.

Employees' State Insurance Scheme.— The Employees' State Insurance Scheme was extended to the district of Hooghly from 31 October 1965. The benefit period under the scheme, however, started in that district from August 1966. As from that date all jute mills in West Bengal were no longer obliged to make sick leave payments to workers in accordance with the award of the Omnibus Tribunal.

Widespread dissatisfaction amongst the workers due to inadequate medical facilities provided by the scheme caused serious concern among mill managements, as this often resulted in agitation culminating in demonstrations against the mill authorities.

The administration of the medical benefits scheme suffered from a number of inadequacies which gave rise to many genuine grievances viz., a shortage of panel doctors, a shortage of hospital beds, a lack of specialist's treatment, the refusal of approved chemists' shops to supply medicines, the inadequate stock of medicines, the absence of ~~ESI officers for the~~ ambulances, the location of hospitals and specialists' centres at long distances from the mill areas etc.

Factories Act, 1948.— By a notification dated 28 December 1965, the Government of West Bengal extended for a further period of one year, the permission to employ women in the departments from batching to winding and hand-sewing at any time between the hours of 5 a.m. and 10 p.m. in all jute mills which, on account of inadequacy of machinery, had to work double shift to supply yarn to their looms.

Apprentices Rules, 1962.— By a Notification No.91(1)/62-ET dated 5 October 1966, the Government of India amended sub-rule (1) of Rule 7 of the Apprenticeship Rules, 1962 as a result of which the minimum stipend payable to an apprentice under the Act has been revised.

Industrial Tribunals, High Courts, etc.— Of the fourteen cases referred to the industrial tribunals for adjudication during the year, "no dispute" awards were given in respect of two cases on account of the failure of the unions concerned to pursue the disputes any further. Another case relating to the dismissal of two workmen was settled out of court; and the remaining eleven cases were pending at the end of the year under review.

Awards in respect of seven cases pending before different industrial tribunals at the end of 1965 were published during 1966. The terms of settlement arrived at by the parties concerned were incorporated in one of these awards. In two other cases "no dispute" awards were given as the workers' representatives failed to appear before the tribunal. The issue involved in two more cases related to the dismissal of individual workmen and the award in one of them went against the management for their failure to substantiate the charge of habitual negligence or neglect of work; but the management has moved the High Court against this award. In adjudicating in another dispute relating to the demand of the weavers for the abolition of night-shift work the Tribunal held that the workers concerned "cannot certainly ask the company to stop working of the night-shift altogether. What they can demand and get is that they should not be made to work in the night-shift" and be allowed to work in two shifts in the same manner as they were working till March 1963. In another award the tribunal reinstated five workmen with arrear wages on the ground that suspension for an indefinite period without an enquiry amounted to substantive punishment and violated the principles of natural justice.

One hundred one applications under Section 33(2) (b) were filed during the year, out of which only five were heard by the tribunal. As the tribunal has refused approval in one of these applications the management has filed an appeal before the High Court. The remaining four applications received the approval of the tribunal.

In a case in 1965 involving three mills, the Special Industrial Tribunal was of the opinion that the closure of the mills consequent upon the strikes by budli hands amounted to lockouts which, though not illegal, were unjustified. In the circumstances, the Tribunal directed that the permanent workers in all the three mills should be given 50 per cent. of their wages for the period of the closure. The appeal which was preferred last year against the judgment is yet to be disposed of by the Supreme Court.

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Labour Conditions in the Air-Craft
Building and Repairing Industry in
India*: Results of a case Study
Published.

The results of a case study undertaken by the Labour Bureau on labour conditions in the air-craft building and repairing industry in India have been published in November 1967 issue of the Indian Labour Journal.

In order to ensure comparability, data in respect of employment from all the three units selected for the survey were collected. The total number of persons employed in the three units on 30 June 1961 was 79, 23 and 59 respectively. Their distribution according to the internationally accepted classification of occupations is given in the following table:

Units	Total No.of Work- ers.	Professional, Technical and Related Personnel.	Adminis- trative, and Executive, and Manage- rial Personnel.	Clerical and Related Workers (includ- ing Super- visory).	Produc- tion & Related Workers (includ- ing Super- visory).	Watch & Ward and Other Services.
1	2	3	4	5	6	7
I	79	11.4	-	5.1	79.7	3.8
II	23	13.0	-	8.7	78.3	-
III	59	5.1	1.7	86.4 1.7	86.4	5.1

None of the three units had any woman or child worker on their roll on 30 June 1961.

* Indian Labour Journal, Vol.VIII, No.11,
November 1967, pp. 981-1002.

The Time-rated and Piece-rated Workers.— ~~None~~ The system of employing workers on piece-rate basis was not found prevalent in any unit and all the workers employed were time-rated. Workers were not employed through contractors in any of the three units surveyed.

System of Recruitment.— The services of Employment Exchanges had been utilised on a fairly large scale as all the employees in Unit No.II and nearly 89 per cent. in Unit No.I had been so recruited. In the third unit, on the other hand, about 95 per cent. of the employees had been recruited directly at the factory gate. The remaining workers, i.e., 11 and 5 per cent. in Units I and III respectively had been recruited through advertisement.

The overall absenteeism rate during the year July 1960 to June 1961, was quite high (19.0 per cent.) in Unit No.II as compared to that in the other two units. Month to month variations in the rate of absenteeism were quite marked in all the three units and could be attributed to factors such as festivals, marriages, hot weather, etc. None of the three units had adopted any measure to reduce absenteeism except that disciplinary action in the event of unauthorised absence could be taken.

Training and Apprenticeship.— No regular scheme for the training of apprentices existed in any of the units surveyed. In Unit No.III, however, 15 nominees of the Air Technical School were found to be under training as mechanics on an ad hoc basis. The period of training varied from 6 to 12 months. Only 5 of these apprentices were being given a stipend of Rs.75 per month each while the rest were unpaid. There was no contract, written or verbal, between the apprentices and the management nor was employment after the completion of training guaranteed.

Wage Revisions.— In Unit No.I, only one wage revision was made to implement the recommendations of the Commission of Enquiry on Emoluments and Conditions of Service of Central Government Employees, appointed by the Government of India in 1957. In Unit No.II, wages had been revised twice, once with effect from 1 April 1958 when under the National Industrial Tribunal Award, an interim relief of Rs.5 per month in the shape of dearness allowance was given to employees drawing up to Rs.250 per month as basic pay, and for the second time with effect from 1 April 1960 as a result of a collective agreement, which revised the minimum and the maximum wage rates as follows:—

Before RevisionAfter RevisionMinimum Wage Rate

Basic Pay Rs. 50-2-80

Rs.50-3-59-4-75-5-90

Dearness Allowance Rs.23.00 p.m.

Rs.40.00 p.m.

Maximum Wage Rate

Basic Pay Rs.340-15-550

Rs.355-15-400-20-600

Dearness Allowance Rs.78 p.m.

Rs.125.00 p.m.

Earnings.- Information relating to man-days worked and the basic wages, dearness allowance and other allowances earned by workers during June 1961, was collected separately for All-Workers, 'Production Workers', 'Lowest-Paid Production Workers', 'Clerical Staff' and 'Watch and Ward' and 'Other Services'. The average daily earnings of different categories of employees are given in the following table:-

Units	All Workers*	Production Workers	Lowest-Paid Production Workers	Clerical and Related Workers (including Supervisory Staff)	Watch and Ward and Other Services
1	2	3	4	5	6
I	10.83	8.50	3.33	6.56	3.85
II	19.55	13.51	7.41	9.68	-
III	10.39	9.85	2.87	11.07	3.61

* Including 'Professional and Technical' and 'Administrative, Executive and Managerial' Personnel.

Taking into account all the categories of workers, the average daily earnings were the highest (Rs.19.55) in Unit No.II. In the case of 'Production Workers' also the average daily earnings were quite high (Rs.13.51) in Unit No.II as compared to those of others. The ~~highest~~ higher average daily earnings of 'All Workers' as compared to 'Production Workers', in each unit, were obviously due to the impact of higher pay of 'Professional, Technical and Related Personnel'. In Unit No.III, the earnings of the clerical staff, which were more than those of the 'Production Workers', could also be responsible for pushing up the average daily earnings of 'All Workers'. The 'Lowest-Paid Production Workers' earned, on an average, Rs.7.41 in Unit II, Rs.3.33 in Unit No.I and Rs.2.87 in Unit No.III. They were employed as Cleaners,

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Assistant Air Craft Mechanics and Junior Cleaners in the three units respectively. The earnings of 'Clerical Staff' were the highest (Rs.11.07) in Unit No.III and the lowest (Rs.6.56) in Unit No.I. 'Watch and Ward Staff' employed in Unit Nos. I and III only, earned Rs.3.85 and Rs.3.61 per day respectively. Dearness allowance in addition to basic wages was being paid in Unit Nos.I and II only. The rate of dearness allowance in both the units, varied according to income slabs. In Unit No.II it varied from Rs.40 to Rs.125 per month and in Unit No.I from Rs.10 to Rs.20 per month.

Working Conditions.- Hours of Work,- The number of hours worked daily was 7 in Unit No.I, 6 hours 50 minutes in Unit No.II and 8 hours in Unit No.III. The total number of hours worked each week was 42, 34 hours and 10 minutes and 48 hours respectively. In Unit No.III, for night shift workers also the hours of work were the same. Rest interval of half an hour was being allowed to workers in all the three units. In Unit No.I, in particular, workers employed in the general shift enjoyed a total rest of $1\frac{1}{2}$ hours allowed at three different timings in the shift.

Dust and Fumes.- Battery charging in Unit No.II and Welding in Unit No.III were the only two processes reported to be giving off fumes, vapours or gases. As a precautionary measure these processes had been isolated in both the units. Besides, local exhaust ventilation had also been provided in the first Unit. The general house-keeping of the places where these processes were being carried on, was found to be good.

Seating Arrangements.- Seating arrangements for workers obliged to work in a standing position, as required under the Factories Act, had been provided in Unit No.I only. In Unit Nos.II and III it was stated that no such arrangements were made as the workers were not required to work at any fixed place, but had to move about in the factory.

Conservancy.- Adequate number of latrines and urinals had been provided by all the three units and they were found to have been ~~exposed~~ screened properly. The type of latrines provided was water-borne sewer in Unit No.I and water borne septic tank in the other two units. Water taps, in or near the latrines, were also found to have been provided in all the three units. All the latrines and urinals provided were permanent constructions with impervious floors and plastered walls.

Earned Leave.— All the three units were granting earned leave to their ~~workers~~ employees. In Unit No.I, the leave was admissible to all workers as per Central Government Rules. In Unit No.II, the number of days allowed in a year was 30 and all employees after one year of service were entitled to it. In Unit No.III, all the permanent workers who had completed one year's service were eligible for 15 days earned leave in a year.

Sick Leave.—In Unit No.I, sick leave was permissible as per Central Government Rules. In Unit No.II, all employees after completion of one year's service were entitled to 10 days' sick leave in a year at full basic pay and dearness-allowance. In the third Unit, all permanent employees, on production of medical certificate, were entitled to 14 days sick leave in a year, at half the normal rate of pay.

Casual Leave.— Ten days' casual leave in a year was being allowed, without any condition, to all employees in Unit No.II and to permanent workers only in Unit No.III. In Unit No.I it was admissible as per the Central Government Rules.

Festival and National Holidays.— The number of festival and national days holidays allowed in a year was 18 in Unit No.I, 15 in Unit No.II and 12 in Unit No.III. As against all employees in the first two Units, only permanent workers and paid apprentices in the third Unit were entitled to these holidays with pay. Condition such as attendance on the preceding and/or succeeding day was insisted upon in Unit Nos.I and III only for purposes of pay for holidays.

Weekly Offs.— A weekly day of rest with pay was being allowed to all workers in Unit No.I and II and to permanent workers and paid apprentices only in Unit No.III. Temporary workers in a latter unit were generally working on all the days in a month but could avail of an unpaid weekly off if they so desired.

Recreation Facilities.— Arrangements for the recreation of workers existed in Unit No.I only where facilities for indoor games such as carrom, table tennis, playing cards and chess were available. Since only those workers who paid the prescribed subscription of Rs.3 per month could avail of this facility, in practice, it was virtually limited to officers. Besides organising film shows and religious/social functions, the unit had also provided a radio set. All these facilities were being financed solely by the contribution of the members. For the management of these facilities a committee, consisting of elected representatives

of the workers, had been constituted. In Unit No. III, although no regular arrangements for the recreation of workers existed, the management organised a religious function, i.e., Vishwa Karama Puja each year.

Education Facilities.- In none of the three units, the management had provided any facility either for adult education or for the education of workers' children.

Medical Facilities.- A hospital was being run by the management in Unit No. I only. It was manned by two full time doctors (one male and one female) assisted by 7 nurses, 2 nursing orderlies and 2 ward boys. Unit No. II was covered under the Employees' State Insurance Scheme and as such the management had not provided any medical facility of their own. In the third unit, the management had entered into a contract with a medical practitioner for attending to workers in the event of sickness and accident. The cost of the medicines was generally borne by the workers and, in only exceptional cases, by the management.

Housing Facilities.- Only in Unit No. I, the management had provided housing accommodation to about 72 per cent. of its employees. Of a total of 57 houses provided, 13 were one room tenements, 31 two-room tenements and each of the remaining 13 houses consisted of three rooms. One room tenements were usually given to low-paid employees like peons, store orderlies, assistant air-craft mechanics, etc. Two-roomed tenements were meant for general production workers. Officers and supervisory production workers were accommodated in three-roomed houses. All one room tenements were free of rent. For two-roomed tenements, the rent charged was 5 per cent. of basic wages for some employees and 10 per cent. for some others. Those allotted three-roomed houses were charged 10 per cent. of basic wages. Facility of loan for house building was available to employees in Unit Nos I and II.

Provident Fund Scheme.- The survey has shown that the benefits of a contributory provident fund scheme were available to workers in Unit No. II only. All employees, after the completion of one year's service, were required to become members and contribute 8-1/3 per cent. of their basic pay. The management were also contributing an equal amount. On the specified date (30 June 1961) all the 23 employees were members of this fund. In Unit No. I, also there was a provident fund scheme but of a non-contributory type. Under this scheme, all employees, after completion of one year's continuous service, were required to contribute at the rate of 6 1/2 per cent. of basic pay. The third unit had been exempted from the introduction of provident fund scheme on the ground that it was

not a manufacturing unit.

Pension Schemes.— Only in Unit No. I the employees were entitled to the benefit of pension as per the Central Government pension Rules. No information was available ~~respect~~ in respect of the beneficiaries in this unit on the specified date.

Gratuity Schemes.— Gratuity schemes were in force in Unit Nos. I and III only. In the first unit, gratuity was payable as per the Central Government Rules. In the other unit, there was a regular gratuity scheme applicable to all permanent employees excluding Supervisory, Technical, Administrative and Managerial Personnel getting more than Rs.500 per month as total salary at the time of retirement. Gratuity was payable only after completion of 15 years' service except in the cases of death and retirement on medical grounds. The rate of gratuity payable was as follows:—

I. On Retirement:

- (i) On completion of 15 years or more but less than 20 years of service — $\frac{1}{2}$ month's basic wages for each completed year of service.
- (ii) On completion of 20 years or more but less than 25 years of service — $\frac{3}{5}$ th of a month's basic wages for each completed year of service.
- (iii) On completion of 25 years or more of service — $\frac{3}{4}$ th of a month's basic wages for each completed year of service.

II. ~~Death~~ On Death:

- (i) Before completing 15 years of service — $\frac{1}{2}$ month's basic wages for each completed year of service.
- (ii) After completing 15 years of service — At the scale mentioned against items I(i), I(ii) and I(iii) above.

III. On Approved Voluntary Resignation.— At the rate scale mentioned at I(i), (ii) and (iii) above.

IV. Termination of Service by the Employers on Medical Grounds:

- (i) Before the completion of 15 years of service — $\frac{1}{3}$ rd of a month's basic wages for each completed year of service.
- (ii) On completion of 15 years of service — At the scale mentioned against items I(i), (ii) and (iii).

No information was available in respect of the beneficiaries in the units, on the specified date.

Industrial Accidents.- Information about the industrial accidents that took place during the period from July 1960 to June 1961 was also collected. It was reported that in Unit No. II only one accident had taken place which resulted in temporary disability of a single worker involved, in it. However, no accident register, as required under the Factories Act, 1948 was being maintained in Unit No. III, too, no accident register was being maintained while such information in respect of Unit No. I was not available.

It was reported that in none of the three units, workers suffered from any occupational diseases.

Industrial Relations: Trade Unionism.- Workers were organised into trade unions in all the three units. It appears that the trade unions functioning in these units were quite popular as all the employees in Unit No. I, 87 per cent. in Unit No. II and over 86 per cent. in Unit No. III were members of these unions. ~~The~~ Nowhere, any multiplicity of trade unions was observed. The unions functioning in each ~~of~~ of the unit was registered under the Indian Trade Unions Act, 1926, but was not affiliated to any Central Trade Union Organisation. Only in Unit No. III the management had not recognised the trade union functioning in the unit, on account of the latter's allegedly hostile attitude.

As regards the activities of the trade unions, in Unit No. I its main contribution was towards providing relief to workers suffering from certain dangerous diseases like tuberculosis. In Unit No. II, the trade union was mainly preoccupied with securing redress of the workers' grievances. In the third unit, however, besides securing claims of workers under the Industrial Disputes Act, 1947, the union also rendered relief in certain acute cases of sickness.

Collective Agreements.- Information about the collective agreements concluded in the unit since 1956 was also collected. It was found that such agreements had been concluded in Unit Nos. II and III only. In the former unit, of the two agreements concluded, one related to revision of wages and the other covered items such as allowances, leave, medical facilities, uniforms, housing, recruitment, etc. In the latter unit, four agreements had been concluded which covered items such as grant of advances at the time of festivals, issue of appointment letters in the prescribed form, formulation of gratuity scheme and grant of national and festival holidays.

Standing Orders.- In Unit No.I there were no Standing Orders as such but the employees' service conditions were governed by the Central Government Conduct Rules. In Unit No.II, the Standing Orders framed under the Air Corporation Act, 1953, were duly approved by the Government of India and covered Production Workers, Clerical and Watch and Ward staff. In the third unit, Standing Orders framed under the Industrial Employment (Standing Orders) Act, 1946, were duly certified and covered Production Workers, Clerical and Watch and Ward Staff.

Labour Cost.- Information pertaining to labour cost was collected in respect of employees covered under the Factories Act, 1948, and receiving less than Rs.400 per month as wages. This study was modelled on the lines of the Study of Labour Cost in the European Industry made by the International Labour Office in 1956, with suitable modifications. In order to have a clearer picture in respect of labour cost, salaries and allowances, etc., of persons employed in connection with the provision of any of the welfare amenities, etc., were not included under the general heads 'wages' and 'other cash payments' but recorded against the particular item of welfare amenities, etc. for which they were employed. The information was collected for a period of one year i.e. April 1960 to March 1961 in the case of Unit Nos. I and II and July 1960 to June 1961 in the case of the third unit.

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Fourteenth Session of Indian Conference
of Social Work held at Madras, 27 December 1967

The 14th Session of the Indian Conference of Social Work was held at Madras on 27 December 1967. The Session was inaugurated by Shri Ujjal Singh, Governor of Madras. Among others the Session was addressed by Mrs. Mary Clubwala Jadhav, retiring President of the Indian Conference of Social Work and Dr. P.V. Cherian, Governor of Maharashtra.

About 325 delegates from different parts of India besides half a dozen observers from foreign countries attended the Conference.

The theme for the Conference was "Social Welfare and Human Rights"

Addressing the Conference Mrs. Mary Clubwala Jadhav, retiring President of the Indian Conference of Social Work, said that in a country where thirst for doing good to others was considered a self-imposed duty, social work, as a subject dealing and working with people rather than for them, had had to fight an uphill task. From a forum-oriented organisation in 1947 to a function-oriented one to-day, the Indian Conference of Social Work had evolved itself, meeting the demands of the times.

She said it was the Indian Conference of Social Work which was instrumental in pressing the demand for the establishment of Ministries of Social Welfare at the Central and State levels. The Indian Conference had undertaken special studies of social problem. A study of juvenile delinquency in India, and a study on beggars in Bombay, were some of the activities in the past. It had recently completed two studies, namely 'Employment Position and Functions of Trained Social Workers' and 'Evaluation of Institutional Programmes under Bombay Children's Act, with special reference to After-Care'.

Dr. P.V. Cherian, Governor of Maharashtra said the physically handicapped section of the community had not received as much attention and expertise as had been given to it in other parts of the world. He had an opportunity of

knowing in detail the excellent work that was being done in this field in Madras and Bombay. The Workshop for the Blind and the Fellowship of the Physically Handicapped were among the leading institutions in Bombay. A special centre for rehabilitation of the war wounded had been started in Maharashtra and was working well. What the handicapped wanted was specialised training in suitable skills and an opportunity to stand on their own. It was here that social workers could be of the maximum use. They could organise institutions where training could be given to such people in things they could do as well as other people.

*The Hindu,
28 December 1967

Madhya Pradesh Shops and Establishments
(Amendment) Act, 1967. (No.19 of 1967)*

The Madhya Pradesh Shops and Establishments (Amendment) Bill (vide pages 40-42 of the report of the office for May-June 1967) as passed by the Madhya Pradesh Legislature received the Assent of the President on 17 October 1967 and has been gazetted as Madhya Pradesh Act No. 19 of 1967. The amendment Act makes a number of amendments to the Act of 1958 and a brief summary of the more important amendments is given below.

Hours of work of employees in shops or commercial establishments are limited to 48 hours in a week. The daily hours of work of employees in a shop are limited to nine hours in any day and in commercial establishments ten hours on any day.

Employers in residential hotels and theatres or places of public assessment or entertainment should give their employees an identity card containing the following particulars

- a) the name of the employer;
- b) the name, if any, and the postal address, of the establishment;
- c) the name and age of the employee;
- d) the hours of work, the interval for rest, if any, and the holiday of the employee;
- e) the signature (with date) of the employer
- f) the identity mark of an employee; and
- g) signature or thumb impression of the employee.

Employment of Children, young persons and women. For VI chapter of the Act of 1958 a new chapter IV has been substituted.

No child shall be required or allowed to work whether as an employee or otherwise in any establishment, notwithstanding that such child is a member of the family of the employer. No young person or woman shall be required or allowed to work whether as an employee or otherwise in any establishment before 7 a.m. and after 9 p.m. notwithstanding that such young person or woman is a member of the family of the employer.

Notwithstanding anything contained in this Act no young person shall be required or allowed to work whether as an employee or otherwise, in any establishment for more than five hours in any day.

No young person shall be required or allowed to work whether as an employee or otherwise, in any establishment for more than three hours in any day unless he has had an interval for rest of at least half an hour.

No young person or woman working in any establishment, whether as an employee or otherwise, shall be required or allowed to perform such work as may be declared by the State Government, by notification, to be work involving danger to life, health or morals.

Other provisions of the Act deal inter alia with enhanced penalty in certain cases after previous conviction, summary disposal of cases, etc.

(* Madhya Pradesh gazette, Extraordinary
28 October , pp. 2719 - 2726)

CHAPTER 6. GENERAL RIGHTS OF WORKERS

INDIA-NOVEMBER-DECEMBER 1967

61.Civil and Political Rights of Workers.

Unlawful Activities (Prevention) Act, 1967 (No.37 of 1967) *

The Government of India gazetted on 30 December 1967 the text of the unlawful Activities (Prevention) Act, 1967 as passed by Parliament. The Act which received the Assent of the President on 30 December 1967 provides for the more effective prevention of certain unlawful activities of the individuals and associations and for matters connected thereunder. The salient provisions of the Act are summarised below.

Definitions

The term 'unlawful activity' in relation to an individual or association has been defined to mean any action taken by such individual or association (whether by committing an act or by words, either spoken or written, or by visible representation or otherwise)-

i) which is intended, or supports any claim to bring about, on any ground whatsoever, the cession of a part of the territory of India or the secession of a part of the territory of India from the Union, or which incites any individual or group of individuals to bring about such cession or secession;

ii) which disclaims, questions, disrupts or is intended to disrupt the sovereignty and territorial integrity of India;

An 'unlawful association' means any association which has for its object any unlawful activity, or which encourages or aids persons to undertake any unlawful activity, or of which the members undertake such activity.

If the Central Government is of opinion that any association is, or has become, an unlawful association, it may, by notification in the Official Gazette, declare such association to be unlawful. Every such notification shall specify the grounds on which it is issued and such other particulars as the Central Government may consider necessary.

No such notification shall have effect until the Tribunal has, by an order made under section 4, confirmed the declaration made therein and the order is published in the Official Gazette.

Where any association has been declared unlawful by a notification issued under sub-section (1) of section 3, the Central Government shall, within thirty days from the date of the publication of the notification under the said sub-section, refer the notification to the Tribunal for the purpose of adjudicating whether or not there is sufficient cause for declaring the association unlawful. On receipt of a reference the Tribunal shall call upon the association affected by notice in writing to show cause, within thirty days from the date of the service of such notice, why the association should not be declared unlawful. After considering the cause, if any, shown by the association or the office-bearers or members thereof, the Tribunal shall hold an inquiry in the manner specified in section 9, and decide whether or not there is sufficient cause for declaring the association to be unlawful and make, as expeditiously as possible and in any case within a period of six months from the date of the issue of the notification under sub-section (1) of section 3, such order as it may deem fit either confirming the declaration made in the notification or cancelling the same.

The Central Government may, by notification in the Official Gazette, constitute, as and when necessary, a tribunal to be known as the "Unlawful Activities (Prevention) Tribunal" consisting of one person, to be appointed by the Central Government, provided that no person shall be so appointed unless he is a Judge of a High Court.

Other provisions of the Act deal inter alia with offences and penalties, punishment for unlawful activities, power to prohibit use of funds of an unlawful association and penalty for dealing with funds of an unlawful association.

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"One Plant One Union" formula
Rejected by Government *

The Union Labour Ministry has rejected a proposal put forward by the Ministries of Iron and Steel and Industrial Development for the recognition of only one union per plant in the public sector industries.

Union rivalry has been a major source of trouble in the steel plants and the heavy electrical corporation at Bhopal. As a remedy the Ministries concerned had come up with the proposal that rivalry between political factions in the trade union movement could be contained if only one union was recognized by the management of the plant concerned for collective bargaining. Steel Minister Chenna Reddy had gone a step further and had suggested that representatives of the union should find a place on the management.

The Labour Ministry's decision in turning down the proposal comes after a series of consultation which Labour Minister Hathi had had with political and trade union leaders.

* The Hindustan Times,
12 December 1967.

63. Individual Contracts of Employment.

Madhya Pradesh Labour Laws (Amendment) Act, 1967 (No.18 of 1967)

The Madhya Pradesh Labour Laws (Amendment) Bill (vide pages 48-49 of the report of this office for May-June 1967) as passed by the Madhya Pradesh Legislature received the Assent of the President on 27 September 1967 and has been gazetted as Madhya Pradesh Act No.18 of 1967. The Act makes certain amendments to the Industrial Employment (standing orders) Act, 1946, and the Motor Transport Workers Act, 1961, in their application to the State of Madhya Pradesh and the Madhya Pradesh Industrial Employment (standing orders) Act, 1961.

Amendments to Industrial Employment (Standing Orders) Act, 1946

A new sub-section (5) added to section 13 of the Act of 1946 provides that a Court taking cognizance of an offence under sub-section (2) shall state upon the summons to be served on the accused person that he

- a) may appear by pleader and not in person; or
- b) may, by a specified date prior to the hearing of the charge, plead guilty to the charge by registered letter acknowledging due and remit to the Court such sum as the Court may, subject to the maximum limit of fine prescribed for the said offence, specify.

Where an accused person pleads guilty and remits the sum in accordance with the provisions of the sub-section (5), no further proceedings in respect of the offence shall be taken against him. Nothing contained in this section shall apply to the continuing offence referred to in sub-section (2)

Amendments to Motor Transport Workers Act, 1961

For the existing section 10 of the Act a new section has been substituted providing that the State Government may, by notification in the official Gazette, make rules requiring an employer of a motor transport undertaking to provide for the drivers, conductors,

cleaners, watchmen and line-checking staff employed in that undertaking such number and type of uniforms, rain-coats or other like amenities for their protection from rain or cold as may be specified in the rules. There shall be paid to the drivers, conductors, cleaners, watchmen, and line-checking staff by the employer an allowance for washing of uniforms provided under sub-section (1) at such rates as may be prescribed. As such allowance shall be payable by an employer who has made at his own cost adequate arrangements for the washing of uniforms.

A new section 35A provides for the summary disposal of cases of offences under section 30 of the Act.

Amendment to Madhya Pradesh Industrial
Employment (Standing Orders) Act, 1961

A new section 17 A provides for the summary disposal of cases of offences under section 17 of the Act.

(* Madhya Pradesh Gazette, Extraordinary,
10 October 1967, pp 2659-2661)

67. Conciliation and Arbitration

Industrial Disputes (Amendment) Bill, 1967 *

An official Bill seeking to empower labour courts and tribunal to set aside a management's order of discharge or dismissal and direct reinstatement of a workman on such terms and conditions as they thought fit was moved in the Rajya Sabha today by Labour Minister Jaisukhlal Hathi on 28 November 1967. The Bill also seeks to empower the labour courts and tribunals to give other reliefs to a workman including the award of any lesser punishment in lieu of discharge or dismissal as the circumstance of the case may require.

The Bill was passed by the Rajya Sabha. The Labour Minister, Mr. Jaisukhlal Hathi, informed the House that the Union Government had approved a legislation of the United Front Ministry in West Bengal providing for payment of 50% of wages to workers during the period of inquiry.

He said the Union Government had also accepted this principle and had recently issued a notification providing that workers should be paid 50% of wages during the first 90 days of an inquiry. If the inquiry continued beyond 90 days then the concerned workers would be entitled for 75% of wages.

Mr. Hathi expressed his inability to delete the provision that labour courts shall rely on the materials on record and shall not take any fresh evidence in relation to the matter. He said the Government had to avoid, as far as possible any scope for more litigations.

* The Hindustan Times 29 November 1967.
The Statesman (Delhi) 1.12.1967.

Working of the Industrial Employment
(Standing Orders) Act, 1946, during
1965

An article on the working of the Industrial Employment (Standing Orders) Act, 1946 during 1965 has been published in November 1967 issue of the Indian Labour Journal. The following is a brief review of this article.

The Industrial Employment (Standing Orders) Act, 1946 is a statutory measure adopted by the Government of India to minimise friction between the employers and employees in industrial establishments and to foster harmonious relations between them by regulating the conditions of recruitment, discharge, disciplinary action, holidays, etc. Under the Act, the employers are required to frame Standing Orders which define precisely the conditions of employment in industrial undertakings for information of workmen employed therein. The 'Standing Orders' so framed are required to be certified by the 'Certifying Officer' appointed by the appropriate Government. The Act extends to the whole of the Indian Union except the State of Jammu and Kashmir and is applicable to all industrial establishments wherein 100 or more workers are employed or were employed on any day of the preceding 12 months. The Act also empowers the appropriate Government to extend its scope to any establishment employing less than 100 workmen or to any other class or classes of establishments after giving them not less than 2 months' notice of its intention to do so as well as to exempt any establishment or classes of establishments from all or any of the provisions of the Act.

According to the review, the total number of establishments coming within the purview of the Act was 16,361 employing 5.11 million workers in both the Central and State sphere undertakings. At the beginning of the year, the number of establishments having certified standing orders in respect of all or a group of employees was 13,239 or 80.9 per cent., of the total establishments covered by the Act. The number of employees in these establishments was 4.26 million or 83.4 per cent., of the total employees in the establishments covered by the Act. The percentages of the establishments having Certified Standing Orders to the total number of establishments covered by the Act were 79.6 and 91.3 in the State sphere and Central sphere undertakings respectively at the beginning of the year. The percentages of workers employed in establishments ~~xxxxxx~~ having Certified Standing

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Orders to workers employed in establishments covered were 82.3 and 87.1 in the State sphere and Central sphere undertakings respectively. At the end of the year, the total number of establishments having Certified Standing Orders for all or a group of employees were 81.3 and 94.3 per cent., of the establishments covered in the State sphere and Central sphere undertakings and the percentages of employees therein were 83.6 and 91.4 respectively of the total employees in the establishments covered by the Act. It will thus be seen that there has been improvement in the certification of Standing Orders in both the State and Central sphere undertakings during the year under review.

The article also describes the salient features regarding progress in the certification of the Standing Orders in some States in which a good number of Standing Orders were certified during the year under report.

* Indian Labour Journal. Vol III, No.11
November 1967. pp.1002 - 1018.

Report on the Working of Joint
Management Councils for the
Year 1966 *

A review of the Report on the Working of Joint Management Councils for the year 1966 has appeared in December 1967 issue of the Indian Labour Journal.

According to the article at the end of 1966, 140 Joint Management Councils were functioning, 43 in the public sector and 97 in the Private Sector. These included 83 Joint Management Councils in the manufacturing, 49 in the mining and 8 in the plantation industries. Besides, the State Bank of India had constituted a Central Consultative Committee at the Central Office and a Circle Consultative Committee at each of the seven local head offices. While Joint Management Councils had become defunct in 3 enterprises, new ones were formed in 44.

The article among other matters deals with the size, representation and essential features of Joint Management Councils, and working of the Councils in textile, engineering, mining and plantations industries.

* Indian Labour Journal, Vol. VIII,
No.12, December 1967. pp. 1085-1102.

Annual Report on the Working of the
Central Industrial Relations Machinery
for the year 1965

A review on the working of the Central Industrial Relations Machinery for the year 1965 has been published in December 1967 issue of the Indian Labour Journal. The article after describing the functions and set up of the organisation, reviews the state of industrial relations during the year under report. According to the review during the year 1965, 5,708 industrial disputes were reported to the Organisation as against 5,514 in the previous year. Of these, 59 disputes were found to be without any substance and considered unfit for intervention by the Industrial Relations Machinery and 3,590 disputes were settled without recourse to formal conciliation proceedings. Of the 1,660 disputes conciliated upon, settlements were arrived at in 993 disputes while the proceedings ended in failure in the remaining 667 disputes as against 679 during the previous year. At the end of the year, the remaining 339 disputes (about 6 per cent.) were pending disposal as against 454 disputes (about 8 per cent.) at the close of the previous year.

The number of strikes was 249 during the year under report as against 361 in the previous year and the number of lock-outs also declined to 7 from 9 in 1964. The mandays lost due to strikes and lock-outs were 7,00,130 and 1,98,969 respectively, as against 7,89,642 and 54,336 respectively during the previous year. Of the 249 strikes reported during the year, the Industrial Relations Machinery intervened in 119 cases, as a result of which strikes were called off in 101 cases. Further, timely intervention by the Officers of the IRM averted threats of strike in as many as 250 cases out of a total of 271 cases where threats of strike were reported.

Implementation of Labour Laws- The Officers of the Industrial Relations Machinery carried out inspections in the Central Sphere undertakings under the various labour laws, details of which are briefly described below:

Minimum Wages Act, 1948 - As many as 2,223 inspections were carried out and 11,621 irregularities detected during the year as against 2,824 inspections leading to detection of

of 16,439 irregularities for rectification (including 4,818 pending at the beginning of the year). Of these, the employers rectified 12,911 irregularities during the year under review.

Verification of Membership of Trade Unions - The verification of the membership of the unions, affiliated to the 4 Central Trade Union Organisations is carried out by the CIRM in accordance with the procedure agreed to at the 16th Session of the Indian Labour Conference held in May 1958. The latest available verification figures as on 31st March 1963 were as under-

Organisa- tion	No. of unions claimed	Member- ship claimed	No. of unions verified	Member- ship veri- fied
INTUC	1,596	18,28,785	1,219	12,68,339
AITUC	1,567	10,37,884	952	5,00,967
H.M.S.	349	5,84,851	253	3,29,931
UTUC	335	1,82,843	241	1,08,982
Total	3,848	36,34,363	2,665	22,08,219

* Indian Labour Journal, Vol. VIII, No.12
December 1967, pp. 1158-1162.

68. Labour Courts

Rs.0.96 Million to be paid as Bonus to Workers of Hindustan Motors Ltd.: Supreme Court Judgment. *

The Supreme Court allowed on 21 November 1967 two appeals by the workmen of Messrs Hindustan Motors Ltd., and set aside the decision of the First Industrial Tribunal, West Bengal, in a dispute relating to payment of bonus for 1960-61 and 1961-62. The court accordingly directed the company to pay to the workmen a total amount of Rs.9.60 lakhs as bonus, representing 20 per cent of the annual wages of workmen. This would leave Rs.21.03 lakhs with the company for being utilized for other purposes.

The case of the workmen was that the company had earned a net profit of over Rs. 249 lakhs and, therefore, they were entitled to six months' bonus. As the monthly wage bill of the workmen was about Rs.4 lakhs, the total amount claimed towards bonus by the workmen came to Rs.24 lakhs.

Mr. Justice Bhargava, however, held that there was no justification for granting the bonus at such a high rate of 6 months' wage which would amount to Rs.24 lakhs.

Though the company, he said, has earned a large amount of profit during the year of bonus, it is to be noticed, that for quite a large number of years the company had been running at a loss. The company had an expanding business and the total amount of surplus available for allocation between the capital and labour was Rs.30.56 lakhs. In these circumstances, he said, they considered it just and proper that the bonus should be paid to workmen at the rate of 20 per cent of their annual wages.

* The Hindustan Times
22 November 1967.

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CHAPTER 7. PROBLEMS PECULIAR TO
CERTAIN CATEGORIES OF WORKERS.

INDIA-NOVEMBER-DECEMBER 1967

71. Employees and Salaried
Intellectual Workers

D.A. for Central Government
Employees Raised Again. *

The Union Finance Ministry announced on 18 December 1967 a further increase - the third one during 1967 - in dearness allowance to Central Government employees. The additional DA ranges from Rs. 6 to Rs. 10 per month in the case of those drawing up to Rs. 449. Those in the pay range of Rs. 450 to Rs. 499, who were not granted any increase on the last two occasions, have also been sanctioned additional DA of Rs. 33 a month.

The revision of DA is consequent on the twelve-monthly average of the All-India Working Class Consumer Price Index Number having crossed 205 in October 1967. The rate of the increased D.A. are on the lines of the recommendations of the Gajendragadkar Commission.

The increases, which will have retrospective effect from November 1, 1967, are payable fully in cash. According to preliminary estimates, this may cost the exchequer an additional Rs. 2.5 to Rs. 3 crores every month.

* The Hindustan Times,
19 December 1967.

Kerala: Dearness Allowance of
State Government Employees
raised to Central Rates *

The Kerala Cabinet, at its meeting held in Trivandrum on 6 December 1967, decided to enhance the dearness allowance of its employees on a par with the Central rates with effect from 1 December 1967. The increase ranging from Rs.12 to Rs.20 will benefit about two-and-half lakh employees and cost the State exchequer Rs.4.36 crores more annually. The enhanced D.A. rates will also be applicable to teachers in the aided schools.

* The Hindu
7 December 1967.

Rationalisation of Central and State
Government Pay Scales recommended by
Study Team. *

A study team of the Administrative Reforms Commission which submitted its report to the Commission on 14 December 1967 has recommended the rationalisation of all Central and State Government pay scales into 12 standard grades.

The 12 standard grades recommended by the team are: Rs. 70 - 90, Rs. 90 - 140, Rs. 140 - 240, Rs. 240 - 500, Rs. 500 - 900, Rs. 900 - 1,300, Rs. 1300 - 1600, Rs. 1600 - 2000, Rs. 2000 - 2500, Rs. 2500 - 2750, Rs. 3000 and Rs. 3500.

As regards discipline and other allied matters, the report recommends a consolidated legislation bringing together the large number of regulations conduct rules, court rulings and enactments currently in force. A statutory enactment by Parliament is also recommended regarding all conditions of service of civil servants.

The study team's recommendations pertaining to service structure, promotion policies, discipline, and morale and incentive are aimed at enabling the civil servant "to identify his personality with that of the Government for which he works in a fuller measure than hitherto".

While recommending the abolition of the present classification of the Government posts into four classes, the study team has also suggested doing away with the division into gazetted and non-gazetted categories.

The six-man study team on "promotion policies, conduct rules, discipline and morale" of Government employees was headed by Mr. K.N. Nagarkatti, a retired ICS Officer. Other members were Mr. R.S. Khandekar, M.P., Mr. R.S. Gae, Union Law Secretary, Dr. M.S. Patel, an eminent chemical engineer, and Mr. Dharam Yash Dev, a journalist. Mr. N. Chidambaram was the member-secretary.

* The Statesman,
14 December 1967.

74. Indigenous Labour

Board Set up for Tribal Welfare *

The Union Government of India has decided to set up a 21-member Central Advisory Board for Tribal Welfare under the Chairmanship of Shri Asoka Mehta, the Union Minister for Social Welfare.

The membership of the board, which will not exceed 25, includes members of Parliament, social workers, social scientists and representatives of voluntary organisations.

* The Hindustan Times
16 December 1967

CHAPTER 8. MANPOWER PROBLEMS

INDIA-NOVEMBER-DECEMBER 1967

81. Population of India: Rise of
11.07 per cent in Rural Population
and 20.15 in urban population estimated *

According to a sample census conducted in 1966, the population of India has increased by 11.07 per cent in the rural areas and 20.15 per cent in the urban areas compared to 1961.

The results show that the total population in India on 1 July 1966, was 495 million, 400 million living in the rural and 95 million in the urban areas.

The sample census was carried out in nearly 2,000 villages and 1,200 urban blocks. Each block had a population between 75 and 1,000.

The estimated population (in millions) in different States, according to the sample census, is as follows: Andhra Pradesh 39.42, Assam 14.26, Bihar 52.30, Gujarat 23.11, Madhya Pradesh 36.14, Madras 41.51, Orissa 19.44, Uttar Pradesh 82.03, Maharashtra 42.77, West Bengal 40.43, Delhi 3.08, Himachal Pradesh 1.46, All India 495.00.

* The Times of India
22 December 1967.

Employment Exchanges: Working
during November 1967

According to the monthly review of principal activities of the D.G.E. & T. for the month of November 1967, the employment position was as follows:

Serial No.	Items	October 1967	November 1967	Increase or Decrease
1.	Registrations	250,869	301,631	50,762
2.	Placements	31,915	36,599	4,684
3.	Live Register	27,384,219	27,37,598	46,621
4.	Vacancies notified	54,138	56,127	1,989
5.	Employers who used exchanges	10,380	11,471	1,091

Includes 1113 vacancies notified by private employers falling within the purview of the Employment Exchanges (compulsory notification of vacancies) Act, 1969 against which submission action was not required.

Educated applicants. At the end of June, 1967 there were 10.03 lakhs of educated persons (educational level of Matriculation and above) seeking jobs through Employment Exchanges as against 8.89 lakhs at the end of June 1966. Nearly 1.10 lakhs of these educated applicants were either graduates or post-graduates. During January to June, 1967 the number of placements effected by the employment service in respect of educated persons was about 70,562 of which 10,612 related to graduates (including post-graduates).

Gorakhpur Labour Organisation. The Labour Depot Gorakhpur recruited and despatched 960 workers to various worksites during the month of November 1967.

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Vocational Guidance and Employment Counselling
Analysis of aptitude tests and criterion data collected from a few industries in country on an experimental basis in connection with the proposed extension of aptitude testing programme for selection of suitable apprenticeship trainees in industries was under progress during the month under review.

Annual issue of Bulletin on Job Opportunities 1965 (Vol. II No. 4) issued At the end of November, 1967 intensive Employment Market Information Studies were in progress in almost all the districts of the country (Excluding 8 economical unimportant districts of Rajasthan, Goa, Daman and Diu; Andaman and Nicobar Islands and Laccadive Islands). In all these areas, all public sector establishments and non-agricultural establishments in the private sector employing 10 or more workers were covered.

Displaced persons from East Pakistan: During the month of November, 1967, 293 East Pakistan Migrants were registered with various Employment Exchanges and 28 (EPMS) were placed in employment thus bringing the total number of EPMS registered to 40,340 and those placed to 2,800.

Repatriates from Burma: During the month of November 1967, 323 Repatriates from Burma were registered and 27 placed in employment. This brings the total number of such registered persons to 6,164 and those placed in employment to 622.

Repatriates from Ceylon: 23 Repatriates from Ceylon were registered and none placed in employment. This brings the total number of Ceylon Repatriates registered to 306 and those placed in employment to 15.

Deployment of surplus and retrenched personnel: During the month under review 5 persons were retrenched, 38 registered and 31 placed in employment. The detailed information is given in the following table:

Name of Project	No. awaiting assistance at the end of Oct. 67	No. retrenched during the month	No. of retrenched personnel (including those voluntarily registered during
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Name of Project	No. awaiting assistance at the end of Oct. 1967	No. retrenched during the month	No. of retrenched personnel (incl. those voluntarily registered during the month for employment assistance)	No. placed during the month	No. left indicating the desire for assistance	Number awaiting assistance at the end of the month
1. Damodar Valley Corporation	1886	-	-	-	-	1886
2. Bhakra Nangal Project	35	-	4	-	2	37
3. Bhilai Steel Project	924	-	34	21	19	918
4. Durgapur Steel Project	8	-	-	-	1	7
5. Special Cell of the Ministry of Home Affairs.	96 (Class II.....86) (Class III & IV 33)	-	-	10	-	86
Total:	2949	-	30	31	22	2934

Opening of additional Employment Exchanges. The Project Employment Exchange at Nagarjunasagar was closed and another District Employment Exchange was opened at Rupar during November, 1967. The total number of Employment Exchanges including 38 University Employment Information and Guidance Bureaux and 13 professional and Executive Employment Offices in the country at the end of November, 1967 remained 437.

Monthly Review of Principal Activities of the D.G.E.&T. for the month of November 1967: Issued by the D.G.E. and T., Ministry of Labour and Employment, Govt. of India.

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83. Vocational Training

Labour Ministry's Training Schemes: Working during November 1967

According to the monthly review of the Principal activities of the D.G.E. & T., the following was the position of Instructor trainees on roll at various C.T.Is. in the current Session which commenced in August 1967.

<u>Name of the CTI</u>	<u>No. of Trainees on roll</u>
C.T.I. Calcutta	282
C.T.I. Bombay	233
C.T.I. Madras	124
C.T.I. Kanpur	340
C.T.I. Hyderabad	79
C.T.I. Ludhiana	206
C.T.I. Curzon Road, New Delhi	120
	<hr/> 1384 <hr/>

The position of Craftsmen trainees on roll at the Model Training Institutes attached to the C.T.Is was as under:

M.T.I. Calcutta	445
M.T.I. Bombay	210
M.T.I. Kanpur	240
M.T.I. Madras	350
M.T.I. Hyderabad	207
M.T.I. Ludhiana	149
	<hr/> 1601 <hr/>

Apprentices Act, 1961. The number of apprentices undergoing training under the Apprentices Act was 33688 at the end of September, 1967 of which 28153 were full-term apprentices and 5535 short-term Apprentices. These apprentices were engaged in 2378 establishments.

The total number of institutes for training craftsmen and the number of centres holding part-time classes stood at 356 and 36 respectively. In all 140584 seats were introduced and the number of persons undergoing training under the craftsmen training scheme was 111621.

Monthly Review of Principal Activities of the DGE&T for the month of November 1967 issued by the DGE&T, Ministry of Labour & Employment, Government of India.

84. Vocational Rehabilitation of
Disabled Persons.

All India Council Set up for Physically
Handicapped: Recommendations of the Na-
tional Seminar on Rehabilitation of the
Handicapped held at Trivandrum, 4 - 6
December 1967. *

The National Seminar on Rehabilitation of the Physically Handicapped was held at Trivandrum 4 - 6 December 1967. The Seminar, among other things, recommended the setting up of an All-India Council for planning, co-ordinating and developing the work of rehabilitation of the physically handicapped, comprising of representatives of leading voluntary agencies, the Ministries concerned and the Planning Commission. The Seminar wanted that there should be a Central and State policy accepting the responsibility towards all groups of handicapped people. It also entered a plea for requesting the State bureaus of economics and statistics to carry out a survey of the disabled in India.

Stressing the need for opening one or more centres in the country for training of all categories of rehabilitation personnel, the seminar suggested taking the assistance of the Department of Health, Education and Welfare of the U.S. Government or other international agencies for this purpose. It urged the Indian Medical Council to accept rehabilitation medicines as an integral part of medical education.

The seminar called upon the Union and State Governments to formulate and make liberal provisions in their budgets for implementing well-planned and integrated national programmes of research in medical, social, vocational and economic rehabilitation and other related activities.

* The Hindu
8 December 1967.

Employment for disabled army men *

The Union Government has decided that all disabled defence personnel will be eligible for appointment to civil posts in or under Government. They will also be given certain concessions in respect of age and educational qualifications.

The concessions will apply to posts filled through the Union Public Service Commission as well as employment exchanges.

For the purpose of employment in Class I and II posts recruitment to which is normally made through UPSC otherwise on the results of a competitive examination conducted by the commission, the cases of disabled defence services personnel who possess the required qualifications and whose age does not exceed 45 years (50 years in the case of disabled personnel belonging to Scheduled Castes and Scheduled Tribes) will be considered by the commission, if necessary on the basis of an interview. Such candidates will be entitled to first priority for appointment to these posts provided they are found suitable by the commission.

* The Hindustan Times
4 December 1967.

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CHAPTER 12. INDUSTRIAL COMMITTEES

INDIA-NOVEMBER-DECEMBER 1967

121. Special Information

Industrial Committees on Banking Industry Appointed

The Government has appointed a 16-Member Industrial Committee on Banking Industry under the Chairmanship of the Union Minister for Labour and Employment. The Committee will consist of representatives from Central and State Governments and organisations of employers and employees.

There are already 14 other Industrial Committees on different industries like cement, coal mining, cotton textiles, jute plantations, iron and steel and engineering industry. These industrial Committees help in solving various problems concerning the industry.

Press Release dated 31 December 1967
issued by the Ministry of Information
and Broadcasting.

LIST OF THE PRINCIPAL LAWS PROMULGATED
DURING THE PERIOD COVERED BY THE REPORT
FOR NOVEMBER-DECEMBER 1967

INDIA - NOVEMBER-DECEMBER 1967

CHAPTER 5. WORKING CONDITIONS AND LIVING
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50. General

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(Amendment) Act, 1967. (No.19 of 1967)

CHAPTER 6. GENERAL RIGHTS OF WORKERS

61. Civil and Political Rights
of Workers

Unlawful Activities (Prevention) Act
1967 (No. 37 of 1967)

63. Individual Contracts of Employment

Madhya Pradesh Labour Laws (Amendment)
Act, 1967 (No. 18 of 1967)

67. Conciliation and Arbitration

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