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INTERNATIONAL LABOUR OFFICE
INDIAN BRANCH

Industrial and Labour Development in February 1955.

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

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CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

EBDIA - FEBRUARY 1953.

11. Political Situation and Administrative Action.

Tenth Session of Labour Ministers' Conference:
Principles of Industrial Relations Legislation
considered: Faith in voluntary Settlement of
Disputes.

The tenth session of the Labour Ministers' Conference was held in New Delhi on 6 and 7 February 1953, Mr. V.V. Giri, Minister for Labour, Government of India, presiding. The meeting was attended by Labour Ministers and leading labour officials from the various States of India.

The main subject before the Conference was industrial relations legislation. Other items before the meeting included the problem of surplus labour in plantations, strengthening of factory inspectorates and appointment of medical inspectors in factories, and uniform standards for national and festival paid holidays in private undertakings.

Need for simple labour relations law: Mr. Giri's address. - In his opening address, Mr. Giri emphasised the need for the legislation and machinery for the settlement of disputes between labour and management being as simple as possible. He said: "We can easily evolve an attractive piece of paper legislation plugging all loopholes and providing for every imaginable situation, but such legislation will not only be complicated but will lead to many new complications. The greater the elaboration, the more the chances of litigations".

Mr. Giri also pressed the States' representatives to keep in view the principle that Government's efforts, however, much influenced by immediate requirements, must aim at the building up of a sound trade union movement which would sooner or later, stand on its own legs. "Any undue spoon-feeding by the State cannot but retard its growth. It would be impossible, even were it desirable, for the State to take cognizance of all disputes between employers and workers. Consequently, workers must realise that they must learn to look after themselves and that the less the support they seek from outside, the more their own strength will eventually be".

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It was with this object, the Minister pointed out, that in the plan, which he had placed before them, it had been provided that in certain circumstances there need not be any compulsory adjudication in non-public utility services. He realised that the withdrawal of State intervention must be gradual, but the process must begin some day.

Conclusions: Industrial Relations policy.- The conference was in favour of an industrial relations policy which laid ~~down~~ emphasis on collective bargaining and mutual settlement of disputes through voluntary conciliation and voluntary arbitration. The Ministers felt that compulsory adjudication should be resorted to as a rule only in public utility services, while in non-public utility services, such adjudication should be the exception, provided, however, that the discretion of the State Governments in the matter remained unfettered.

The major part of the two days' discussions centred round the basic policy and the machinery for the settlement of industrial disputes. There was general agreement about the various stages of settlement such as service of notice of change, collective bargaining, mutual negotiation with or without the assistance of a conciliation officer, conciliation through a conciliation board and voluntary arbitration or compulsory adjudication. Some Governments considered conciliation boards unnecessary and ineffective while some wanted labour courts for settling minor disputes.

It was recognised that there should be a Central Act with powers for the State Governments to enact supplementary legislation to suit local conditions. Gradual repeal or adjustment of the existing State Acts was also agreed to. As regards the scope of the legislation, the general consensus of opinion was that the law should not apply to agriculture and small industrial establishments. It was felt that commercial establishments like banks, insurance companies etc. should be covered, banks being treated as public utility services.

As regards bargaining agents there was general agreement that there should be only one representative union for each unit or industry as the case may be. There was some difference of opinion as regards the best method of selecting the most representative union. The method of secret ballot did not find much favour. It was felt that the selection should be on the basis of fully-paid membership in good standing of at least three to six months.

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There was a large volume of opinion in favour of prohibition of strikes and lockouts during the period of notice of change, conciliation, arbitration and adjudication as well as during the operation of collective agreements and awards. Some Governments were of the view that strikes and lockouts should be banned not only in public utility undertakings but in others as well during the procedural stages.

In regard to change in conditions of service and discharges and dismissals during pendency of proceedings, the principle of restricting protection to specified categories of trade union officers was accepted. As regards other workers, it was agreed that the employer should be competent to keep them off work temporarily on payment of a month's wages, subject to his applying forthwith to the tribunal or other authority for permission to discharge them. The question of the exercise of control over industrial undertakings in certain circumstances was also discussed. The opinion was unanimous that such control might occasionally be necessary and that the industrial relations law should contain adequate provisions.

The meeting also discussed the other items on the agenda. As regards surplus labour in tea plantations in West Bengal and Assam where there has been recently largescale closures, it was agreed that in addition to examining methods of dealing with such surplus the question of surplus itself and also that of conversion of food grain concessions into cash which had a bearing on the present state of gardens should be discussed by a tripartite Committee at the earliest occasion. It was agreed that this meeting which will be of members of the Standing Committee of the Committee on Plantations, excluding areas in South India which were not directly concerned, should meet at Shillong on 27 and 28 February 1953 for considering these questions.

(The Hindustan Times, 7 and 8 February, 1953,
Press Note dated 7 February 1953,
issued by the Government of India).

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President's Address to Parliament:
Economic Situation Reviewed.

Dr. Rajendra Prasad, President of India, inaugurated on 11 February 1953 the Budget session of Parliament. Addressing a joint session of both Houses of Parliament the President reviewed the international situation and India's foreign policy and the progress made by the country in the economic front.

Improvement in Economic situation.- Referring to the economic condition of the country Dr. Prasad said that there were distinct signs of improvement. The State Governments were doing their utmost to give relief by utility works or otherwise in these areas. The problem, however, had to be tackled in a more basic way so as to avoid recurrence of famine conditions and a complete dependence upon the vagaries of the monsoon.

Five-year Plan.- The President referred to the finalisation of the first five-year plan and said that now the country had to face the difficult part of implementing this plan.

He was glad to find that this plan and the 55 community projects that had been started in the country were evoking ~~the response of the~~ a considerable degree of enthusiasm among the people. In the course of a few months hundreds of miles of road ~~were~~ have been made, tanks dug, schools houses constructed and many other minor projects undertaken, almost entirely by voluntary labour.

The President said that the Finance Commission, constituted towards the end of 1951 under the provisions of Article 280 of the Constitution, had submitted their report (vide pp. 35-43 of this report). The Commission's recommendations had been accepted by the Government and necessary action will be taken for implementing them. As regards the food situation, there had been a steady improvement in the situation and the closing stock for 1952 was 1.9 million tons, which was the highest on record so far. One of the factors in building up this stock was the wheat loan from the United States of America. The prospects of foodgrains for 1952-53 were better than in the two preceding years. Owing mainly to drought in parts of Bombay, Madras and Mysore, caused by an inadequate monsoon rainfall, foodgrains will have to be imported, but their quantity will be less than in the last two years.

Prices of foodgrains have also shown a downward trend in recent months. Controls had been relaxed in many parts of India and there was greater freedom of movement. The Government, however, intended to retain control at strategic points so that no untoward results may affect prices or procurement.

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Commodity production.- The production of sugar during 1951-52 reached the record figure of 1.5 million tons and for the first time production exceeded internal requirements. This made it possible to relax control over the prices, movement and distribution of sugar as well as on gur and khandsari. With the easing of the supply position of groundnut oil, controls on prices on hydrogenated oils had also been lifted, except those intended to ensure quality.

Very considerable progress had been made in cotton and jute production. In 1948-49 cotton production amounted to 1.77 million bales and jute 2.07 million bales. In 1951-52 cotton had increased to 3.13 million bales and jute to 4.68 million bales.

Steps to improve food yield.- In order to add to the country's food production, special attention was being paid to the construction of more than 2,000 tubewells and for an accelerated programme of minor irrigation works. Crop competitions were becoming increasingly popular all over the country and had yielded very remarkable results. Large-scale experiments were also being made to introduce what was called the Japanese method of rice cultivation which promised substantial results in increase of yield (vide pp. 46-47 of this report). A large mechanized farm had been set up in Jammu province. Vigorous attempts were being made for the extensive application of fertilisers and other manure and for the use of improved seeds. The community centres were specially aiming at increasing the yield of foodgrains by various methods, including rural extension services.

For the improvement of cattle, 92 key farm centres were started in 1951-52. In addition it was proposed to provide one key village unit in each community project area. Sheep breeding schemes had been reorganised to provide for production of fine wool. A Board for the preservation of wild life had been set up. At Jodhpur a desert afforestation research station was being established. This will undertake work for the reclamation of arid areas.

The Sindri Fertiliser Factory produced 180,000 tons of ammonium sulphate during 1952. This was expected to be increased to 300,000 tons in 1953. The pool price had been reduced from 365 rupees per ton to 335 rupees.

Industrial production.- The production of cotton textiles amounted to 4,600 million yards during 1952, and the prospects for the next year were good. The lower prices of mill-made cloth led to a fall in the offtake of handloom cloth and the handloom industry, which provided livelihood to millions of people in the country, was faced with serious difficulties. To meet the situation an All-India Khadi and Village Industries Board had been established and legislation undertaken

to raise funds for technical development and research for village and cottage industries. In order to help the handloom industry, the production of dhotis by mill industry was curtailed to 60 per cent of the 1951-52 production.

The tea industry was badly affected by the fall in international prices. The Government had taken measures to assist tea gardens to secure better credit facilities and proposed to set up an expert committee to inquire into all aspects of the tea industry, including marketing (vide pp.47-48 of this report). The price of tea was now showing some signs of improvement.

The readjustment of world prices affected foreign trade and exports fell in value and to a lesser extent, in quantity. The balance of payments position, however, continued to be satisfactory, as imports also declined.

Tribal areas.- The Government had been paying special attention to the tribal areas in the north-east and other parts of India and help was being given for their development. A Commission to consider the problems of backward classes had been appointed.

A Press Commission had also been appointed to consider problems of the newspaper press in India.

State projects.- The great multi-purpose river valley projects had made good progress and in some of them the operational phase will begin soon. Work on other projects had made steady progress.

Steps were being taken to improve the efficiency of the Hindustan Shipyard at Visakhapatnam and for the expansion of the iron and steel industry. Production of coal, steel, cement, salt and fertilisers had reached higher levels than in the previous year.

Scientific research had made further progress by the establishment of new national laboratories and research institutes. A Central ~~Electrical~~-Chemical Research Institute was opened at Karaikudi and the Central Leather Research Institute at Madras recently. The Building Research Institute at Roorkee will be opened soon.

A factory for processing monazite sands had been set up at Alwaye in Travancore-Cochin and a machine tool prototype factory was recently opened at Ambarnath in Bombay State. The Hindustan Aircraft Factory at Bangalore had produced, from its own designs, a number of trainer aircraft which were being used now. A defence factory near Jubbulpore was nearing completion.

Air Services.- The Government had decided to take under State control the existing air companies and to operate the scheduled air services. It was proposed to establish two ~~State~~ State Corporations for this purpose, one for internal services and the other for external services.

Business before session.- The President said that there were 24 Bills pending before the session. Among the other legislative measures to be introduced before this session, the following may be mentioned: the Representation of the People (~~Amendment~~ Amendment) Bill, the Bill on National Housing, the Air Services Corporation Bill, the Minimum Wages (Amendment) Bill, and the Indian Tariff (Amendment) Bill.

(The Statesman, 12 February 1953).

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CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

INDIA - FEBRUARY 1953.

28. Employers' Organisations.

Annual Meeting of Indian Jute Mills Association:
Jute Industry's Problems stressed.

The problems that beset the Indian jute mill industry even after it had passed "the dangers of shortage of raw materials and unreal price levels" were stressed by Mr. W.B. Moncur, Chairman of the Indian Jute Mills Association, at the annual meeting of the Association in Calcutta on 20 February 1953. These problems he said, included reduced demand from many important markets, the disappearance of profits over a field of its operations and difficulties resulting from the precipitous fall in jute prices.

In 1952 supplies of raw jute were easy because of two of the largest harvests in the history of the trade. Prices of jute and jute goods were reduced to the lowest levels since World War II and consumption in the USA returned to normal. On the other hand, demand fell in other markets to such an extent that there had occurred something like a crisis of over-production.

Fall in consumption.- Though the industry was able to cater for any increase in demand for its goods, the problem had been to dispose of current output. This seemed the main problem which at present faced the industry, not only here but elsewhere, and its direct and indirect repercussions were rapidly assuming dominant importance.

Burlap consumption in North America fell to a record low figure of 532 million yards in 1951, while the Indian export duties were at a crippling level, and the proportion of Indian burlap in this reduced total had declined heavily. After revision of duties, American demand had picked up, and total consumption in 1952 was estimated at 827 million yards. Offtake in the other main hessian markets had been disappointing, but it was in the sacking markets that the position was most disturbing.

Stocks of heavy goods had been accumulating and for some time mills had been making very heavy losses in sacking manufactures. Discussing the visit of an Indian Jute Mills Association delegation to North America last year, Mr. Moncur said: "The delegation reached the conclusion that while there is still a demand for Hessians and packaging material to meet

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the heavier tasks of trade and industry, that position can be maintained only if ample supplies are always available at a price reasonably competitive, with substitute packaging materials".

Mr. Moncur said that competition from jute goods manufacturers in other countries had become more serious in the last few years. The greater part of the competing jute mill industry in other countries was reconstructed after the war or was entirely new. The cost had been high but was probably balanced by greater efficiency. The industry outside of India had access to Pakistani jute on preferential terms, and was thus enabled to produce high quality jute goods at a price and of a type which the Indian industry would find hard to surpass unless the same facilities were granted. "Finally", Mr. Moncur emphasised, "the level of the export duty on both hessian and sacking was, and I am afraid still is, such that the foreign manufacturer has the advantage of a substantial price difference over his Indian counterpart". This, he said, had already led to under-cutting of Indian goods and a larger share of the American market for European mills.

Supply of raw jute.- There had been a dramatic improvement in jute supplies, but much of increase of 1.4 million bales in Indian output had come from areas where soil condition, rainfall and water supplies for retting had led to the cultivation of jute of low yield and unsatisfactory quality. The market fall in raw jute prices had also brought criticism that the cultivator was not obtaining an adequate return for his efforts, but investigation showed that where reasonable yields of good jute were grown, the cultivator was getting a price that was indeed below those ruling in the years of scarcity but was nevertheless adequate. Better method of cultivation and cropping, improved implements, the use of fertilisers and the rapid growth of seed multiplication farms were urgently required.

(The Statesman, 22 February 1953).

All India Federation of Printers formed:
Decision at Bombay Conference.

An All-India Printers Conference was held in Bombay from 22 to 24 January 1953 and was attended by representatives of about 22 associations of printers from all over the country. The Conference decided to form a body to be known as the All India Federation of Master Printers. Mr. J.C. Jain, General Manager, Bennet Coleman and Co. Ltd., Bombay, was elected President of the newly-formed Federation. Mr. S.N. Guha-Ray of Calcutta was elected vice-president and Messrs. Permanand Sugnomal Mehta and K.C. Raman of Bombay were elected general secretaries.

The Conference in a resolution stressed the need for establishing immediately in every State adequately equipped printing schools with facilities for conducting research and collecting statistical data by the Government with the co-operation of the federation. Other resolutions passed at the Conference related inter alia, to financial assistance and adequate protection to the Indian printing industries, and facilities for study tours in foreign countries.

^{The}
(Bombay Chronicle, 26 Jan January 1953).
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29. International Co-operation.

India - February 1953.

I.L.O. Mission on Productivity: Reference in Parliament.

In a written reply to a question in the House of the People on 18 February 1953 regarding the progress so far made by the ILO team of experts on systems of payment by results and productivity studies, Mr. V.V. Giri, Labour Minister said that the ILO mission on Productivity and System of Payment by Results arrived in India on 5 December 1952. After informal discussions in Delhi, the mission split itself into two groups to carry out detailed investigations in the textile industry in Bombay and Ahmedabad and in the engineering industry in Calcutta.

The mission visited the factories which had replied to the ILO questionnaire, with a view to selecting units in each of the three industrial centres for carrying out of detailed investigations to show how productivity can be raised by the application of modern techniques of work study and plant organisation and in addition, where appropriate, by the introduction and of suitable systems of payment by results. These investigations were at present being carried out in two textile mills in Bombay and five engineering factories in Calcutta. Three textile mills in Ahmedabad had also been selected for the purpose. Arrangements had been made for setting up a consultative advisory Committee at each of the three centres.

The Minister stated: "An important phase of the mission's work is the training of selected personnel from the units concerned in the fundamentals of modern methods of work study and related procedures for the improvement of efficiency and productivity. Such training courses are at present in progress both in Calcutta and Bombay. Response to the courses from both the employers as well as the workers has been very encouraging".

(The Statesman, 19 February, 1953).

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U.S. Technical Aid to India: Three Operational Agreements concluded.

On 9 February 1955, India and the United States signed three new operational agreements designed to speed up completion of river valley projects, to educate village-level workers, and to send an Indian team abroad to study fertiliser manufacture processes. These agreements are supplemental to the original aid agreements signed early in 1952.

The joint cost of the project for river valley development will be \$1.85 million and 1.5 million rupees while for agricultural extension work the cost will be \$155,200 and 73,500 rupees. The dollar part of the expenditure will be United States contribution while the rupee expenditure will be borne by the Government of India.

The agreements arise out of the supplementary agreement signed between the Government of India and the USA in November 1952, under which the USA offered assistance to the extent of \$38.55 million to India.

River valley projects.- The operational agreement on river valley projects is supplementary to the one signed on 14 June 1952 under which some equipment for Hirakud, Kakrapara, Mahi and Ghataprabha projects was agreed to be provided. The present agreement provides technical assistance, equipment and supplies for the construction of dams, irrigation canals and power plants for Hirakud, the Tunga anicut, the Gangapur project, the Jawal project and certain river valley schemes of Saurashtra. The Hirakud project which had received some equipment under the first agreement will now receive additional supplies.

The Tunga anicut scheme consists of the construction of an overflow dam across the Tunga river in Mysore State with two canal systems, one 65 miles long on the left bank for the irrigation of approximately 18,500 acres of land and the other approximately 32 miles long on the right bank for the irrigation of about 4,500 acres of land. Food production is expected to be increased by approximately 7,000 tons annually. Construction of the project was started in 1946 and is expected to be completed by 1955-56. The estimated cost of the project is 20 million rupees.

The Gangapur project involves the construction of a storage dam across the Godavari river in Bombay State, near the village Gangapur, for irrigation purpose. The dam is also expected to mitigate flood damage to crops. It is estimated that about 45,000 acres will be irrigated resulting in an annual increase of about 12,500 tons of foodgrains. Work on the dam, which is already under way, will be finished in June next year,

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and the project is expected to be completed by 1957. By 1954-55, about 10,000 acres will be irrigated. The estimated cost of the project is 33.4 million rupees.

The Jawal project consists of the construction of a gravity masonry storage dam across the Jawal river in Rajasthan. In addition to furnishing irrigation water to 46,000 acres, the reservoir capacity of 160,650 acre feet of water will also regulate ~~and~~ flood waters for the protection of property and crops. It is expected that an additional food crop of 23,000 tons annually will result from the irrigation provided. Work on the dam is already under way. The canal system consists of 14 miles of main canal and 80 miles of minor canal. It is estimated that the project will be completed in 1956 at an estimated cost of 32.3 million rupees.

There are six irrigation schemes in Saurashtra, which benefit under this agreement. These are ^{the} Macchu, Sasoi, Malan, Aji, Brahmani and Moj, which together are expected to irrigate 87,000 acres of land and increased food production by 33,800 tons annually. The total cost of these ~~schemes~~ schemes will come to 50.3 million rupees.

Agricultural extension work.- The second operational agreement to promote village workers' training programme aims at providing village workers with necessary printed and graphic materials for effective development work in the community project areas and for other agricultural extension work in India. Specialised equipment will be supplied for the production, use and dissemination of such materials. The Indian Council of Agricultural Research will be responsible for the organisation and supervision of the material produced and its dissemination.

Training in fertiliser manufacture.- Under the third agreement, three Indian officials selected by the Government of India from those connected with the development of fertiliser production in India will be sent to Europe, North America and Japan to study and observe the manufacturing process of urea and ammonium nitrate in those countries, with a view to selecting the type of processes and facilities suitable to conditions in India. This project is in connection with the proposed expansion of the Sindri fertiliser plant.

The U.S. Technical Co-operation Administration will arrange for one specialist in fertiliser production from outside India to accompany and assist the Indian officials.

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(American Report, (published by the United States ~~of~~ Information Service in India), Vol. III, No. 4, dated 18 February, 1953;
'L' The Statesman, 10 February, 1953).

14

Survey of Rural Conditions and Co-operation in
India: Canadian Technical ~~Wintstax~~ Mission's
visit under Colombo Plan.

A four-man mission of Canadian specialists in co-operative and agricultural training is now in India. The ~~mission~~ mission has been appointed by the Canadian Government to study how best Canada can extend help to India, Pakistan and Ceylon under the Colombo Plan of technical co-operation. The members of the mission are: Mr. H.L. Trueman and Mr. J.E. O'Meara of the Department of Agriculture; Rev. M.J. McKinnon, Director of Extension, St. Francis Xavier University, Antigonish, Nova Scotia, and Mr. R.H. Tremblay, Chief Inspector of the Federation des Caisses Populaires Desjardins, Quebec.

The mission will visit co-operative training institutions, rural development projects and agricultural colleges in India and study how Canada can help in training agricultural technicians and in the development of co-operative marketing. It will also examine to what extent Canada's ~~experiences~~ experience in rural savings and credit is applicable to conditions in India, Pakistan and Ceylon.

(The Hindustan Times, 16 and 24
February, 1953).

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CHAPTER 3. ECONOMIC QUESTIONS.

INDIA - FEBRUARY 1953.

32 . Public Finance and Fiscal Policy.

Central Budget for 1953-54 presented:
Nominal Surplus of 4.5 Million Rupees
estimated: Finance Minister reports
Improvement in Economic Situation.

Mr. C.D. Deshmukh, Minister for Finance, Government of India, presented the Budget for the year 1953-54 to the House of People on 27 February 1953.

The Budget estimates a nominal revenue surplus of 4.5 million rupees for the year 1953-54 after certain tax readjustments, including raising the exemption limit for levy of income-tax, and an overall deficit (including capital account) of 1400 million rupees. The overall deficit is to be met by a 300 million rupees reduction in cash balances and partly by resort to deficit financing through the sale of treasury bills.

The following table shows the main features of the budget for 1953-54:-

Please see table on the next page.

REVENUE

(In Million of Rupees)

	Budget 1952-53	Revised 1952-55	Budget 1953-54
Customs etc. -----	1,650.0	1,770.0	1,700.0
Union Excise Duties-----	860.0	800.0	940.0
Corporation Tax-----	305.5	398.5	366.2
Taxes on Income other than Corporation Tax-----	736.5	735.5	684.8 -4.0*
Opium-----	22.0	19.5	20.0
Interest-----	23.3	25.0	30.5
Civil Administration-----	89.0	117.4	111.8
Currency and Mint-----	103.9	107.7	156.9
Civil Works-----	15.1	14.7	15.3
Other Sources of Revenue----	63.5	104.8	86.9
Posts and Telegraphs - Net contri- bution to general revenues----	11.6	14.0	4.0 +19.0*
Railways - Net contribution to general revenues-----	76.5	76.8	76.5
Extraordinary Items-----	95.3	4.7	184.7
Total - Revenue-----	4,049.8	4,186.4	4,377.6 +15.0*

EXPENDITURE

Direct Demands on Revenue----	157.6	310.5	324.9
Irrigation-----	1.8	1.7	1.9
Debt Services-----	361.6	550.3	371.7
Civil Administration-----	559.8	562.3	712.7
Currency and Mint-----	32.0	30.4	25.7
Civil Works and Miscellaneous Public Improvements-----	149.6	148.2	150.6
Pensions-----	79.5	80.7	83.6
Miscellaneous -			
Expenditure on refugees----	100.9	113.2	126.7
Subsidy on foodgrains-----	150.0	211.1	-
Other Expenditure-----	78.8	126.1	85.4
Grants to States, etc.-----	202.8	230.4	263.7
Extraordinary Items-----	158.6	132.1	244.8
Defence Services(Net)-----	1,979.5	1,927.5	1,998.4
Total - Expenditure----	4,012.5	4,224.3	4,388.1
<u>Surplus (+)</u> -----	<u>+37.3</u>	<u>-37.9</u>	<u>+4.5</u>
<u>Deficit (-)</u> -----			

*Effect of Budget proposals.

Finance Minister's address: Review of Economic situation.- In the course of his budget speech, Mr. C.D. Deshmukh, the Finance Minister, reviewed the economic situation in the country and the extent to which international developments had their repercussions on the Indian economy. Two other events of the year mentioned by the Finance Minister which considerably influenced the preparation of the estimates were the report of the Finance Commission which the Government had accepted and the need for increasing the tempo of development expenditure under the Five Year Plan, now that it would shortly be stepping into the third year of its implementation.

The year 1952-53, the Finance Minister said, witnessed a marked improvement in the economic conditions of the country. Prices on the whole remained steady at lower levels, industrial as well as agricultural production showed an increase, and the balance of payments position became slightly more favourable than that of the preceding year.

After a somewhat precipitate drop during the first four months of the year, the prices became more or less steady, the present fluctuations being within narrow limits. At the end of December, 1952, the general index of wholesale prices stood at 374.5 points as against 432.2 a year back, representing a fall of 13 per cent. This fall has been shared by all commodities, more or less. In the case of food articles, the index at the middle of January this year fell to 355.6 points as compared to 377.6 points in June, 1952.

Food situation.- Referring to the food situation, the Finance Minister said that the stock position during the year showed marked improvement. Certain relaxations in food controls were allowed. These relaxations, he emphasised, were only in the nature of adjustments within the frame-work of the basic policy and did not imply any departure from the policy of general control of foodgrains as long as pockets of scarcity persisted and the need for food imports continued.

Increase in industrial production.- Industrial production, during the year was satisfactory, increase being recorded in jute goods, cotton textiles, steel, cement, paper, caustic soda, power alcohol, plywood, rayon yarn and sewing machines. Jute goods recorded an increase of 69,000 tons while cotton textile reached the record production figure of 4,600 million yards. Steel production rose to 1.15 million tons while cement improved by 300,000 tons. Among essential raw materials, raw cotton and jute showed increase in yield, the figures being ~~3.13~~ 3.13 million bales and 4.68 million bales respectively.

While there was this a general all-round increase in production, certain other industries, particularly handloom and tea faced special difficulties during the year. To help the handloom industry, as a temporary measure of assistance, the production of dhoties by mills had been limited to 60 per cent of the production in the year 1951-52. A Handloom Board had been established recently and legislation was being undertaken to raise funds for assisting the handloom and khadi industries by levying a small cess on mill-made cloth. As regards the tea industry, a team of officials enquired into the conditions of the industry sometime ago and the recommendations made by them had been under discussion with the two State Governments primarily concerned and representatives of the industry. The Government had also taken certain ameliorative measures. A system of guarantees to scheduled and apex co-operative banks with a view to inducing them to extend credit facilities to the tea gardens during the 1953-54 season was announced last December. Reasonable time had been allowed for the payment of the excise duty after the clearance of the tea from the gardens and the smaller growers had been exempted from liability for advance payment of income-tax. A Committee, which will include a member with intimate knowledge of labour problems, was being appointed, with very wide terms of reference to go into the cost structure of the tea industry. The Central Government had also been in consultation with the State Governments in regard to the supply of food to the gardens and some assistance had already been given by the Governments of West Bengal and Assam. The problem of conversion of foodgrains concessions into cash concessions was largely a matter for direct negotiation between employers and labour and it was hoped that a suitable arrangement would be reached at the next meeting of the tripartite Committee on Plantation Labour. There had also been an improvement in the prices of tea and the Government was exploring the possibilities of stimulating the demand for Indian tea in outside countries by more effective propaganda.

Employment situation.- The effect of the fall in prices during the current year on the employment situation as well as on production was constantly being watched, the Finance Minister said. One inevitable consequence of the fall in prices was reduction of income in certain sectors, but more significant, perhaps, was the fact that the possibilities of large or quick profits by traders and middlemen were reduced. "While with production at its present level", the Finance Minister observed, "there is little possibility of any unemployment in industrial labour, the contraction of profits in trade and commerce is perhaps having the effect of creating some measure of unemployment in the

urban areas. Agricultural labour has also not been materially affected by the fall in prices except in the tea gardens where some amount of unemployment seems inevitable if the marginally uneconomic gardens have to close down". The Finance Minister assured the House that "Government will do whatever they can to minimise the extent of distress in this field". Taking a somewhat longer view, he said, it might be hoped that as the various development schemes got under way, increasing scope for employment would be provided.

Balance of Payments position.- The balance of payments position in the first half of 1952, as compared to the position in the previous year, showed an improvement, the deficit on current account having declined from 920 million rupees in last six months of 1951 to 740 million rupees. This improvement was followed during the succeeding three months when a surplus of 280 million rupees was struck. Figures for the subsequent months were not yet available but the trend noticed in the third quarter of 1952 appeared to have been maintained. Dollar position also recorded an improvement. Preliminary figures for the five months of the second half of 1952 ~~for the~~ (July-November) indicated that India contributed about \$63 million to the Central Pool.

Among the reasons for improved balance of payments position were tighter credit policy, a reduction in expenditure generally and positive steps to promote exports. As a result of the tighter credit policy the expansion of bank credit during the busy season of 1951-52 amounted to 1,000 million rupees only which was a little over half that of the previous year. Steps to promote exports included reduction or removal, in certain cases, of export duties, liberalisation of export regulations and increase in the export quotas of certain commodities.

While the balance of payments position did improve during the current year, it was very likely, the Finance Minister said, that the position for the coming months might not be as favourable. He said, "The increase in the export earnings is partly due to a carry-over of orders from the previous period. There has been a further decline in the prices of our principal exports, particularly jute manufactures and oil seeds. A number of countries have also placed restrictions on imports. Lastly, the import policy for the first half of the current year allows for some liberalisation in the imports of a number of items which were restricted hitherto. Food purchases are also likely to increase our external payments".

External finance.- The Finance Minister referred to the decisions taken at the Commonwealth Prime Ministers' Conference, held in November 1952 and said that India's agreement to the decisions taken at the Conference, did not involve adoption of any new policy as India's internal policies were already geared to the tasks laid down by the Conference. "The implementation of the Five Year Plan", he said, "is expected to enable India to play her part in the expansion of world trade and increasing her production. By helping herself India will be helping not only the countries of the Sterling Area but also the rest of the world in the expansion of production and trade".

The Finance Minister next referred to the progress made in India's loan negotiations with the International Bank for Reconstruction and Development and said that two loans - \$31.5 million to the Indian Iron and Steel Company and \$19.5 million for the Damodar Valley Corporation - were negotiated during the year. Negotiations for another loan - to the Industrial Finance Corporation - were expected to be concluded shortly.

The Minister also referred to the assistance received during 1952 from foreign countries, consisting of \$38.35 millions from the United States of America, \$20 millions from Canada, Australia and New Zealand under the Colombo Plan and 6.7 million rupees from Norway, and expressed his appreciation to these friendly nations.

Financial year, 1952-53.- After indicating briefly the main recommendations of the Finance Commission, under which on an average an additional amount of 210 million rupees would be transferred to the State Governments (vide pp. 35-43 of this report), Mr. Deshmukh referred to the revised estimates for the year 1952-53. The revised estimates of the current year showed a deficit of 37.9 million rupees as against a surplus of 37.3 million rupees in the budget estimates. This was due to an increase in expenditure by 211.8 million rupees against a revenue increase of 136.6 million rupees only. The total revenue was estimated at 4,186.4 million rupees against the budget estimate of 4,049.8 million rupees. The improvement in revenue was due to better receipts under Customs and Income-tax.

The revised estimates of expenditure met from revenue showed an increase of 211.8 million rupees over the budgetted figure, the amount being 4,224.3 million rupees against the budget estimate of 4,012.5 million rupees. Defence Services accounted for 1,927.3 million rupees and civil expenditure for 2,297.0 million rupees. In the revised estimates, civil expenditure had increased by 264.0 million rupees mainly because of additional payments to be

made to the States under the Finance Commission's recommendations and increased expenditure on food subsidies by 60 million rupees. A provision of 164.2 million rupees had been made in the revised estimates for payment to the States as their share of the Union Excise Duties on tobacco, matches and vegetable products. Grants-in-aid to the States under Articles 273, 275 and 278 of the Constitution were expected to amount to 29.8 million rupees more than was provided in the budget and would cover increased payments to the States recommended by the Commission.

Budget estimates, 1953-54.- Adverting to the budget estimates for the year 1953-54, Mr. Deshmukh stated that at the existing level of taxation, the revenue for the coming year was estimated at 4,577.6 million rupees, and the expenditure met from revenue at 4,588.1 million rupees leaving a deficit of 10.5 million rupees. Customs revenue had been estimated at 1,700 million rupees while income-tax had been placed at 1,600 million rupees. The Union Excise Duties had been estimated at 940 million rupees. In the revenue estimates, credit had been taken for the recovery from Pakistan of two instalments of its partition debt to India, one instalment representing a carry-over from the current year.

Of the estimated expenditure of 4,588.1 million rupees during the next year, 1,998.4 million rupees will be on Defence Services and 2,589.7 million rupees on the civil side. In regard to defence expenditure, the Finance Minister said that "over-riding considerations" of security of the State prevented any large scale reduction in the size of the Armed Forces but subject to this limitation, economy in expenditure would be assiduously pursued.

On the civil side, expenditure had been estimated to increase by 345 million rupees over that of last year excluding food subsidies and payment of compensation to sugar factories. This increase was mainly due to the need for a larger provision for a number of development items. Among these are 20 million rupees for basic and social education, 60 million rupees for development of handloom industry, 10 million rupees for small scale industry, 40 million rupees for industrial housing, 65.3 million rupees for community projects, 10 million rupees for backward classes, 30 million rupees for local works, 5 million rupees for the National Extension Organisation and 15 million rupees for primary education grants recommended by the Finance Commission.

Capital budget.- As regards capital expenditure, revised capital expenditure for 1952-53 amounted to 490 million rupees plus an amount of 265.7 million rupees transferred to the Special Development Fund.

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Loans to State Governments amounted to 1,170 million rupees against 1,040 million rupees budgetted.

For the next year (1953-54) a total provision of 770 million rupees had been made on capital outlay and 1,310 million rupees for loans to the States, including loans from the Special Development Fund. The provision for capital outlay includes 190 million rupees for Railways, 76 million rupees for Post and Telegraph, 67.5 million rupees for industrial development, 22.5 million rupees for civil aviation, 52.5 million rupees for major ports, 37.5 million rupees as the central share of contribution to river valley schemes, 178.1 million rupees for civil works and 150 million rupees for capital outlay on defence. Loans to States included 103 million rupees for rehabilitation of displaced persons, 110 million rupees for community development schemes, ~~462~~ 462.7 million rupees for river valley schemes and 278.6 million rupees for Grow More Food Schemes.

The Finance Minister explained that the provision of capital expenditure followed broadly the pattern suggested by the Planning Commission. Against a projected expenditure of 20,690 million rupees for the five year period, the total expenditure during the first two years was expected to be of ~~the~~ 6,000 million rupees. The Central budget, he said had been framed "having in mind, among other considerations, the need for raising the tempo of expenditure, so as to secure that in the third year of the Plan the phase of development envisaged by the Commission is, as far as possible, attained".

Ways and means position.- The current year's budget provided for an overall deficit of 760 million rupees to be met from the opening cash balance leaving at the end of the year a balance of 830 million rupees. The revised estimates indicated that the overall deficit will be slightly higher at 830 million rupees leaving a closing balance of 800 million rupees at the end of the year.

For the ~~1953-54~~ year 1953-54, the budget provided for an over-all deficit of 1,400 million rupees. During the year, Government had the option of repaying the three per cent loan 1953-55 with an outstanding balance of 1,150 million rupees. It was proposed, the Finance Minister said, to exercise this option and taking into account this discharge, a market loan of the order of 1,000 million rupees is proposed to be raised. For small savings, a credit of 450 million rupees had been taken. Such additional investments as may be had in view of the special drive that had been launched will accrue to the States under arrangements agreed upon at the Finance Ministers' Conference held in October 1952.

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The overall deficit of 1,400 million rupees, the Finance Minister observed, would more than completely wipe out the closing balance. A balance of at least 500 million rupees was necessary and additional borrowing of 1,100 million rupees had to be secured. "The method and manner in which this additional borrowing should be secured", the Finance Minister said, "can be decided only during the course of the year and with reference to conditions as they develop. For purposes of the budget, I have taken a credit of 1,100 million rupees under treasury bills, so as to leave an adequate closing balance at the end of the year".

Mr. Deshmukh said, "The question may be asked whether in present conditions it is wise to resort to deficit financing on the scale envisaged in the budget for the coming year. I have given the matter the most careful consideration and I am satisfied that taking all circumstances into account we are not taking any undue risk". The development plan for the country set a limit of 3,000 million rupees or so over the five years covered by it to be met by deficit financing, an average of roughly 600 million rupees a year. In the first two years of the plan taken together the overall deficit, will be of the order of 820 million rupees. If the programme of development laid down in the plan had to be carried out, within the broad limits set for the raising of resources, it was necessary to increase the tempo of expenditure in the remaining three years of the plan. Recent trends in the economic conditions of the country also indicated that the inflationary pressures, which had been the besetting difficulty, had been brought under control, and the climate seemed suitable for raising the scale of developmental expenditure. The effect of this on the economy of the country will be kept under constant watch and the Minister assured the House that appropriate measures would be taken to counter-act any unhealthy development.

Taxation Enquiry Committee to be set up.-Before coming to the budget proposals to cover the revenue deficit, Mr. Deshmukh announced the Government's decision to set up a small compact Commission, with specialised knowledge, to conduct a comprehensive enquiry into taxation. Dr. John Matthai had accepted Government's invitation to be the Chairman of the Commission. The terms of reference of the Commission would be very comprehensive and would cover taxation in all its aspects, Central, States and local. Two foreign experts would also be associated with the Commission.

Budget proposals.- Turning to the budget proposals, the Finance Minister said that his task had been made somewhat easier than usual by the relatively small amount of the deficit in the

coming year. He proposed to confine himself largely to "readjustments in taxation" rather than to exploring avenues for additional taxation.

Tax reliefs.- He announced two reliefs in taxation. The export duty on jute sacking would be reduced from 175 rupees per ton to 80 rupees per ton. This reduction would assist the industry in retaining its exports in the world markets. The loss in revenue was estimated at 35 million rupees. His second proposal was to raise the exemption limit for personal income-tax from 3,600 rupees to 4,200 rupees for individuals and from 7,200 rupees to 8,400 rupees for Hindu undivided families. He said that this increase was not merely a measure of relief in taxation but a measure for securing some relief to the income-tax administration. The relatively small assessments were taking too much of the time of the Department and a reduction in their number would enable the Department to give greater attention to cases of the bigger assesses. The change would have the effect of taking away about 70,000 assessments out of a total of nearly 800,000. The loss in revenue was estimated at 8.2 million rupees, of which 4 million rupees would fall on the Centre.

These reliefs in taxation would raise the deficit of 10.5 million rupees to 49.5 million rupees and he proposed to cover it by certain readjustments in import duties and Postal rates.

Changes in import duties.- The changes in import duties mainly related to semiluxury items. Toilet requisites, textiles, crockery, glass and earthenware tiles would pay an increased duty as also motor cars imported in an assembled condition. Precious stones and pearls would pay new duties. The duty on betel nut would also be increased by about two annas a pound; this would assist the indigenous grower in securing a more remunerative market for his crop. Duties on items like penicillin, sulpha drugs, anti-biotics, milk foods for infants and invalids would be reduced. The net result of the changes in the import tariff would be an additional revenue of 35 million rupees.

Changes in Union Excises.- Certain adjustments were also being made in the excise duty on cloth. The present duty on fine and super-fine cloth, which was an ad valorem duty or a specific duty whichever was less, would be replaced by a wholly specific duty. The Finance Minister explained that this change was being made because of administrative difficulties. The revised duty would be three annas three pies per ~~year~~ yard on super-fine cloth and one anna three pies per yard on fine cloth. No increase or deduction in revenue was expected as a result of this change but it would make the task of assessment and collection easier.

Changes in postal rates.- Turning to postal rates the Finance Minister explained how in recent years the expansion of postal facilities in rural areas and the adoption of the Pay Commission's recommendations and measures taken for the improvement of the service conditions had resulted in a loss in the working of postal services. In the four years ended March 1952 the net loss of the postal branch had amounted to 36.1 million rupees. In the current year a loss of 22.5 million rupees was expected while next year it would be 26.8 million rupees. The rates in force had been reviewed with reference to the cost of the services and the charges levied in other countries and certain changes were proposed. The rate for parcels would be raised from six annas to eight annas for every 40 tolas. Postage on book pattern and sample packets would be raised from nine pies for the first five tolas and three pies for every additional one oz. to one anna and six pies respectively. The registration fee would be raised from four annas six pies per article to six annas per article, while the fee for insurance would be raised from four annas to six annas for the first 100 rupees and from two annas to three annas for every additional 100 rupees. These changes were estimated to yield 19.0 million rupees.

The reduction in the export duty on sacking and the raising of the exemption limit for personal income-tax would involve a loss in revenue of 39 million rupees which would raise the deficit from 10.5 million rupees to 49.5 million rupees. The changes in import duties and the increase in postal rates would yield 54 million rupees, leaving a nominal surplus of 4.5 million rupees.

Budget and the five year plan.- Mr. Deshmukh stated that the budget for the coming year had been framed against the background of the Five Year Plan and gave an indication of the progress that would have been made by the end of the budget year in reaching the measure of development envisaged by the Plan. A precise estimate of the progress was not possible but a rough estimate had indicated that in the first two years of the Plan the Centre and the States had spent roughly 6,000 million rupees, divided equally between them. The Central budget for the coming year provided, roughly 2,250 million rupees for developmental expenditure, exclusive of assistance for the State Plans. If the level of State expenditure in the current year were maintained in the coming year the total expenditure on development by March 1954 would reach about 10,000 million rupees, leaving a balance of the same order for the remaining two years of the Plan. He said, "When it is remembered that the level of expenditure in the earlier years of the Plan is bound to be somewhat lower, as expenditure on individual schemes takes

some time to gather momentum, I think it could be fairly fairly said that the progress in implementing the Plan has not fallen short of the target to ~~the~~ reached in the first two years". He hoped that it would be possible, in the very near future, to make a complete survey of the progress made in the first two years of the Plan.

(Text of the Finance Minister's Speech on the Budget for 1953-54).

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Railway Budget for 1953-54 presented:
93 Million Rupees Surplus estimated:
Increase in Passenger Amenities provided
for.

The Railway Budget for the year 1953-54 was presented by Mr. Lal Bahadur Shastri, Minister for Railways and Transport, to the Parliament on 19 February 1953*. The Budget discloses that against a surplus of 234.7 million rupees estimated in May 1952 in the budget for the current year (vide pp.27-30 of the report of this Office for May 1952) the surplus now anticipated is 94.8 million rupees - a drop of nearly 140 million rupees. This drop is chiefly due to a decrease of 126.1 million rupees in earnings - 101.4 million rupees under passenger earnings and 11 million rupees under goods - and an increase of 11.6 million rupees in working expenses.

The budget estimate for 1953-54 provides for a surplus of 93.1 million rupees, which is about the same as that anticipated in the revised estimate of the current year.

Despite this decline in railway "prosperity" the Minister promised more amenities for passengers.

The following table shows the actuals of 1951-52, budget and revised estimates for 1952-53 and the budget estimates for 1953-54:-

	Actuals 1951-52	Budget 1952-53	Revised Estimate 1952-53	Budget 1953-54
(Rupees in Million)				
Gross Traffic Receipts..	2908.2	2821.6	2695.5	2722.8
Working Expenses-----	1943.5	1879.3	1891.0	1912.0
Net Miscellaneous Expenditure-----	47.2	67.6	68.8	70.0
Appropriation to Deprecia- tion Reserve Fund----	300.0	300.0	300.0	300.0
Total-----	2290.7	2246.9	2259.6	2282.0
Net Railway Revenues----	617.5	574.7	435.9	440.8
Dividend to General Revenues-----	334.1	340.0	341.1	347.7
Net Surplus-----	283.4	234.7	94.8	93.1

* Government of India, Minister of Railways. Speech of Shri Lal Bahadur Shastri, introducing the Railway Budget for 1953-54 on 18 February 1953, pp. 24.

Mr. Shastri's address: Railway finances for 1951-52 and 1952-53.— Mr. Shastri, in the course of his speech, gave a brief financial resumé covering the actuals for the year 1951-52 and the revised estimates for 1952-53. In February last year, it was estimated that the year 1951-52 would close with a surplus of 220.6 million rupees, but the surplus for the year was actually better by 62.8 million rupees. As regards current year, as against the budget estimate of 1121.9 million rupees under passenger traffic, the revised estimates for the current year had been placed at 1020.5 million rupees, that is, a reduction of 101.4 million rupees. This reduction was accounted for by a drop of 21.9 million rupees under upper class traffic and 79.5 million rupees under third class traffic. The downward trend in upper class traffic which had been noticeable during the last few years had in this year taken a further sharp turn for the worse. And as against the budget estimate of goods earnings of ~~1458.6 million~~ 1456.6 million rupees, the revised estimate was 1445.6 million rupees, that is, a decrease of about 10 million rupees. Thus the total gross receipts for the current year were now estimated at 2695.5 million rupees involving a decrease of 126.1 million rupees, compared with the budget figure. Besides the original estimate of working expenses, namely, 1876.9 million rupees, was now likely to go up by 11.6 million rupees to 1888.5 million rupees due mainly to the increased provision for repairs and maintenance of railways' assets and installations. As a result of these major variations the surplus in the current year would stand at 94.8 million rupees only, against 234.7 million rupees estimated in the budget, a decrease of almost 140 million rupees.

Budget year 1953-54.— Mr. Shastri said that passenger traffic which had reached its peak in 1950-51, was ~~adjusting~~ adjusting itself to a normal level along with the restoration of the post-war inflationary economy of the country to equilibrium. It was difficult to forecast at what level the passenger traffic will ultimately stabilise itself. But with the anticipated economic development during the Plan period in various fields, a fairly good crop this year and the ~~extension~~ extension of railway lines, it would not be unreasonable to plan the budget estimate for passenger earnings in 1953-54 at more or less the same level as the revised estimate for the current year. As regards goods earnings, a small improvement had been allowed in the next year's estimate, placing it at 1476.0 million rupees, that is, about two per cent above the revised estimate of the current year. There appeared to be a steady healthy trend in the industrial production, and, it was expected that with the Five Year Plan coming into stride, industrial activity should further increase, both

in the public and the private sector. The small improvement anticipated under this head had been arrived at after taking all this into account. No significant variations were expected under other heads of earnings. Based on these anticipations, the budget estimate of total traffic receipts had been placed at 2722.8 million rupees.

The estimate of working expenses had been placed at 1912.0 million rupees, being 21.0 million rupees higher than the figure in the revised estimate of the current year. The increased provision to the extent of about 10 million rupees is for overtaking the arrears of repairs and maintenance of rolling stock, track and other installations and the balance was for meeting the additional expenditure on staff. The cost of additional personnel required in connection with the implementation of the Adjudicator's Award, mainly on railways belonging to the old Indian States, which came under the control of the Centre with effect from 1 April 1950, constituted a major element of the increase in expenditure in the coming year. Including 300 million rupees as appropriation to the Depreciation Reserve Fund and net miscellaneous expenditure of 70 million rupees, the budget estimate for total working expenses will stand at 2282.0 million rupees. The net Railway revenues were thus estimated at 440.8 million rupees, out of which 347.7 million rupees would have to be paid to General Revenues as Dividend under the Convention, leaving a surplus of 93.1 million rupees.

Capital programme.- As regards expenditure on works, machinery and rolling stocks, the budget for 1952-53 estimated for a total provision of 791.0 million rupees. The revised estimate of the outlay on such works was 767.0 million rupees, representing a net reduction of 24.0 million rupees. The saving was due mainly to the slow progress of certain works and a decrease in the stores holding by the Railways. A sum of 4.9 million rupees was provided in the budget for construction of new lines, against ~~which~~ which the revised requirements were 7.4 million rupees. The increase of 2.5 million rupees over the budget provision was mainly attributable to acceleration of the progress of the Sanganer-Deoli extension project on the Western Railway.

Development works during the current year.-Referring to the progress made in the development works carried out during the year, the Minister recounted the following more important works completed or taken up during the year: (i) Deesa-Gandhidham section of the Western Railways, a 170 miles long metre gauge line costing 55 million rupees, was opened by the President in October 1952; (ii) Bijnor-Chandpur-Siau section of the Northern Railway, a dismantled railway line of 22 miles was restored and opened to traffic; (iii) Vasad-Kathana line on the Western

Railway, the restoration of which was expected to be completed this year; (iv) Quilon-Ernakulam (Travancore-Cochin) metre gauge link on the Southern Railway, for the construction of which a start was made in December 1952. This line will also connect the port of Cochin to the important metre gauge system of the South; and (v) Kalyan Power House on the Central Railway extension at a cost of 30 million rupees resulting in the increased supply of electrical energy for railway purposes.

Railways and the Five-Year Plan.- Dealing with the allocation made to railways under the five-year plan, the Minister stated that the Plan assumed an increase of about 10 per cent in freight traffic at the end of 1955-56. The railways, being the most important means of transport, had to respond to the needs of development in both agriculture and industry, and had been allotted 4000 million rupees for the five year period. This sum, while it would enable the pace of rehabilitation and expansion of rail facilities being maintained at a level higher than the previous period, would not be sufficient to meet all the requirements of the railways which were considerable. Out of the total allotment of 4,000 million rupees, the railways had to find 3,200 million rupees from their own resources, but a decrease in their net revenues as a result of the recession in passenger earnings may cut into this amount. If, however, there was to be no further curtailment in the programme, the total allocation of 4,000 million rupees ~~must~~ must be maintained, the bulk of which would go towards rehabilitation and improvement of existing machinery and equipment. The expenditure on the extension of rail facilities during the next two or three years would, therefore, have to be limited to what was absolutely essential. The development of new railway facilities would have to be dovetailed with industrial and other development contemplated in the Plan.

~~Accordingly~~ Accordingly the budget plans for the coming year in regard to railways' works, machinery and rolling stocks programmes has been framed on this basis. The total provision made for the year 1953-54 for works, machinery and rolling stock was 796.1 million rupees including works chargeable to revenue. Of this, about 420 million rupees were for rolling stock and machinery, 366.1 million rupees for works including 67 million rupees for construction of new lines and for restoration of dismantled lines. There was also a provision for 10 million rupees for investment in road services.

The provision for rolling stock and machinery includes a sum of 150 million rupees for new acquisitions of rolling stock over and above the programmed deliveries. Under works, a sum of 13 million rupees has been provided for the Integral Coach Building

Factory, Perambur, which was taken in hand towards the end of 1951-52. The total estimated cost of this project was 40 million rupees approximately, and the factory building was likely to be completed by the middle of 1954. There was also a provision of four million rupees for the completion of the Kalyan Power House Extension and 1.5 million rupees for the construction of new stations, goods and marshalling yards at Alipur-Duar on the North Eastern Railway. A gross provision of 151 million rupees had been made for track renewals, and 1.3 million rupees for complete renewals of bridges washed away by floods in 1952 on the North Eastern Railway. The total ~~provision~~ provision made in the budget on staff quarters and staff amenities ~~and~~ was 48.6 million rupees. Provisions of 5.05 million rupees and 2.53 million rupees have ~~be~~ also been made for the State Railway Collieries and Vizagapatam Port respectively.

Of the 12 dismantled lines, restoration of which was approved by the Central Board of Transport in 1950, two have already been completed, two more will be restored in the present year and seven were nearing completion, while the remaining one, viz., Rohtak-Gohana-Panipat line on the Northern Railway, will be taken up during 1953-54, for which a provision of 2.2 million rupees has been made.

A provision of 18.9 million rupees has been made for the purchase of the Barsi Light Railway. This Railway was a narrow gauge line of about 200 miles long, of which a section of 36 miles known as the Labour Extension already belongs to the Government, while the rest of the line belongs to the Barsi Light Railway Company Ltd.

New lines.— The following new lines were proposed to be taken in hand in the coming year:—

- (1) Khandwa-Hingoli Link, 186 miles long, with a total anticipated cost of 75.0 million rupees. This will provide the necessary link between the northern and southern metre gauge systems and will avoid expensive ferrying of metre gauge stock.
- (2) Rail connection from Gua Barabil area to Manharpur Rourkela section, 31 miles long. The anticipated cost of this line was 35 million rupees and it was essential for the export of iron ore and for the steel expansion schemes.
- (3) Champa-Korba line, 22 miles long. The anticipated cost was 8.8 million rupees. It was required for obtaining good non-metallurgical coal in order to conserve metallurgical coal in the Bengal-Bihar coalfields.
- (4) Gandhidham-Kandla Link, seven miles long. This will cost 5.7 million rupees and was an extension of Deesa-Gandhidham line to Kandla Port which was being developed as a major harbour.
- (5) Gop-Katkola Link, 21 miles long. This will cost 3.4 million rupees and will greatly shorten the present route for transport of limestone and other materials required by local industries. In

addition surveys of seven other projects will also be undertaken in 1953-54, with a view to deciding upon their construction in the near future.

Rolling stock position.- It was a matter for gratification that indigenous production was able to meet the normal annual requirements of the Railways in regard to rails, wagons and coaches. He was anxious to ensure that imports were reduced to the minimum. In fact, the Government had already decided not to import any more coaches except for the commitments already made. As regards locomotives, out of the 239 locomotives acquired, or expected to be acquired in the current year, 36 locomotives would be from Chittaranjan Locomotive Works, which went into production in 1950. These Works have altogether produced 49 broad gauge engines up to the end of December 1952. The actual out-turn had been somewhat less than the target originally fixed, mainly due to difficulties in procurement of certain spare parts which cannot yet be manufactured here. At Chittaranjan at present was making about 70 per cent of the components required for a complete locomotive, and the remaining 30 per cent were still imported. It was expected that, by the end of 1954, all components, except some proprietary and special items will be manufactured at Chittaranjan. The Tata Locomotive and Engineering Company Ltd., which was at present producing metre gauge locomotives, had turned out 35 locomotives up to the end of January 1953. Chittaranjan Locomotive Works and Tata Locomotive and Engineering Co. Ltd., when they reached full production, would between them be in a position to manufacture all the steam locomotives required to cover the normal annual replacements on the Indian Railways.

The question of additions to passenger coaches had continued to receive attention and in 1951-52, 771 new vehicles were put into service, as compared with 479 in the preceding year. To augment the production of passenger coaches, work in connection with the construction of a new coach building factory at Perambur was started in January 1952. When this factory would attain full production, it was expected to turn out 350 all-steel light-weight integral type coach body shells per annum in single shift working. This would add considerably to the indigenous carriage building capacity. The manufacture of wagons was now well established in India for over 30 years, and wagons produced in Calcutta were comparable with the best manufactured abroad. In the Budget year, out of about 11,000 wagons for which provision has been made, about 7,000 will be fabricated in the country and 4,000 procured from abroad.

Success of Railways integration.- Adverting to the effects of the railway system into six zones, the Minister said that some railways had found it possible even in this short period to cater to the conveniences of the public by the extension of the existing train services or by the introducing of new services. It was, however, not claimed that the integrated Railways had settled down in all details. Certain problems, of course, were still arising in their day to day working and they were being dealt with as they arise.

The operating efficiency of the railways had been maintained during the year under review and, in some respects, performance had actually been better than last year. According to the composite index of operating efficiency, the broad gauge railways had recorded an improvement from 100.7 in 1950-51 to 102.8 in 1951-52, while, on the metre gauge, the index of 92.4 in 1950-51 had moved up to 93.6. In regard to punctuality, the percentage of trains not losing time on the broad gauge railways had been 78.4 in the first half of 1952 as against 77.1 in the corresponding period of the previous year. The corresponding figure for the metre gauge system was 81 in 1952 against 74.3 in 1951. The wagon and locomotive usage had also been better on the broad gauge in 1952, but in this respect there had been a slight setback on the metre gauge. Generally speaking, the standard of performance on some of the metre gauge sections had not yet come up to the mark and they were receiving special attention by liberal allocation of funds to provide for increase in rolling stock holdings and improved facilities for repairs and maintenance.

Passenger amenities.- As regards providing amenities for third class passengers, a special drive had been instituted this year. Efforts were also being made to ease overcrowding in trains.

Travel concessions.- The Minister announced that the Railways had been asked to examine the question of providing concession return tickets and introduce them where travel conditions were not likely to be worsened. Certain further concessions for educational tours to school teachers and volunteers of community projects would also be introduced.

Relations with staff.- The Minister reported cordial relations with the workers and their representatives. He said that steps were being taken to put the procedure of selection boards on a satisfactory basis. A Committee of the Directors of Railway has been set up to enquire into grievances of staff in regard to day-to-day administration and to suggest ways and means to effect improvement.

Mr. Shastri said that the permanent negotiating machinery set up on the Indian Railways with effect from 1 January 1952 was functioning satisfactorily and matters not settled at the railway level were being taken up by the All India Railwaymen's Federation and the Indian National Railway Workers' Federation at their quarterly meetings with the Railway Board. Under the negotiating machinery agreed upon, provision existed for the setting up of an ad-hoc Tribunal to which could be referred matters of importance in which no agreement was reached after discussion between the Railway Board and the Federation. The two Federations had been pressing for the setting up of this Tribunal for the disposal of certain issues which were of vital importance from the point of view of the staff and ~~therefore~~ he informed the House that the Government had agreed to the setting up of such an ad-hoc Tribunal. The actual mechanics of setting up the Tribunal and the selection of the Chairman were under consideration and it was hoped that it will be possible to announce the personnel and the subjects to be referred thereto very soon.

The recommendations of the Central Pay Commission had been almost fully implemented on all Indian Railways, including the ex-States Railways which came under the control of the Centre from 1 April 1950. The Joint Advisory Committee's recommendations and the Adjudicator's Award had also been largely carried out on all railways and the residual portion was expected to be completed in the next year, for which ~~adequate~~ adequate provisions had been made in the Budget.

The Minister referred to the poor housing conditions of railway staff and said that progress this year, had on the whole not been unsatisfactory. The total number of quarters which had been built or were being built during the current year was about 8,000, a majority of which was intended for Class IV employees. The provision made in the Budget would enable another 8,000 quarters to be constructed in the coming year. The medical facilities available were also being augmented. There were mobile dispensaries also working on some of the railways which had done very useful work at way-side stations. Associations, clubs, institutes and co-operative societies were springing up for the benefit of all. Schools ~~and~~ had also been financed to a greater extent than before.

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Finance Commission Report: Transfer of
Resources to States recommended: Bigger
allocation out of Union Income-Tax and
Share in Excise Duties.

Mr. C.D. Deshmukh, Finance Minister, Government of India presented to Parliament on 15 February 1953 the Report of the Finance Commission recommending a substantial transfer of resources from the Centre to the States*. Under the Commission's recommendations, the total amount of Central grants and devolution of revenue to the State Governments will be of the order of nearly 860 million rupees for the three-year period 1949-1950 to 1951-1952. Other important recommendations ~~are~~ are: increase in the percentage, from 50 to 55, of the net proceeds of income-tax to be assigned to the States; allocation to the States of a share in certain Union excise duties, namely, those on tobacco, matches and vegetable products; grants to certain less developed States for expansion of primary education; and increase in grants-in-aid by the Centre to Assam, Bihar, Orissa and West Bengal in lieu of their share of the export duty on jute and jute products.

The Finance Commission was appointed by the President under Article 280 of the Constitution. The Commission assumed office on 50 November, 1951, and submitted its report to the President on 31 December 1952. As after the constitution of the Finance Commission, the President has to take into consideration its recommendations before prescribing the grants payable to States under Articles 273 and 275 of the Constitution and ~~has~~ in the allocation of revenue between the Centre and the States, the Commission made an interim recommendation in December 1951 suggesting the continuance of ~~these~~ the then existing arrangements for the year 1952-1953 also, pending formulation of its final recommendations. The Commission has now suggested that except on two points, its recommendations should take effect from 1 April 1952.

States' resources.- The Commission considers that the resources of the State Governments need to be augmented. The various memoranda submitted by the State Governments as well as the discussions that the Commission had with the representatives of the States,

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* Report of the Finance Commission, 1952. pp. 198.

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"have left us in no doubt", the Commission observes, "about the imperative need for a substantial augmentation of the revenues now available" to the State Governments.

"We had, however, to take into account not merely the needs of the States but the ability of the Centre as well to assist the States by the transfer of a large portion of its revenues".

In making its recommendations, the Commission has kept three main considerations in view. First the additional transfer of resources from the Centre must be such as the Centre could bear without undue strain on its resources, taking into account its responsibility for such vital matters as the defence of the country and the stability of its economy. Secondly, the principles for the distribution of grants-in-aid must be uniformly applied to all the States. Lastly, the scheme of distribution should attempt to lessen the inequalities between States.

Income-tax allocation.- Under Article 270 of the Constitution the Commission is required to make recommendations to the President in regard to three matters concerning income-tax namely, (a) the percentage of the net proceeds of income-tax which may be assigned to the States; (b) the manner in which the share so assigned shall be distributed among the States; ~~(a)~~ and (c) the percentage of the net proceeds of the tax which shall be deemed to represent proceeds of the tax attributable to Part C States.

At present, 50 per cent of the net proceeds of income-tax is assigned to the States. The Commission has recommended its increase to 55. The percentage which should be deemed to represent the share of the Part C States has been fixed at 2.75.

The Commission has suggested that the States' share of income-tax should be distributed as follows:-
Assam 2.25 per cent; Bihar 9.75 per cent; Bombay 17.50 per cent; Madhya Bharat 1.75 per cent; Madhya Pradesh 5.25 per cent; Madras 15.25 per cent; Mysore 2.25 per cent; Orissa 3.50 per cent; PEPFU 0.75 per cent; Punjab 3.25 per cent; Rajasthan 3.50 per cent; Saurashtra 1.00 per cent; Travancore-Cochin 2.50 per cent; Uttar Pradesh 15.75 per cent; and West Bengal 11.25 per cent.

After analysing exhaustively the claims advanced by the States for an increased share of income-tax, the Commission has held that the main considerations in determining distribution of income-tax should be, first, a general measure of needs, furnished by population, and secondly, contribution. On a broad view of the position, the Commission proposes that 20 per cent of the States' share of the divisible

pool of income-tax should be distributed among the States on the basis of the relative collections of States and 80 per cent on the basis of their relative population according to the census of 1951. Applying this formula to the collections during the three years beginning March 1951 with certain adjustments for the Part B States, the Commission has recommended the fixed percentage mentioned earlier.

In making the allocation to the States, the Commission has taken into account the population and collections of the "merged areas" (former Indian States) included in the various Part A States. As these States will be receiving their share of divisible taxes on a common basis with all the other States, the Commission has suggested that "the revenue gap grants" which the States of Bihar, Bombay, Madhya Pradesh and West Bengal are now receiving in respect of "merged areas" should be discontinued with effect from 1 April 1952. Part B States will, however, receive their share of revenue or the guaranteed revenue gap grants, whichever is more.

Excise duties. As part of its scheme of assistance, the Commission has made certain specific recommendations for distributing duties. These recommendations can be implemented only when the necessary legislation is enacted by Parliament.

Distribution of Union Excise Duties was not specifically included in the Commission's terms of reference, but the Commission was convinced that it was open to them to suggest such distribution as part of its plan of assistance. A number of State Governments had raised this claim before the Commission.

The Commission, however, does not consider it desirable, at any rate for the present, to distribute all Union Excise Duties. Three such items - tobacco including cigarettes, cigars, etc., matches and vegetable products - are considered by the Commission most suitable for distribution. It has been recommended that 40 per cent of the net proceeds of these duties should be allocated to the States and distribution among them should be made in proportion ~~of~~ to their population.

The shares of the individual States out of the proceeds of these duties will be: Assam 2.61 per cent; Bihar 11.60 per cent; Bombay 10.37 per cent; Hyderabad 5.59 per cent; Madhya Bharat 2.29 per cent; Madhya Pradesh 6.15 per cent; Madras 16.44 per cent; Mysore 2.62 per cent; Orissa 4.22 per cent; PEPSU 1.00 per cent; Punjab 5.66 per cent; Rajasthan 4.41 per cent; Saurashtra 1.19 per cent; Travancore-Cochin 2.68 per cent; Uttar Pradesh 18.25 per cent; and West Bengal 7.16 per cent.

As a corollary to this recommendation the Commission suggests that the present arrangement whereby certain States (viz., Bombay, Madras and Madhya Pradesh) do not levy taxes on tobacco and receive in lieu some compensation from the Centre should be discontinued with effect from 1 April 1955. The States concerned should be left free to levy such taxes as they like.

The Commission has suggested that action to promote the necessary legislation for the implementation of these recommendations should be taken at the earliest possible date and the legislation should be given effect to from 1 April 1952.

Jute export duty.- Under the Government of India Act, 1955, 62 1/2 per cent of the net proceeds of the export duty on jute and jute products were allocated to the jute growing provinces. After partition, which resulted in considerable parts of jute growing area of undivided India being included in Pakistan, the share was reduced to 20 per cent. The Expert Committee on Financial Provisions of the Union Constitution suggested that the export duty should not be shared but grants-in-aid should be given to the States in lieu of the duty for a transitional period.

Under Article 273 of the Constitution grants-in-aid have to be paid for a transitional period to the States of Assam, Bihar, Orissa and West Bengal in lieu of their share of the export duty on jute and jute products. The Deshmukh Award fixed the grants-in-aid to the concerned States at: West Bengal 10.5 million rupees; Assam 4.0 million rupees; Bihar 3.5 million rupees; and Orissa 500,000 rupees.

Under the Commission's recommendations, the grants-in-aid will be: West Bengal 15 million rupees; Assam 7.5 million rupees; Bihar 7.5 million rupees; and Orissa 1.5 million rupees. The Commission suggests that these grants-in-aid should be paid to the States with effect from 1952-53.

Grants-in-aid.- Important recommendations have been made by the Commission on the principles that should govern grants-in-aid by the Centre. After amending the various reasons for which these grants are made, the Commission has suggested certain principles under which grants-in-aid should be made. The most important criterion that the Commission prescribes is the extent of self-help that a State practises. This should determine the eligibility for, as well as the amount of help from the Centre. Secondly, the method of extending financial assistance should be such as to avoid any suggestion that the Central Government has taken upon itself the responsibility for helping the States to balance

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their budgets from year to year. "If the amount of grants-in-aid were to be merely in proportion to the financial ~~position~~ and plight of a State a direct premium might be placed on impecunious policy and a penalty imposed on financial prudence. On the other hand, if a State is eligible for a grant on other grounds, it should not be precluded from this benefit merely because its budget is in order as a result of its sound financial management".

Economy in expenditure practised by the States is another test recommended. Other principles suggested by the Commission are: (a) Grants-in-aid should assist in equalizing standards of basic social services. Factors like the area of a State in relation to its population, economic backwardness, etc., would be reflected in the level of social services and the standard of development of a State and these should be taken into account; (b) A State may be helped to meet a special burden or obligations of national concern, though they may arise within the State's spheres, for example, the strain on the economy and the administration of the State as a consequence of partition, increased responsibility in respect of security, etc.; and (c) Beneficent services of primary importance for which assistance to less advanced States is in the national interest.

General grants.— General grants to individual States have also been recommended by the Commission after considering the financial position of the States and taking into account the increased resources that would be available to them as a result of the Commission's recommendations for the allocation of revenues.

The Commission considers, that Madras, Uttar Pradesh, Bihar, Madhya Pradesh, Hyderabad, Rajasthan, Madhya Bharat and PEPSU are not in need of further assistance, Bombay, West Bengal, Orissa and Saurashtra are treated as "marginal cases" while Punjab and Assam as definitely in need of assistance. For Mysore and Travancore-Cochin the Commission recommends Central assistance mainly with a view to helping them maintain their progress.

Among the States which are "marginal cases" the Commission has recommended no additional assistance for Bombay, taking into account the well developed economy of the State, the size of ~~the~~ its budget and the ~~great~~ resilience of its resources. The proposed withdrawal of the present restriction on taxing tobacco will also leave the State free to raise additional revenue from this source. For West Bengal, a grant-in-aid of eight million rupees has been recommended having regard to its problems arising from partition and the continuous movement of displaced persons from East Pakistan. For Orissa, the present grant-in-aid of four million rupees is raised

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to 7.5 million rupees to give it a margin for further development. Orissa has had a large accession of relatively backward territory in its merged areas and has a substantial element of Scheduled Tribes and other backward classes in its population. For Saurashtra, the grant-in-aid recommended is four million rupees and for Punjab 12.5 million rupees. The Commission considers that the allocation of revenue recommended by it will not meet Punjab's budgetary needs, much less leave any margin for development. The State has also assumed additional responsibilities on account of partition. For Assam, the present grant-in-aid of three million rupees will be raised to 10 million rupees. For Mysore and Travancore-Cochin grants-in-aid recommended are four million rupees and 4.5 million rupees respectively ~~with~~ mainly with a view to help them in maintaining their progress.

Three States, Saurashtra, Mysore and Travancore-Cochin do not benefit from the increased devolution of revenue suggested by the Commission and their revenue gap grants are likely to be higher than their share of revenue.

In the case of Assam, West Bengal and Punjab, the Commission has assumed that the expenditure on relief and rehabilitation of displaced persons will continue to be borne mainly ~~for~~ by the Centre and that no appreciable additional burden will be placed upon these States on ~~their~~ this account.

Primary education.— The Commission has made a new departure in the pattern of general grants-in-aid to the States. Special grants-in-aid have been recommended for expansion of primary education in some of the States, the need for which became apparent during their discussions with the Governments concerned. It has suggested a "modest beginning" in this direction by helping those States where a large leeway has to be made up.

The following States in which primary education is at present comparatively backward have been recommended assistance in the next four years on a gradually rising scale:—

(Please see table on the next page).

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State	1953-54 (Million) Rs.	1954-55 (Million) Rs.	1955-56 (Million) Rs.	1956-57 (Million) Rs.
Bihar-----	4.1	5.5	6.9	8.3
Madhya Pradesh.	2.5	3.3	4.2	5.0
Hyderabad-----	2.0	2.7	3.3	4.0
Rajasthan-----	2.0	2.6	3.3	4.0
Orissa-----	1.6	2.2	2.7	3.2
Punjab-----	1.4	1.9	2.3	2.8
Madhya Bharat--	0.9	1.2	1.5	1.8
PEPSU-----	0.5	0.6	0.8	0.9
Total	15.0	20.0	25.0	30.0

The table below gives a comparative estimate of what each State might, on an average, expect to receive annually under all the ~~recommendations~~ recommendations made by the ~~Finance~~ Finance Commission together with corresponding sums the Part A States received during the three years ending 1951-52 and Part B States during two years ending 1951-52:-

State	Average for years ending 1951-52 (Million Rs. Rs.)	Average under Commission's Scheme. (Million Rs.)
Assam-----	22.1	34.5
Bihar-----	65.5	85.5
Bombay-----	116.0	112.5
Hyderabad-----	12.5	35.9
Madhya Bharat----	0.6	14.6
Madhya Pradesh----	33.5	42.0
Madras-----	85.6	111.0
Mysore-----	34.5	36.8
Orissa-----	20.1	37.4
PEPSU-----	1.6	6.5
Punjab-----	34.3	38.2
Rajasthan-----	1.0	28.9
Saurashtra-----	27.5	30.2
Travancore-Cochin-	32.2	32.3
Uttar Pradesh----	88.8	117.0
West Bengal-----	75.4	96.0
Total	651.2	859.3

The actual sums accruing by way of devolution of revenue will obviously vary from year to year. The sums given in the above table are only by way of indication of the order of sums likely to be received under the Finance Commission's scheme on the present estimates of the yield from the divisible taxes.

The Commission has assumed that its recommendations, if given effect to, would be operative for a period of five years ending 31 March 1957.

Statewise distributions.- Following is a State-wise distribution of grants and devolution of revenue under the Commission's scheme:-

State	Share of Grants- income-tax in-aid and Union Excise	Grants- in-aid under Article 273	General Revenue grants- in-aid under substan- tive por- tion of Article 275(1)	Gap Grants	Primary Education Grants	Grand Total
	(Million) Rs.	(Million) Rs.	(Million) Rs.	(Million) Rs.	(Million) Rs.	(Million) Rs.
Assam-----	17.0	7.5	10.0	-	-	34.5
Bihar-----	73.0	7.5	-	-	5.0	85.5
Bombay-----	112.5	-	-	-	-	112.5
Hyderabad-----	55.5	-	-	-	2.4	55.9
Madhya Bharat-----	13.5	-	-	-	1.1	14.6
Madhya Pradesh-----	39.0	-	-	-	3.0	42.0
Madras-----	111.0	-	-	-	-	111.0
Mysore-----	17.0	-	4.0	15.8	-	36.8
Orissa-----	26.5	1.5	7.5	-	1.9	37.4
PEPSU-----	6.5	-	-	-	0.5	6.5
Punjab-----	24.0	-	12.5	-	1.7	38.2
Rajasthan-----	26.5	-	-	-	2.4	28.9
Saurashtra-----	7.5	-	4.0	18.7	-	30.2
Travancore-Cochin-----	18.0	-	4.5	9.8	-	32.3
Uttar Pradesh-----	117.0	-	-	-	-	117.0
West Bengal-----	73.0	15.0	8.0	-	-	96.0
Total	715.0	31.5	50.5	44.3	18.0	859.3

Government accepts recommendations.- All the recommendations of the Commission have been accepted by the Government. In regard to the recommendations made under Articles 270, 273 and 275(1) of the Constitution, the necessary orders implementing them will be submitted to the President for approval. In regard to the recommendation under Article 272 of the Constitution for the distribution of certain Union excises between the Union and the States a Bill will be introduced in the current session for giving effect to the Commission's recommendation.

The Commission has made two further recommendations: one relating to setting up a small organisation to study State finances and the other for improving the available statistics in regard to income-tax. This organisation, the Commission suggests, should preferably be a part of the Secretariat of the President, make a continuous study of the finances of the State Governments so that whenever future Finance Commissions are constituted they will have sufficient material available to ~~take~~ them at the very commencement of their inquiry. This organisation should work in close liaison with the Finance Ministry.

(The Statesman, 14-February, 1953).

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34. Economic Planning, Control and Development.

India - February 1953.

Damodar Valley Project: First Stage completed:
~~Tilaiya~~ Tilaiya Dam and Bokaro Thermal Station
opened.

Mr. Jawaharlal Nehru, Prime Minister, India, inaugurated on 21 February 1953 the Tilaiya Dam and the Bokaro thermal power station, two of the multi-purpose schemes of the Damodar Valley Corporation. Speaking at the inauguration ceremony the Prime Minister said that the opening of the dam completes the first project in a series of national undertakings that have been planned for the progress and prosperity of the country.

The Tilaiya Dam is one of four to be built under the first phase of development of this valley. Included in this phase are the dams known as Konar, Maithon and Panchet Hill, together with a barrage at Durgapur and a 90-mile irrigation-cum-navigation channel which will link Howrah with the coalfields of West Bengal. The second phase of the Project comprises four more projects details of which still remain to be worked out.

The Tilaiya dam submerges an area of 14,600 acres and stores 320,000 acre feet of water. During rabi, it will help irrigate 75,000 acres and during kharif 24,000 acres. Power generation per annum will be 2.29 million K.W. Begun in 1949, the dam is 94 feet high from the river bed to the road level. With a length of 510 feet, it has abutments which measure 407 ft. on the right and 230 ft. on the left. The width at the base is 127 feet and at the road level 12 1/2 ft.

The Bokaro Thermal Power Station, is one of the biggest plants in the East. Starting with a unit of 50,000 K.W. it will, by June, be equipped with another two units, each of the same capacity. A fourth unit will be installed at a later date. Thus the total capacity of the station will be 200,000 K.W. The plant will run on low-grade coal obtainable at the Corporation's mines, five miles away and brought to the site by an aerial ropeway. The energy produced will be distributed over an area of about 25,000 sq. miles. The small township round Bokaro enjoys all modern facilities including a hospital, post office and a school.

(The Hindu, 22 February, 1953).

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Development of the Andamans: Five-Year Scheme
prepared by Central Government.

A five-year scheme for the development and colonisation of the Andamans has been sanctioned by the Government of India. A note giving the features of the scheme was placed on the table of the Council of States on 18 February 1953 by the Home Minister.

The scheme envisages clearing of 20,000 acres of forest land in the Andamans. The work of clearing forests under the scheme, which began in December 1952, is reported to be progressing satisfactorily.

This cleared land will be made available for paddy cultivation to about 4,000 agriculturist families (20,000 persons) from India during the next five years or so. In addition to the 20,000 acres of cleared paddy land, an equivalent amount of hilly land will be made available to the settlers for being utilised as homestead land, for growing any fruit and vegetables and as pasture for cattle. Each family will thus be allotted about ten acres of land, made up of five acres of cleared land for paddy cultivation and another five acres of uncleared hilly land for horticultural operations etc.

Loan to settlers.- Each family, selected for settlement under the scheme, will be granted a recoverable loan of 2,000 rupees so as to enable them to meet expenditure on house building, purchase of bullocks, agricultural implements, seeds and manure, maintenance till the first crop is harvested and cost of passage to the Andamans. Land revenue may not be recovered during the initial period of the working of the scheme. Thereafter land revenue will be realised at three rupees per acre.

The scheme also envisages building of roads, schools and dispensaries, augmenting of police and revenue staff and provision of other administrative facilities. The total cost of the scheme is expected to be 40.5 million rupees and the anticipated revenue (from sale of timber) 38 million rupees, thus entailing a net outlay of 2.5 million rupees over five years.

It is expected that the scheme will result in an increased food production by 200,000 maunds of rice per year, improvement in local labour supply position, and an all-round increase in general revenue. The settlement under the scheme will be on a co-operative and not on individual basis.

(The Hindustan Times, 20 February 1953).

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Increasing Rice Yield in India: Japanese Methods
of Cultivation to be tried.

Dr. P.S. Deshmukh, Minister for Agriculture, Government of India, announced in a broadcast from New Delhi on 29 January 1953, the decision of the Government of India to launch a nation-wide campaign for carrying out the Japanese methods of rice cultivation in about 225,000 villages. The Minister said that it was hoped to increase India's rice production by 400,000 tons in the next kharif harvest.

Mr. Deshmukh said that paddy was "the sheet anchor of our agriculture" as the majority of India's vast population were rice eaters. It was, therefore, necessary to increase the yield by efficient methods. Increasing the yield of paddy was no mysterious process. It could be achieved by the use of improved seed, proper planting and cultural methods and by the judicious application of fertilisers and manures. In its fundamentals the Japanese method of rice production was merely better agriculture. He said that arrangements had been completed for the widest possible distribution in the rice-growing tracts, of leaflets and small pamphlets, which would be models of simple statement and concise guidance.

He hoped that within the next three or four weeks, this literature written in local languages would be in the hands of village teachers, school children, members of the public and as many literate people as possible, so that they might all help in carrying the message of increased rice production to the largest possible number of cultivators of rice.

He said he was approaching the State Governments to declare holidays at the time of transplantation of seedlings, so that thousands of students and their teachers might help to grow two blades of rice where only one grew before.

"Participation in a national endeavour of this kind is a feature of Japanese paddy cultivation. What Japan has done, surely India can also do", he added.

Other features of the Japanese method of cultivation which would be propagated would include demonstration plots in rice-growing areas, heavy manuring and use of fertilisers, better utilisation of night-soil and farm waste, and use of simple agricultural implements similar to those used in Japan.

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The Minister stated that the Government had decided that short-term loans should be granted in the form of fertilisers, either for straight application or as mixtures to enable an extensive application of fertiliser to irrigated paddy-fields. Under the arrangement the cost of fertilisers would be recovered from the cultivators immediately after the harvest, and the loan repaid to the Government of India at the end of June the following year.

(The Statesman, 30 January, 1955).

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Problems of Tea Industry: Government to set up
Enquiry Committee.

According to a Press Note issued by the Ministry of Commerce and Industry, Government of India, the Government has decided to appoint an expert committee, including a person with an intimate knowledge of labour problems, to investigate into the cost and trade structure of the tea industry.

This is the direct result of the resolution passed by the Industrial Committee on Plantations expressing the view that the official team, which reported on the difficulties facing the tea industry, had not furnished adequate statistical data relating to the industry and labour (vide pp. 100-104 of the report of this Office for December 1952). The resolution suggested that a tripartite commission should be appointed for the purpose. But, while expressing agreement with the view that a thorough investigation is necessary into the cost and trade structure of the industry, the Government has felt that in view of the technical nature of the problem, a committee consisting of experts rather than a tripartite commission will be more appropriate.

The terms of reference of the committee, will include investigation into the cost structure of the industry with a view to suggesting ways and means for revision of the cost structure to bring it in consonance with the present price level and also investigation into the trade structure of the industry to ascertain the co-relation between the auction prices and retail prices of tea to consumers. The personnel of the committee will be announced shortly.

The Plantation Committee had also suggested in its resolution that as emergency measure relief by way of refund of excise duty collected by the Central Government should be given with effect from 1 April 1952, as follows: Cachar, Darjeeling and Tripura three annas per pound; Dooars, Terai and Central Travancore two annas per pound; Assam and Madras States one anna per pound. The Government of India has not been able to

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accept the recommendation regarding refund of excise duty, since, first such a recommendation called upon the tax-payer alone to shoulder the burden unilaterally and secondly, the Government does not favour the grant of indiscriminate relief to all gardens in a particular area without due regard to a garden having suffered a loss or not or to the way in which it had been managed.

Other matters such as the food grains concession are being further examined in consultation with the interests concerned.

(The Hindustan Times, 8 February, 1953).

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Economic Development of Burma: Eight-Year Development Plan Launched.

The Government of Burma has launched a 7,500 million rupees eight-year economic and national development programme which by the end of 1960 is expected to turn the war-damaged and rebel-torn country into a welfare State for its 18 million people. The execution of the plan, the Government hopes, will double the country's national output from 3,500 million rupees to 7,000 million rupees. It will also raise Burma's per capita income from 182 rupees to 340 rupees.

The plan of national economic recovery and development was drawn up by an American firm of economic and engineering consultants and has been accepted by the Burmese Government with modifications.

Local Expenditure.- Under the plan, out of the 7,500 million rupees required for investment during the eight-year period, 5,000 million rupees or two-thirds, will be needed for local expenditure such as payment of wages and purchase of local materials ~~for the purchase of plant and machinery~~ and remainder would be required in foreign exchange for the purchase of plant and machinery and services of technical personnel.

The Burma Government has stated that it would not be difficult to meet all local expenditure fully from domestic resources. This involves trebling the country's local capital formation from the pre-war 300 million rupees to 350 million rupees to about 1,000 million rupees.

Under the tentative schedule, Burma plans to spend 1,000 million rupees in the next two years in the fields of agriculture, water resources, ~~mining~~ mining, industry, power, transport and communications.

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Agricultural projects.- On the agricultural side, the Government plans to reclaim more land and rehabilitate the rice industry and strive for self-sufficiency in pulses, sugarcane, onions, wheat and barley, coffee, vegetables, dairy products and fish and fish ~~products~~ products. About 18 million rupees will be spent on agricultural projects during the current year, according to Government sources. The Government hopes to raise agricultural production in the country from 1,500 million rupees in 1952 to 2,500 million rupees in 1960.

Industrial programme.- The programme for industrial progress includes development of oil, antimony, wolfram, lead and silver deposits in the country. The Government has ordered a full survey into the country's mineral resources. Work is under way to rehabilitate war-crippled Rangoon port to its pre-war capacity by 1956. Preliminary work has also started to rehabilitate and develop Bassein and Akyab on the West coast and Moulmein, Tavoy and Mergui on the east and south coasts.

Four development corporations - agricultural, mining, industrial and transport - are in the process of formation to carry out the plan.

(The Hindustan Times, 18 February, 1953).

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36. Wages.

India - February 1953.

Assam: Increased Wages for Tea Garden Workers.

The Government of Assam, has, by an order issued on 10 February 1953, relieved the hardpressed tea gardens of the statutory obligation of supplying food grains at concessional rates to labourers, and increasing the dearness allowance paid to workers by one anna to two annas per head per day. The management will, however, supply foodstuffs at controlled rates.

The rates of increase in dearness allowance will be: (1) for all tea estates in Cachar by one anna per adult and six pies per minor for each working day; and (2) for uneconomical tea estates in Assam Valley by two annas per adult and one anna per minor for each working day, subject to the condition that in special cases, these increases in dearness allowance may be waived. The existing basic wages will remain unchanged.

These modifications in the minimum wages of tea garden labourers as fixed under the Minimum Wages Act 1946, are "purely temporary".

It has been further directed that managerial or other staff will also undergo such cut in salaries as may be determined by the Government and no increment in salaries will be given so long as the aforesaid minimum wages prevail.

There shall be a reasonable reduction in head office expenses, but not less than 5 per cent of current expenditure.

No dividend would be declared and no commission would be paid as long as these rates remain in force. After meeting previous losses as determined by the Government and building up a reasonable reserve, labour's claim would have to be met first before any dividend was declared.

The Government has appointed a committee to decide whether a garden is uneconomic or not and also to determine cases in which enhancement in dearness allowance is to be waived and impose such conditions as it is deemed necessary.

Industry should not resort to temporary lay-off or retrenchment of labour and short working weeks; that is, they will continue to give employment for six days in a week to the normal working force; and secondly, they should agree to a reasonable leave structure for labourers to be framed later by the Government.

'L' (The Hindustan Times, 12 February, 1953).

Patiala and East Punjab States Union:
Minimum Wages for Agricultural Labour
fixed.

The PEPSU Government, through a Gazette notification, has announced its acceptance of the recommendations of the Committee constituted under the Minimum Wages Act, 1948, in respect of agricultural labour.

Minimum Wages of adult male (whole time servant) agricultural labour has been fixed in districts of Kohistan and Mohindergarh at 250 rupees a year or 21 rupees a month and 300 rupees a year or 25 rupees a month in all other districts of the State, with meals or food grains of equivalent value.

(The Hindustan Times, 21-February, 1953).

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Uttar Pradesh: Bonus to workers in Sugar
Factories for 1951-52.

The Government of Uttar Pradesh has ordered payment of bonus to workers in all sugar factories in Uttar Pradesh in which the recovery during the 1951-52 crushing season was above 9.2 per cent. The order was published in a Government Gazette Extraordinary on 18 February 1953. Payments are to be made within a period of six weeks from the date of the order.

A committee was appointed by the Government to investigate the question of bonus for sugar factory workers for the year 1951-52. The committee has unanimously recommended payment of bonus, and the recommendation has been accepted by the Government.

Bonus will be paid at the following scales:

Up to 100,000 maunds-----	Nil
Over 100,000 and up to 200,000 maunds.	Annas two per maund (for sugar produced).
Over 200,000 and up to 350,000 maunds.	Annas 4 per maund.
Over 350,000 and up to 500,000 maunds.	Annas 6 per maund.
Over 500,000 maunds-----	Annas 8 per maund.

Factories whose recovery for the entire season was below 8.5 per cent are exempted from the operation of this order.

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The order will be enforced for a period of one year in the first instance and the period may, if it is found necessary, be extended from time to time.

(Gazette of Uttar Pradesh, Extraordinary,
18 February 1953, pp. 1-2).

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39. International Economic Relations.

India - February 1955.

India-Indonesia Trade Agreement concluded.

A trade agreement between India and Indonesia was signed at New Delhi on 31 January 1955. The agreement will be applied from 1 January and will come into force after exchange of notes to that effect between the two Governments. It will remain in force till 31 December 1955, and for such successive periods as may be mutually agreed upon before its expiry. The agreement provides for promotion of trade between India and Indonesia in all possible ways.

The schedule of exports from India includes jute goods, tobacco (manufactured and unmanufactured), handloom goods, cotton piecegoods, woollen piecegoods, cement, soap, chemicals and pharmaceutical products, tea chests, sports goods, industrial machinery and handicraft.

The schedule of imports from Indonesia includes copra, coconut oil, palm oil, spices and betelnuts, timber, tin, rubber, barks for tanning and tobacco wrappers.

(The Hindustan Times, 31 January 1955).

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

INDIA - FEBRUARY 1953.

41. Agriculture.

Problems of Surplus Labour in Tea Gardens:
Plantations Committee to Meet on 26 February
1953.

The problem of surplus labour in the Tea Gardens of Assam, would be discussed at a meeting of the Standing Plantations Committee, to be held at Shillong on 26 and 27 February 1953, in pursuance of the decision of the Labour Ministers' Conference held in New Delhi on 6 and 7 February 1953 (vide pp. 1-3 of this report).

The situation in respect of surplus labour has been worsening as a result of the closure of gardens. According to information so far available, more than 100 gardens have been closed in Assam and West Bengal and about 50,000 workers thrown out of employment.

The Committee would consider the situation arising out of the closure of tea gardens. The Committee would also consider what action should be taken to deal with surplus labour. The following suggestions may be examined in this connection:-

- (i) Inter-garden movement of workers should be encouraged for adjusting local surpluses and shortages. This may be done through the Tea Districts Labour Association.
- (ii) Recruitment of outside labour should be stopped and such of the surplus workers as are emigrant labourers should be repatriated in accordance with provisions of the Tea Districts Emigrant Labour Act.
- (iii) Schemes for the ~~the~~ Development of cultivable waste land should be undertaken for absorbing surplus labour.
- (iv) Cottage industries should be promoted so that surplus labour may ~~also~~ be gainfully employed.
- (v) Surplus labour may also be diverted to ~~such~~ employment on public works projects*.

(Press Note dated 17 February, 1953, issued by the Government of India).

* Other developments relating to the problems of tea industry referred to in this report:-
Expert Committee on Tea Industry to be appointed - pp.
Increase in Dearness Allowance for Plantation Workers in Assam in lieu of food grains concessions- pp.

West Bengal: Living Conditions of Tea Plantation Workers in Darjeeling-Terai*.

A study of the living conditions of workers in plantations, was one of the four enquiries undertaken by the Government of West Bengal, mainly with a view to bringing out cost of living indices for industrial areas as it was felt that these indices would help in dealing with the demands of labour for fixing wages in parity with the rise and fall in prices. The scope of the present enquiry includes other items such as income from various sources and housing facilities with the ultimate object of using the results obtained from the enquiry in the determination of minimum wages.

Instead of selecting a certain number of estates and collecting the required number of family budgets at random from those estates it was decided to collect the requisite number of budgets from all the estates excluding those which were far ~~from~~ off from the main cluster of gardens and difficult of access. The number of budgets collected in each of the three blocks of estates into which the area was divided, was in the same proportion as the total number of workers employed in that block bore to the total labour population of area. Within each block the same principle of stratification was adopted viz., the number of budgets collected in each estate was in the same proportion as the number of workers employed in that estate bore to total number of workers in all the estates in the block. The total number of family budgets collected in this way in the Darjeeling-Terai area was 472. As the labourers' dwellings are scattered round about the estates, the selection of budgets in each plantation was made on the basis of muster roll sampling in preference to the tenement method of sampling, taking care to see that not more than one head of the same family was included in the sample.

The enquiry in plantations was started in the middle of 1947 and covered the plantations of (i) Darjeeling-Terai, (ii) Jalpaiguri district and (iii) Darjeeling. The report on the enquiry in the first area viz., Darjeeling-Terai, has recently been published.

* Report of an Enquiry into the Living Conditions of the Tea Plantation Workers in Darjeeling-Terai, West Bengal, 1948, by S.K. Halder, Labour Commissioner, West Bengal. Published by the Superintendent, Government Printing, West Bengal, Government Press, Alipore, West Bengal, 1952, pp.115, price Rs.2-4 or 4sh.2d.

The total area covered by the 44 tea estates that existed in the area was 57,400.79 acres, of which the area under tea was only 20,678.07 acres (or 36.02 per cent of the total area). Of the 44 estates, 15 (covering an area of 25,715.75 acres) were under European management and the remaining under Indian management. The total number of workers employed during the peak period i.e., June-July 1946 was 21,244 of which 9,797 were males, 10,129 females and the rest 1,318 children below 14 years. Of the total labour force 16.51 per cent was bastee labour i.e. labour recruited mostly on a temporary basis from the adjoining villages. The non-working settled population resident with the permanent workers was 10,129, of which 8,245 were women and children.

The field enquiries were conducted in June and July 1948. Out of the 472 family budgets collected, 447 (consisting of 417 families and 30 single budgets) were accepted for final tabulation.

The tea gardens of Terai, as of Jalpaiguri suffer from chronic shortage of labour and ~~has~~ in order to overcome this shortage, recruitment is made through authorised agents of the Indian Tea Association and the India Tea Planters' Association which supply the bulk of the labour force; in addition, garden managers also recruit labour locally. The cost of recruitment per labourer varies from five rupees to 100 rupees for local and outside labourers respectively. The sardar (recruitment-agent) gets 50 rupees for each worker recruited locally. The worker gets, at the time of recruitment a blanket, cooking utensils and rations for a week, free of cost. According to place of origin, the distribution of 417 families was 'Madassias' (i.e. outsiders) 87.05 per cent and the Hillmen (local) 10.79 per cent. Out of a total of 372 families under the former category, 359 (i.e. 91 per cent) hailed from Bihar and the remaining from Central Provinces, Bengal, Orissa, etc.

Wages.- The wage system is based on 'Hazira' and 'doubli'; while the former is the wage fixed for a certain quantum of work prescribed, the latter is an extra-wage for additional work performed. The wages per 'Hazira' were for man six annas, woman five annas and children three annas; dearness allowance was for adults (both male and female), five annas six pies and for children three annas. The dearness allowance was divisible between 'Hazira' and doubli in the following proportions: adults four annas; one anna 6 pies; children ~~two~~ two annas 3 pies; nine pies. Besides basic wage and dearness allowance, the workers were also supplied food stuffs at substantially concessional rates, clothing like dhotis, sarees, blankets, articles like kerosine oil, and umbrella at controlled prices, and free fuel occasionally.

Distribution of food stuffs and other articles was, however, dependent upon supply position and other factors, which varied from garden to garden and from time to time.

Living conditions.- All the workers were provided with free housing accommodation, which consisted of huts, made of bamboo and thatch (pucca houses being almost absent). The average floor-space of these huts was about 190 sq.ft.; 89.2 per cent of the families surveyed lived in these single-roomed huts, which had only a door and were without windows. Besides housing an average of 3.7 persons per family, the hut also was used for keeping pet animals like dogs, goats, etc., which made these dwellings and the surroundings filthy and insanitary. Though ~~the workers~~ some sort of free medical ~~arrangement~~ treatment was provided to the workers, the arrangements for medical aid were not on the whole, up to the required degree of satisfaction. As regards maternity benefit it was often observed that neither the period of benefit nor the amount of allowance was rigidly followed in some gardens and the report calls for an urgent improvement in this state of affairs. The condition of water supply was on the whole, very poor; the sanitation system was not such as to inspire ~~sanitation~~ confidence.

Earnings, Income and Expenditure.- The average size of the worker's family was 4.144, of whom 2.540 were earners. The composition of the family and the earners therein was as follows:-

	Average number of persons in the family.	Average number of earners.
Adults -		
Male -----	1.252	1.122
Female-----	1.223	0.974
Children between 12 and 18 -		
Male-----	0.206	0.158
Female-----	0.288	0.252
Children below 12 -		
Boys-----	0.578	0.015
Girls-----	0.597	0.019
Total	4.144	2.540

The weekly income of an average worker's family was 20 rupees nine annas and one pie of which 11 rupees one anna and six pies was cash income and the remaining nine rupees seven annas and seven pies was income from subsidiary sources. Of the cash income of 11 rupees one anna and six pies, basic wage was four rupees 11 annas, dearness allowance three rupees 6 annas five ~~and~~ pies, overtime allowance two rupees 14 annas 8 pies,

bonus and other payments one anna five pies. Important among the subsidiary sources of income were the value of food concessions (four rupees 15 annas seven pies) and other benefits such as supply of fire wood (one rupee six annas), value of housing given by employers (ten annas seven pies), private income from land, cattle, poultry, etc. (1 rupee nine annas seven pies).

The ~~etc~~ contribution of the family members to the weekly cash income of 11 rupees one anna and six pies was as follows:-

	Rs.	Rs.
Adult-		9 9 3
Male-----	5 8 8	9 9 3
Female-----	4 0 7	
Children(12 to 18 years)-		1 7 0
Male-----	0 8 4	
Female-----	0 14 8	
Children(below 12 years)-		0 1 3
Boys-----	0 0 6	
Girls-----	0 0 9	
Total	11 1 6	11 1 6

The weekly average income and expenditure of a worker's family were 20 rupees nine annas and one pie and 19 rupees 10 annas and three pies respectively, showing a surplus of 14 annas 10 pies per week. The distribution of expenditure according to groups was as follows:-

Groups	Average weekly expenditure	Percentage to total
	Rs. A. P.	
1. Food-----	13 14 6	70.80
2. Fuel and lighting-----	1 9 7	8.14
3. Clothing-----	1 5 6	6.84
4. Household requisites-----	0 2 11	0.94
5. Conventional necessities-----	1 5 5	6.17
6. Miscellaneous-----	1 6 4	7.11
Total	19 10 3	100.00

(Indian Labour Gazette, Vol. X, No. 6, December 1952, pp. 465-469).

CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

INDIA - FEBRUARY 1953.

56. Labour Administration.

Inspection of Mines in India: Report of the Chief Inspector of Mines for 1950*.

The following information relating to the working of the Indian Mines Act, 1923, is taken from the annual report of the Chief Inspector of Mines for 1950.

Number of mines.- During the year 1950, there were 891 coal mines and 1,205 mines other than coal mines at work which came within the purview of the Indian Mines Act. The comparative figures for the year 1949 were 908 and 1,143 respectively.

Number of workers employed.- During the year, the daily average of persons working in and about the mines regulated by the Indian Mines Act was 471,761 as compared with 421,159 in the previous year. This figure includes 27,354 persons employed in the coal mines in Hyderabad, Rajasthan and Kutch States and in all mines in Vinḍhya Pradesh which were not included in the figures given in the report for the year 1949. If this figure is excluded, it will be observed that the total number of persons employed was 23,268 or 5.5 per cent more than in the previous year.

Of these workers, 190,320 worked underground, 114,861 in open workings and 166,580 on the surface. The number of men and women who worked underground, in open workings and on the surface was as follows:-

	Men		Women	
	1950	1949	1950	1949
Underground-----	190,320	166,906	--	--
In open workings-----	70,488	62,873	44,373	38,356
Surface-----	114,447	106,210	52,133	46,814
Total	375,255	335,989	96,506	85,170

* Annual Report of the Chief Inspector of Mines in India for the Year ending 31st December 1950. Published by the Manager of Publications, Delhi. 1952. pp.228. Price Rupees 15, Annas 14.

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If the figures for men and women, viz., 24,727 and 2,607, respectively, employed in the mines in the Hyderabad, Vindhya Pradesh, Rajasthan and Kutch States, which were not included in the figures for 1949, are excluded, it will be seen that there was an increase of 14,539 or 4.3 per cent in the number of men and an increase of 8,729 or 10.2 per cent in the number of women employed.

The daily average number of persons employed in coal mines was 349,889 of which 25,311 persons were employed in mines in Hyderabad, Rajasthan, Kutch and Vindhya Pradesh which were not included in the figure for the year 1949. Excluding the latter figure, there was an actual increase of 6,224 persons or about two per cent in the number of persons employed during the year 1950 in coal mines and as compared with the previous year. Of these persons 67,671 were males employed in cutting coal, 42,834 were males employed as loaders and 57,390 were women.

Although the number of persons employed in coal mines in 1950 actually increased by two per cent as shown above, the quantity of coal produced in 1950 was only 1.4 per cent more than in 1949. The increase in the number of persons employed was due mainly to the increase of workers employed underground in Jharia, Raniganj and Madhya Pradesh coalfields.

The number of persons employed in metalliferous (including mica, stone and clay) mines was 121,872 consisting of 82,756 men and 39,116 women of which 2,025 persons were employed in mines in Vindhya Pradesh and which was not included in the figure for the year 1949. Excluding the latter figure, there was an increase of 17,044 persons or 16.6 per cent in the number of persons employed as compared with the previous year, mainly due to the increase in the number of persons employed in manganese, mica and iron-ore mines.

The distribution of the persons employed in coal and other mines is given below:-

(Please see the table on the next page)

Name of mineral worked.	Average number of persons employed daily		
	Males.	Females	Total
Coal-----	292,499	57,390	349,889
Asbestos-----	180	226	406
Barytes-----	162	131	293
Bauxite-----	642	895	1,537
Clay mines-----	2,150	1,881	4,031
Chromite-----	659	268	927
Copper-----	3,447	208	3,655
Diamond-----	1,420	603	2,023
Gold-----	73	-	73
Graphite-----	131	71	202
Gypsum-----	748	390	1,138
Kyanite-----	647	292	939
Iron Ore-----	11,317	6,062	17,379
Limestone-----	9,098	6,206	15,304
Magnesite-----	1,265	554	1,819
Manganese-----	18,919	16,033	34,952
Mica-----	27,329	3,681	31,010
Slate-----	580	58	638
Steatite-----	378	133	511
Stone Mines-----	5,306	1,284	6,590
Miscellaneous mines--	305	160	465
Total--	375,255	96,506	471,761

Absenteeism.- From June 1950, monthly figures of absenteeism among the persons employed in coal mines were collected. The overall percentage of absenteeism in the various coalfields during the months of June to December 1950 as compiled from those returns, is shown below:-

Name of the coalfield.	Percentage of absenteeism during the month of						
	June	July	August	Sept- ember	Octo- ber	Nov- ember	Decem- ber
Jharia-----	11.8	12.1	11.6	10.8	10.2	12.7	11.3
Raniganj-----	14.8	13.6	14.4	12.5	14.5	15.3	13.1
Bokaro-----	10.8	15.7	14.0	-	16.4	14.6	14.9
Giridih-----	18.5	24.0	23.7	25.7	26.5	12.7	25.4
Orissa-----	12.7	13.9	15.1	13.6	11.6	14.6	16.5
Madhya Pradesh-----	15.4	13.2	14.8	15.8	14.3	16.4	12.1
Hyderabad-----	9.9	10.1	12.0	11.3	11.7	10.1	14.1
India-----	14.0	14.3	13.6	13.6	14.2	14.5	12.7

Production during 1950.- The following table shows the output of certain minerals during 1950 and their value:-

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Mineral	Total output 1950.	Value in Million Rupees.
Coal-----	52,296,713 tons	466.68
Iron ore-----	2,734,635 tons	14.22
Manganese-----	769,579 tons	39.82
Gypsum-----	28,778 tons	0.41
Magnesite-----	48,524 tons	0.78
Chromite-----	9,099 tons	0.38
Copper ore-----	360,309 tons	12.03
Mica-----	132,160 Cwt.	18.11
Limestone-----	2,268,012 tons	6.66
Stone-----	526,189 tons	2.50
Clay-----	151,049 tons	1.90

The total value of the mineral produced during the year was 568.61 million rupees.

Per capita output in collieries.- The report states that there has been much extraneous work in coal mines, which has really no direct connection with coal production and it is, therefore, considered that the most equitable comparison of per capita output would be to give the output for coal cutters and loaders employed underground and in open workings and for the total number of persons employed underground and in open workings as detailed below:-

	<u>Per capita annual output in tons</u>			
	<u>Coal-cutters and loaders employed underground and in open workings</u>		<u>All persons employed underground and in open workings.</u>	
	1950	1949	1950	1949
Indian Republic----	292	264	152	157
West Bengal and Bihar	292	260	154	157
Assam-----	311	280	158	140
Madhya Pradesh----	315	312	160	166
Orissa-----	303	327	95	97
Hyderabad-----	270	--	119	--

The overall per capita output was 92 tons during the year 1950 as compared with 94 tons in the previous year.

Accidents.- During the year 1950, at mines regulated by the Indian Mines Act, 1923, there were 238 fatal accidents in which 273 persons were killed and 40 persons seriously injured, as compared with 270 persons killed and 46 persons seriously injured in 227 fatal accidents during 1949.

In addition to the fatal accidents, there were 1,976 serious accidents involving injuries to 2,055 persons, as compared with 1,524 serious accidents involving injuries to 1,558 persons in the previous year. The serious accidents reported are those in which an injury has been sustained which involves or in all probability, will involve the permanent loss or injury to the sight or hearing, or the fracture of any limb, or the enforced absence of the injured persons from work over a period exceeding 20 days.

The ~~number~~ number of men and women involved in both fatal and serious accidents was 261 men and 12 women ~~involved in both~~ killed and 1,960 men and 115 women seriously injured.

As regards fatal accidents, in 21 cases one ~~person~~ person was killed and one seriously injured; in two cases one person was killed and two seriously injured; in two cases one persons was killed and three seriously injured; in nine cases two persons were killed; in three cases two persons were killed and one seriously injured; in one case two persons were killed and four seriously injured; in one case three persons were killed and one seriously injured; in two cases four persons were killed; in one case four persons were killed and one seriously injured; in one case six persons were killed and in one case seven persons were killed.

In the serious accidents, there were three cases in which four persons were seriously injured; in six cases three persons were seriously injured and in 35 cases two persons were seriously injured.

The proportion of accidents in underground, in open workings and on the surface and the death and serious injury rates per thousand persons employed were as follows:-

	Number of accidents.		Number of persons killed.		(Death Rate) per 1000 persons employed.		Number of persons seriously injured.		Serious injury rate per 1000 persons employed.	
	Fatal	Seri-ous.	Men	Women	Men	Women	Men	Women	Men	Women
Underground-----	189	1,398	221	--	1.25	--	1,477	--	8.2	--
Open Workings-----	19	68	19	3	.27	.07	64	11	9.2	.25
Surface-----	30	511	21	9	.20	.17	419	102	3.85	2.00

Compared with the previous year, there was a decrease in the death rate in men employed underground and on the surface and women employed, and an increase in the death rate in men employed in open workings. There was an increase in the serious injury rate in both men and women employed.

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The causes of fatal accidents have been classified as follows:-

	1950		1949	
	Number of fatal accidents	Percentage of total	Number of fatal accidents	Percentage of total
Misadventure-----	175	73.53	157	69.17
Fault of deceased--	20	8.40	16	7.05
Fault of fellow workmen--	6	2.52	9	3.96
Fault of subordinate official and staff.	25	10.50	28	12.53
Fault of management-	12	5.05	16	7.05
Faulty material-----	--	--	1	0.44
Total	238	100.00	227	100.00

Of the 2,053 persons seriously injured in serious accidents, there was no case of permanent total disability. Eighty-five persons were permanently partially disabled and 1,948 persons were only temporarily disabled.

In addition, it was reported that 15,616 persons received minor injuries which necessitated the enforced absence from work for a period exceeding forty-eight hours.

Death rates and serious injury rates.- The death rate per 1,000 persons employed above and below ground in all the mines was 0.60, as compared with 0.64 in 1949 and 0.69 in 1948. It was the lowest recorded death rate since the introduction of the Indian Mines Act, in 1901. At coal mines, the rate was 0.72, as compared with 0.75 in 1949 and 0.82 in 1948. At mines other than coal, the rate was 0.26, as compared with 0.30 in 1949 and 0.23 in 1948.

The serious injury rate per 1,000 persons employed above and below ground was 4.47 in all the mines as compared with 3.70 in 1949. At coal mines, the rate was 5.23, as compared with 4.44 in 1949, and at non-coal mines the rate was 2.38, as compared with 1.40 in 1949.

Welfare measures including medical and health facilities.- The report also gives an account of the welfare activities and activities connected with health, sanitation and medical relief in the coal and mica mining areas during 1950. These activities have already been summarised in the monthly reports of this Office, references to which are given below:-

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Welfare activities in:

Coal Mines, 1949-50	pp.60-64 of the report for March 1951.
Coal Mines, 1950-51	pp.34-35 of the report for June 1952.
Mica Mines, 1949-50	pp.58-61 of the report for October 1950.
Mica Mines, 1950-51	pp.42-46 of the report for October 1951.

Coal mines provident fund.- During the period under review, the Coal Mines Provident Fund Scheme was extended to the mines in Assam and Talcher with effect from 1 January 1950 and to those in Rewa and Korea from 1 April 1950. The question of its extension to the coal mines in Hyderabad, Rajasthan and Saurashtra is under the consideration of the Government of India. Up to the end of December 1950, a sum of about 17.35 million rupees had accrued to the Fund.

Working of the Mines Maternity Benefit Act.- During the year 1950, a total of 682 inspections of mines other than coal mines were made by the junior labour inspectors of mines in connection with the enforcement of the provisions of the Mines Maternity Benefit Act and Rules made thereunder.

Almost all mines other than coal mines in the States of Madhya Pradesh, Uttar Pradesh, Ajmer and Merwara, Madras, Bombay, West Bengal, Bihar and Orissa were inspected during the year under review.

Out of the total number of 59,116 women employed in the mines 2,350 claimed benefits under the Act. Of these 1,902 were paid full maternity benefit to the extent of 78,332 rupees. The total amount paid was 94,466 rupees.

Inspection.- During the year, 1,775 mines were inspected, many of them being inspected several times; 5,783 separate inspections were made. The causes and circumstances of nearly all fatal accidents and serious accidents of importance, and all complaints of breaches of regulations and rules were investigated. Many inspections were made at the invitation of mine-owners, superintendents and managers desirous of obtaining advice on safety matters. In the major coalfields a large proportion of the time of the inspectors was occupied in investigating cases of actual or threatened damage to dwelling houses and roads by reasons of the underground working of coal mines, in dealing with underground fires, and in examining protective works against the risk of inundation. In addition, a large number of inspections of the sanitary conditions at mines were made by medical officers as Ex-Officio Inspector of Mines.

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Working of the U.P. Shops and Commercial Establishments Act for the Year 1950*.

According to the report on the working of the U.P. Shops and Commercial Establishments Act, 1947, for the year 1950, the work of enforcement of the Act was easier during the year 1950 as the provisions of the Act gained further publicity among the employees and employers. Although requests for extension of the Act to certain towns were received, it was not possible to extend the operation of the Act to these places, on account of non-availability of staff.

During the year, the Act was extended to Rampur ~~xxxxxxxxxxxxxx~~ with effect from 1 May 1950 as a consequence of its merger in Uttar Pradesh.

There was no major change in the machinery for the administration of the Act, as compared to the previous year. The ex-officio inspectors appointed in Dehra Dun, Naini Tal, Hapur, Mussoorie, Farrukhabad, Fatehgarh, Muzaffarnagar, Saharanpur, Mathura, Hathras, Firozabad and Kanauj, naturally could not devote as much time to the enforcement as the whole-time officers could.

Inspections.- The total number of inspections carried out by 15 whole-time inspectors of the department was 36,874 as against 32,348 carried out in the preceding year. This gives an average of 2,836 inspections per inspector in a year. In addition to these the deputy chief inspector of shops also carried out 329 inspections of individual shops and commercial establishments in different parts of the State. The labour inspector at Rampur carried out 248 inspections and the resident labour inspectors at Hathras, Firozabad and Saharanpur carried out 593, 498 and 451 inspections respectively. The aggregate of total inspections came up to 38,993 as against the total of 38,248 in the preceding year.

Prosecutions.- As far as possible, educative and persuasive methods were continued to be adopted in the enforcement of the Act. The irregularities detected during the course of inspections were brought to the notice of the employers and adequate opportunities were given to them to comply with the provisions of the law.

*Annual Report on the Working of the U.P. Shops and Commercial Establishments Act for the year 1950. Published by the Superintendent, Printing and Stationery, Allahabad, Uttar Pradesh, India, 1952. pp.6 price ~~Ann~~ Annas two.

In many cases five or six warnings were given but when these warnings had no salutary effect, recourse to legal action was taken. The total number of prosecutions launched during the year under review was 622 as against 334 in the previous year. The increase in the number of prosecutions is not due to any change in the policy adopted by the department but is due to the fact that a large number of employers failed to act in accordance with the provisions of the Act in spite of repeated instructions.

The total amount of fines imposed in cases in which convictions were obtained was 7,507 rupees which gives an average of 14 rupees per case. The fines levied continued to be far from deterrent on the whole, and the report states that unless severe punishment is meted out to habitual offenders, it would be difficult to enforce the law efficiently.

Exemptions.- Apart from general exemptions given during festivals, motor transport services in Uttar Pradesh were exempted from the provisions of sections 6, 10 and 11 of the Act. Exemptions were also granted to 'Pakai Bhattis' at Firozabad from the provisions of section 10 and to Banaras silk weaving industry from the provisions of sections 10 and 12 of the Act for a limited period.

Complaints.- The total number of complaints brought forward from the preceding year was 175 and 1,934 complaints were received during the year under review bringing the aggregate to 2,109. Out of these, 1,966 complaints were finally disposed of and 143 are still under investigation. The majority of the complaints related to wrongful discharges and non-payment of wages.

57. Family Budgets Including Nutrition.

India - February 1953.

All India Average Working Class Cost of Living Index: Labour Bureau compiles interim Series.

The Labour Bureau, Ministry of Labour, has compiled an interim series of All-India Average Working Class cost of living index numbers. These series, the manner in which these have been compiled and a note on the scope and method of construction have been published in the Indian Labour Gazette, Vol.X, No.6, December 1952.

The following table gives the interim series of all-India average working class cost of living index numbers for the year 1945-1952.

(Base: 1944 = 100)

1945 (Average)	100
1946 (Average)	106
1947 (Average)	120
1948 (Average)	154
1949 (Average)	138
1950 (Average)	138
1951 (Average)	144
1952	
January	142
February	140
March	135
*April	141
*May	140
*June	140
*July	142
*August	143
*September	143
*October	144

*Provisional

The basis of the Index will be under constant review with a view to effecting improvements from time to time. The scope and method of construction of this interim series are briefly discussed below:

Base period.— As decided by the Committee on All India Cost of Living Index, set up for this purpose by the Government, the base period of the proposed series of All-India Average Working Class Cost of Living Index Number is the calendar year 1944. This does not involve any ~~adjustment~~ adjustment in the case of Labour Bureau series of working class cost of living index numbers as they are already compiled with base 1944. The State series being constructed on

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differing base-periods, have, for the purpose of compiling the All-India-Series, been computed on base 1944 = 100 by simple arithmetical conversion.

Component series.- With regard to the selection of component series the Committee recommended that the list of centres to be included in the All-India Series should be examined on the basis of the following considerations, viz., (a) as far as possible every State including Part B and Part C States should be represented, and (b) the centres included in each State should account for a fair proportion of employment in that State and also in the context of All-India employment. Fifteen centres for which the Labour Bureau compiles working class cost of living index numbers and nine centres for which similar index numbers are compiled by respective State Governments have been included in the list of centres actually selected for the All-India series. The remaining two Labour Bureau series for Jharia and Mercara which are the mining and plantation centres respectively have not been included. All the Part A States have been represented in the list. Some of the Part B States such as Saurashtra, Vindhya Pradesh, Rajasthan, PEPSU, and Madhya Bharat do not have any working class cost of living index number as yet and, therefore, could not find a representation in the list. Working class cost of living indices are available for Hyderabad, Mysore City, Ernakulam and Trichur, but these are compiled only from July 1946 and hence they could not be included in the All-India Series in a straight-forward manner. Thus the States of Hyderabad and Travancore-Cochin also could not be included in the list whereas Mysore State is represented by Bangalore. Of the Part C States, only Delhi and Ajmer have index numbers and these have been included.

Weights for component series.- The All-India-Index has been compiled by working out a weighted average of the final indices of each component series. For States for which more centres than one have been chosen, the indices for the centres within a State are averaged first to yield a State Index and all the State-Indices in their turn are then averaged to yield the All-India-Average Index. The recommendation of the Committee on the question of weighting was as follows: "The basis of weightage to be taken ~~for~~ for each State would be the total factory employment in that State, due allowance being made for the changes in the volume of employment resulting from the partition. In regard to individual centres in a State the ~~the~~ weight to be taken would wherever possible be proportionate to the factory employment in the area to which the individual index number included in the series caters in practice".

It was not possible to ascertain the factory-employment to which a particular component series caters in practice and as such, weights for the centres within

a State were based on the factory-employment at those centres only. The factory-employment is measured by the total number of workers employed in 1944 in the factories registered under the Factories Act, 1934. The number of workers was, of course, corrected for the effects of partition.

A weighted average of all the component series of index numbers (reduced to base 1944 = 100) for a month is thus calculated to yield the All-India-Average, the weights being the blown-up factory-employment at each centre. The 'blown-up factory-employment' is arrived at by distributing total State-employment-figure over the centres selected within the State in proportion to the factory-employment at each centre. The use of blown-up factory employment at each centre as weight has the same effect as if the All-India-Average-Index is compiled in the two stages, as explained above.

(Indian Labour Gazette, Vol. X, No. 6,
December 1952, pp. 449-454).

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58. Social Conditions.

India - February 1953.

Centres for Training of Social Education
Organisers to be opened.

A two-day conference of Directors of Social Education Organisers' Training Centres was held at New Delhi on 12th February 1953 under the chairmanship of Mr. S.K. Dey, Community Projects Administrator.

The conference considered a scheme for the training of social education organisers in community projects. Five centres will be established for the training of social education organisers. These will be Nilokheri, Hyderabad, Gandhigram, Shantiniketan and Allahabad.

The centre at Nilokheri will serve Punjab, Uttar Pradesh, Madhya Bharat, PEPHU, Rajasthan, Ajmer, Bilaspur, Delhi and Himachal Pradesh. The Hyderabad centre, which will be under the auspices of the Tata School of Social Sciences, will cover Bombay, Madhya Pradesh, Hyderabad, Saurashtra, Bhopal and Kutch. The Gandhigram centre will train social education organisers from Madras, Mysore, Travancore-Cochin and Coorg. Under Shantiniketan University's auspices, the fourth centre will serve Assam, Bihar, Orissa, West Bengal, Tripura, Manipur and the North-East Frontier Agency.

At Allahabad chief social education organisers from all community project areas will be trained, the centre being under the auspices of the Allahabad Agricultural Institute.

(The Hindustan Times, 13 February 1953).

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CHAPTER 6. GENERAL RIGHTS OF WORKERS.

INDIA - FEBRUARY 1953.

66. Strike and Lockout Rights.

Industrial Strikes during 1952.

Answering a question in the House of the People on 18 February 1953, Mr. V.V. Giri, Labour Minister, Government of India said that the total number of stoppages of work recorded during the period January to November 1952, was 891, involving 785,886 workers and a time loss of 3,172,991 man days. The principal industries that suffered by these stoppages, were textiles, engineering, minerals and metals, food, drink and tobacco, wood, stone and glass, mines, transport, docks and ports and plantations. Bombay, Madras, West Bengal and Uttar Pradesh were the worst-affected stations by such strikes.

(The Hindustan Times, 19 February 1953).

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68. Labour Courts.

India - February 1953.

Definition of the term 'Industrial Dispute':
Appellate Tribunal's judgment.

A full Bench of the Labour Appellate Tribunal of India, presided by Mr. F. N. Majumdar, has decided that a dispute between an individual workman and his employer, on matters connected with his employment or non-employment or on the terms of employment or conditions of labour, comes within the meaning of an industrial dispute as laid down in Section 2(k) of the Industrial Disputes Act, 1947.

This important question about which divergent views have hitherto been held by the High Courts as well as by Industrial Tribunals was discussed by the Full Bench for several days when arguments both for and against this contention were heard. The decision of the Bench was conveyed in a judgment delivered in Calcutta on 20 February 1953.

It was stated in the judgment that employers who appeared before the Bench held that the object of the Act was to prevent disturbances in industry and that the terms of the Act imported ideas of collective bargaining, collective wrong and collective approach. They felt that it was contrary to the object of the Act for a workman to raise a dispute about himself personally; he could only do so through a union or body of workmen espousing his cause.

There was, however, according to the judgment, a lack of unanimity amongst the different trade unions which had appeared before the Bench. One section supported the employers' view asserting that the object of this Act and of all labour legislation in India was intended to foster collective action. The other section contended that the Act had to be interpreted in the light of existing conditions, namely, that the labour movement in India was still in its infancy. This section held that there was no labour unity - an indispensable ingredient for collective bargaining - in the country, and that the legislature could not have intended to exclude the right of the individual personally to raise a dispute about himself.

Definition of term. - Before coming to its ~~section~~ decision, the full Bench considered the definition of the term "industrial dispute", as given in the Act against the other provisions of the Act to see whether in view of these latter provisions the words of the definition must be given a restricted meaning. The Bench also considered various decisions of Indian High Courts and Tribunals and also cases in

Australian courts. The reference to Australian ~~law~~ decision was made because the language and scope of the Australian and Indian statutes were similar.

There were seven outstanding appeals against awards made in industrial disputes between employers and individual workmen. The Full Bench authorised the Tribunals hearing these appeals to take into consideration the decision now given when giving their judgments.

(The Statesman, 22 February 1953).

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CHAPTER 8. MANPOWER PROBLEMS.

INDIA - FEBRUARY 1953.

81. Employment Situation.

Employment Exchanges: Working during
December 1952.

According to the report of the Directorate of Employment Exchanges for December 1952, a steep fall in the number of vacancies notified to employment exchanges, the continued fall in placings and a rise in the live register of unemployed during the month indicated that the employment situation in general continues to deteriorate. The number of placements through exchanges was the lowest since April 1950 and the total number of registered unemployed was the highest on record. Taking the country as a whole there were few positive signs of any likely improvement during the coming months and it would appear that the only hope of improvement lies in the major projects launched by the Government of India. There was nothing to indicate any likely expansion in the private sector.

A shortage of stenographers, draughtsmen, trained teachers and compounders continued to be widespread. A number of exchanges experienced difficulty in meeting demands for doctors, typists and electricians. A surplus of motor drivers, clerks and unskilled office workers was reported by a number of exchanges.

Registration and placings.- The following table shows registrations for employment and placings during November and December 1952.

	December 1952	November 1952
Registrations-----	126,645	127,996
Placings-----	25,155	27,101

Of these registered 9,068 were displaced persons, 7,600 were ex-Service personnel and 8,553 discharged Government employees. There has been an overall decline of 1,251 in registrations as compared to the preceding month. A considerable fall in registrations was recorded in Uttar Pradesh (3,656), West Bengal (1,522), Assam (925), and Hyderabad (766). The employment exchanges in Bombay, Delhi and Punjab regions on the other hand showed an increase of 2,005, 1,545 and 1,254 respectively as compared to the previous month.

Of those placed 1,240 were displaced persons, 1,155 were ex-Service personnel and 798 were discharged

Government employees. A total of 11,419 were placed with private employers and 13,716 in Central and State Government establishments. Placings during the month showed a fall of 1,966 as compared to the previous month. The fall was comparatively large in Uttar Pradesh (1,535), West Bengal (543), Bombay (495), Delhi (457) and Bihar (414) regions. An increase in placements on the other hand, was recorded by the exchanges in Hyderabad (930), Orissa (377), and Madras (207).

Placings by wage groups.- The following table shows the placings classified by wage groups.-

<u>Wage groups</u>	<u>Number placed</u>
101 rupees and above-----	1,892
61 rupees to 100 rupees-----	7,943
30 rupees to 60 rupees-----	14,519
Below 50 rupees-----	981

Vacancies notified and submissions.- The number of vacancies notified by employers during December 1952 was 27,880 as compared to 35,482 during November 1952, that is, a fall of 5,602. Of the vacancies notified 14,546 were by Central and State Government establishments and 13,334 by private employers. There was a fall of 5,445 in the Government and 157 in the private sector as compared to the previous month. There was an increase in the vacancies notified in the regions of Hyderabad (649), Orissa (269) and Assam (268). On the other hand, Uttar Pradesh, Bihar, West Bengal and Delhi, Ajmer and Rajasthan regions recorded a fall of 4,769, 782, 579 and 345 respectively. The number of persons submitted to employers during December 1952 was 73,885 as against 85,639 during the preceding month.

Employers using exchanges.- The number of employers who used the exchanges during December 1952 was 5,245 as compared to 5,711 during November 1952.

Employment of highly qualified applicants.- A total of 857 applicants of the appointments branch standard (applicants possessing high technical, scientific or professional qualifications and experience of supervisory or administrative work) were registered during the month as compared with 724 during the previous month; 98 were placed in employment as against 126 during the previous month.

Placement of scheduled caste or tribal applicants.- The number of scheduled caste applicants registered by the employment exchanges during December 1952 was 13,326 as against 13,629 in November 1952. A total of 3,455 such applicants were placed in employment during the month under report. Among those placed 1,070 were in Central Government vacancies, 619 in State Government vacancies and 1,766 in other vacancies.

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The number of scheduled caste applicants submitted to employers during the month was 8,561. Two hundred and fortyone vacancies reserved specifically for such applicants were notified to employment exchanges during December 1952 as against 285 in November 1952. A total of 40,795 applicants of this category remained on the live registers of exchanges at the end of the month, of whom 3,017 were women.

The number of applicants belonging to scheduled tribes registered by the employment exchanges during December 1952 was 1,217 as against 1,192 during in November 1952. Two hundred and sixty-nine such applicants were placed in employment during the month. The employment exchanges in Bihar region registered 743 and placed 179 applicants in employment during the month under report. Thirtyfour vacancies reserved specifically for this category of applicants were notified during the month. A total of 2,604 such applicants were on the live registers of the employment exchanges at the end of December 1952.

Re-employment of surplus or retrenched Government employees.— During the month 9 fresh secondary employment index cards in respect of surplus/retrenched Central Government Gazetted and Commissioned Officers were included in the all India special register set up for them. The total number of applicants on the special register on the last day of December was 307 including 178 ex-Commissioned Officers of the defence services. Of the total, 201 were ex-Class I Officers and the remaining 106 ex-Class II Officers.

Twentyfive vacancies recruitment to which is normally required to be made through or in consultation with the Union Public Service Commission were notified by the various Ministries during the month. Most of these related to engineers, doctors, research officers and other technical officers who are in short supply. Twentyone submissions were made against the notified vacancies and non-availability certificates were issued in respect of 18 vacancies. Besides, 23 submissions were made against the vacancies advertised by the Union Public Service Commission. Two applicants from the special register were placed.

Seven hundred and ninetyeight discharged Government employees were placed in employment during the month under report as compared with 702 during the previous month. The number of registrations was 2,564 as against 2,497 during the previous month. Of those found employment 542 were discharged Central Government employees and 256 discharged State Government employees. At the end of December, the number of discharged Government employees still requiring employment assistance was 8,533 as against 8,598 at the end of previous month.

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Employment assistance to women.- There was an increase in the number of women placed in employment and a decline in registrations. One thousand six hundred and fiftysix persons were found employment during the month as compared with 1,584 during the previous month. The number of registrations was 3,833 as against 5,395 during the previous month. The number of women still requiring employment assistance at the end of December 1952 was 15,761 nearly 590 less than that at the end of the previous month.

Vacancy and labour clearing.- During the month under report the vacancy clearing machinery was utilised to fill 310 vacancies by obtaining applicants from other exchange areas. Calcutta, Delhi, Amravati and Jamshedpur filled 61, 31, 26 and 24 such vacancies respectively while Lansdowne, Muzaffarpur, Kiderpore, Barrackpore, Almora and Bikaner supplied 210, 56, 36, 54 and 30 applicants respectively against vacancies in other areas.

Mobile exchange work.- There was a continued fall in the number of placings and registrations effected by the mobile sections of employment exchanges. The number of placings was 3,984 as against 5,432 during the previous month, and the number of registrations 6,977 as against 9,449 during the previous month. Madras led other regions in mobile section work by obtaining 839 placings; Punjab came next with 745 placings.

Live register.- The number of persons seeking employment assistance through the exchanges on the last day of December 1952 was 437,571. This was 16,849 more than the figure for November. Of those on the live register 1,929 were known to be employed but desired further employment assistance. Out of the total number on the live register 37,569 were displaced persons, 27,120 were ex-Service personnel and 8,553 discharged Government employees. Among discharged Government employees 5,539 were Central Government and 3,014 State Government employees.

(Report of the Work Done by the Directorate of Employment Exchanges during the month of December 1952, issued by the Directorate-General of Resettlement and Employment, Ministry of Labour, Government of India).

83. Vocational Training.

India - February 1953.

8th Annual Meeting of All India Council for
Technical Education: Five Year Plan for
Technical Education and Research Recommended.

A five-year plan for technical education and research, a school of ~~pa~~ planning for training in graphic arts, a board of assessment for recognition of professional and technical qualifications and apprenticeship training in industry were some of the important matters considered by the all-India Council for Technical Education at its meeting in New Delhi on 8 February 1953 under the chairmanship of Maulana Azad, Union Minister for Education.

The Council had previously set up a seven-man committee to discuss with the Planning Commission and prepare a five-year plan of development of technical education and as a result of these discussions, a plan was formulated. The Council has now set up an expert committee to work out details.

In the context of large-scale planning of cities, towns and villages in the country as well as in view of the importance of industrial and labour housing, transport development etc., the Council considered it necessary that a school of planning should be established to train suitably qualified planners required for the projects.

Art education.- The Council has commended for adoption by art institutions a plan drawn up at a conference of Principals of Art Institutions held recently in Delhi which envisaged development of art education on a national basis. A majority of the State Governments and the Union Public Service Commission having agreed to the need to establish a uniform practice in the matter of recognition of degrees, diplomas, certificates and other awards in technical and professional subjects, the Council set up a Board of Assessment, consisting of representatives of the Union Public Service Commission, professional bodies, outside experts and State Governments to advise on each case.

Training of craftsmen.- The Council discussed in detail the question of training artisans and craftsmen and was of the view that the development of large-scale and mechanized industries depended in a large measure on the availability of well-trained craftsmen who constituted one of the prime factors in quality production. The Council recommended that the ~~State~~ Central Government should give suitable financial

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assistance for starting a science section in the Prince of Wales Museum in Bombay, for which the industry has promised assistance in other forms.

In view of the importance of the printing industry and the need for well-trained craftsmen and technologists for its development, the Council decided to establish or develop four schools of printing in selected regional centres according to a scheme prepared by experts. This measure will fill an important gap in the provision of technical education facilities in the country. The establishment of the schools will be a joint enterprise of the Central Government, the State Governments concerned and the printing industry.

Among those who attended the meeting were the Ministers of Education from Madras, Mysore and Assam, Dr. J. C. Ghosh, Mr. Sri Ram, Mr. V. T. Krishnamachari, member of the Planning Commission, and Dr. S. S. Bhatnagar.

(The Statesman, 10 February 1953).

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Labour Ministry's Training Schemes: Progress during November 1952.

Training of adult civilians.- The number of trainees on the rolls of the various training institutes and centres on 30 November 1952, was 8,186. There were 6,325 trainees in the technical trades and the remaining in the vocational trades.

Training of displaced persons.- Similarly, the total number of displaced trainees on the rolls, at the end of November 1952, was 2,509; of them 2,088 were in technical trades including 68 who were undergoing training in production/professional work. The remaining were undergoing training in vocational trades.

Apprenticeship training for displaced persons.- Six hundred and fifty-six displaced persons were undergoing training as apprentices in industrial undertakings and establishments in West Bengal and Uttar Pradesh against 900 seats sanctioned. They were recruited and posted direct to the undertakings and establishments concerned.

Training of women.- A total of 365 women were undergoing training at the end of the month at the women's training institutes at New Delhi, Dehra Dun and Madras. In addition, one woman at industrial training institute, Digha, 40 women at industrial training institute, Almora, and 20 women at industrial training institute, Virajpet (Coorg); were undergoing training alongside the men trainees.

Training of supervisors and instructors.- The 10th regular session at the Industrial Training Institute for Instructors, Koni-Bilaspur, started with effect from the 15 November 1952. The total number of Supervisors and Instructors under training on 30 November 1952 was 113.

(Review of work done by the Directorate-General of Resettlement and Employment during the month of November 1952, issued by the Ministry of Labour, Government of India).

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Labour Ministry's Training Schemes: Progress during December 1952.

Training of adult civilians.- The number of trainees on the rolls of the various training institutes and centres on 31 December 1952, was 7,999. There were 6,192 trainees in the technical trades and the remaining in the vocational trades.

Training of displaced persons.- The total number of displaced trainees on the rolls, at the end of December 1952, was 2,513; of them 2,104 were in technical trades including 80 who were undergoing training in production cum professional work. The remaining were undergoing training in vocational trades.

Apprenticeship training for displaced persons.- Six hundred and ninetyfive displaced persons were undergoing training as apprentices in industrial undertakings and establishments in West Bengal and Uttar Pradesh as against 900 seats sanctioned. They were recruited and posted direct to the undertakings and establishments concerned.

Training of women.- A total of 365 women were undergoing training at the end of the month at the women's training institutes at New Delhi, Dehra Dun and Madras. In addition one woman at industrial training institute, Digha, 40 women at industrial training institute, Almora and 20 women at industrial training institute, Virajpet (Coorg) were undergoing training alongside the men trainees.

Training of Supervisors and Instructors.- In the tenth regular session at the industrial training institute for instructors, Koni-Bilaspur(M.P.), the total number of supervisors and instructors under training as on 31 December 1952 was 118.

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The State Governments of Bihar, Bombay, Hyderabad, Madhya Pradesh, Madhya Bharat, Orissa and Uttar Pradesh deputed their nominees for training in this session. In addition eight industrial establishments and institutions (Government and private) deputed their nominees for training at this institute.

Out of 119 supervisors and instructors who appeared in the examination held for the 9th session, 98 were declared successful and three of the supervisors passed with credit.

(Review of work done by the Directorate-General of Resettlement and Employment, during the month of December 1952, issued by the Ministry of Labour, Government of India).

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CHAPTER 9. INCOME SECURITY.

INDIA - FEBRUARY 1953.

92. Legislation.

Rajasthan Maternity Benefit Bill, 1953.

The Government of Rajasthan published on 7 February 1953 the text of the Rajasthan Maternity Benefit Bill, 1953, proposed to be introduced in Rajasthan Legislative Assembly.

The Statement of Objects and Reasons, appended to the Bill, points out that there is no uniform law in Rajasthan regulating the grant of leave and maternity benefit to women workers in factories for some time before and after confinement. In some parts of Rajasthan no law on the subject exists at all.

The Bill seeks to prohibit the employment of a woman in any factory during the four weeks following the day on which she is delivered of a child. Subject to the provisions of the Bill every woman employed in a factory will be entitled to the payment of maternity benefit at the rate of twelve annas a day, for the actual days of her absence for the period immediately preceding her confinement and for the ~~next~~ four weeks immediately following her confinement. In the event of miscarriage a woman shall be entitled to a week's leave with wages from the date of miscarriage. No woman will be entitled to maternity benefit unless she has been employed in factory of the employer from whom she claims maternity benefit for a period of not less than nine months immediately preceding the date on which she gives notice of pregnancy. The maximum period for which any woman shall be entitled to the payment of maternity benefit shall be eight weeks, that is to say, four weeks upto and including the day of her delivery and four weeks immediately following that day. If a woman dies during this period the maternity benefit shall be payable only for the days upto and including the day of her death.

No notice of dismissal given without sufficient cause by any employer to a woman within the period of pregnancy will have the effect of depriving her of maternity benefit. In addition to maternity benefit a bonus of five rupees will be given to a woman worker who avails herself of the services of a qualified midwife or a trained woman health visitor at the time of her confinement.

Other provisions of the Bill deal with procedure regarding payment of maternity benefit, payment of benefit in the case of woman's death, offences and penalties and rules under the Act.

(Rajasthan Gazette, Extraordinary, Part III,
7 February 1953, pp. 649-654).

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94. Application.

India - February 1953.

Working of the Maternity Benefit Acts during 1950.

In India maternity ~~is~~ protection to women employed in factories has been granted by the legislation passed by the State Governments. At present 15 States have adopted legislative measures on the subject. Orissa among Part A States and Jammu and Kashmir, Patiala and East Punjab States Union and Rajasthan among Part B States have so far not passed any Maternity Benefit Act, though the Government of Orissa is at present considering enactment of an Act on the subject. Among Part C States, Delhi and Ajmer are the only two States where Maternity Benefit Acts are in force. For the benefit of women employed in mines the Central Government passed the Mines Maternity Benefit Act in 1941. Women employed in plantations in Assam and West Bengal only are entitled to benefits under State Acts.

The scope, qualifying conditions and the period and rate of maternity benefits vary under different Acts. While the Bombay, Madhya Pradesh, Assam, Mysore and Hyderabad Acts apply to women employed in all regulated factories, other State Acts apply to women employed in non-seasonal factories only. The qualifying period of service is 150 days in Assam and for plantation workers in West Bengal, 240 days in Madras and six months in Bihar, Uttar Pradesh and for women employed in Mines. In all other States it is nine months. The period of benefit under the Hyderabad Act and the West Bengal Maternity Benefit (Tea Estates) Act is 12 weeks. In Madras it is seven weeks and in the Punjab it is 60 days. Rest of the Acts prescribe eight weeks as the benefit period. The rate of benefit in Bihar, Uttar Pradesh and West Bengal is average daily earnings or annas eight per day whichever is greater. In Madhya Pradesh, Bombay and Mysore the daily rate of benefit is average daily earnings or annas eight per day whichever is less. Benefit at a flat rate of annas eight per day is payable under the Cochin, Madras and Travancore Acts. Under the Hyderabad Act and the Mines Maternity Benefit Act the rate of benefit is 12 annas per day. In the Punjab the rate is 12 annas or average daily earnings whichever is more. Under the Assam Act women employed in plantations are entitled to 11 annas six pies per day ~~in~~ plus food concessions. In other industries women are entitled to their average weekly earnings subject to a minimum of two rupees per week.

The Mines Maternity Benefit Act and the Acts passed by the Governments of Assam, Bihar and Uttar Pradesh provide for some additional benefits which

take the form of free medical treatment, maternity bonus, provision of creches, additional rest intervals, etc.

The administration of the Acts in all the States is the responsibility of the factory inspectorates. The Mines Maternity Benefit Act is administered by the Coal Mines Welfare Commissioner so far as coal mines are concerned. In other mines its enforcement is the responsibility of the Chief Inspector of Mines. Annual reports on the working of the Acts prepared by the administering authorities contain statistics relating to the number of women covered by the Acts, number of claims made, the number of claims paid, the amount of benefit paid, etc. The following tabular statement shows the relevant figures for the year 1950:-

State	Average number of women employed.	No. of women who claimed maternity benefit.	No. of women who were paid maternity benefit.	No. of cases in which bonuses were paid.	Total amount paid as maternity benefit and bonus.
					Rs.
Assam-----	212,463	45,652	44,359	-	1,714,707
Bihar-----	11,535	1,028	1,027	-	64,314
Bombay-----	56,454	4,672	4,531	-	118,147
Madhya Pradesh--	5,256	600	581	-	27,348
Madras-----	88,526	3,723	3,249	-	136,181
Punjab-----	2,376	15	15	-	634
Uttar Pradesh--	919	42	21	11	2,375
West Bengal----	78,450	11,601	10,374	-	703,852
Ajmer-----	1,336	47	39*	-	990
Delhi-----	511	16	14**	-	428
Mines-----					
Coal-----	36,447§	4,187	3,806	1,477	143,658
Others-----	39,116	2,350	2,519§§	229	94,467

* Eight cases are pending.

** Includes one case of the previous year.

§ Relates to women who worked for a period of not less than six months.

§§ Includes 180 cases relating to 1949. In these cases second instalment was paid during 1950.

Assam employs the largest number of women workers. In this State the high figure is due to plantations which employ workers on a family basis. The other three States where large numbers of women are employed are Madras, West Bengal and Bombay. In Madras, tobacco industry, textile factories and factories producing food stuffs together employ over 69,000 women workers. In West Bengal women are mostly employed in jute mills and tea plantations. Until 1949 women employed in factories alone were entitled to maternity

benefits in West Bengal. As a result of the enforcement of the West Bengal Maternity Benefit (Tea Estates) Act, 1948, with effect from May 1949 women employed in tea factories and plantations also became entitled to maternity benefit. Consequently the number of women workers receiving maternity protection in the State increased from 54,875 in 1949 to 78,450 in 1950.

The following table shows the number of claims paid per 100 employed women and the average amount of benefit paid per case. As in previous years the number of claims paid per 100 employed women is highest in Assam and lowest in the Punjab. The high percentage of claims paid in Assam seems to be due to plantations. In this industry workers are recruited on a family basis and have the opportunity of leading a family life. The average amount of benefit paid per case varies from 25 rupees in Ajmer to 113 rupees in Uttar Pradesh. The figures relating to the average amount of benefit in different States are influenced by the rate of benefit and the duration of benefit prescribed under different State Acts and also by the general level of wages wherever the rate of benefit is linked to earnings. With the exception of West Bengal the average amount of benefit paid per case in different States during 1950 does not differ ~~materially~~ materially from the amount paid during 1949. In West Bengal the difference is due to the inclusion this year of information relating to plantation workers. In plantations the average amount of benefit paid per case during 1950 was only 40 rupees as compared to 112 rupees in other industries.

State	No. of claims made per 100 employed women.		Average amount of benefit paid per case.	
	1949	1950	1949	1950
			Rs.	Rs.
Assam-----	23.2	20.9	37	39
Bihar-----	8.2	8.9	57	62
Bombay-----	8.5	8.0	42	39
Madhya Pradesh-----	10.3	9.0	45	47
Madras-----	4.8	3.7	43	41
Punjab-----	1.0	.6	51	42
Uttar Pradesh-----	5.4	4.6	110	115
West Bengal-----	8.2	7.9	106	68
Ajmer-----	4.2	2.9	22	25
Delhi-----	4.2	2.7	31	30
Mines-				
Coal-----	6.2	10.4	36	37
Others-----	7.5	6.4	37	37

From the reports received from the States it would appear that the employers' attitude to the Act specially of those employing large number of women, is one of co-operation and understanding. Prosecutions against very few employers were launched during the year.

In Madhya Pradesh most of the employers are paying maternity benefits at a rate 50 per cent higher than that prescribed under the Act. In Bombay the obligations under the Act are being observed with great care by the employers as regards the latter of the law. Some of the employers, however, have taken a benevolent attitude and are acting according to the spirit of the law. They are permitting longer ante-natal and post-natal absence specially in the case of women workers going to their villages for confinement. They are also considering for payment claims of those women whose qualifying period falls short by a fortnight or even a month and are allowing the necessary leave and benefit in cases of premature deliveries.

(Indian Labour Gazette, Vol. X, No. 6,
December 1952, pp. 462-465).

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Employees' State Insurance Scheme: Delay in
Implementation explained.

A Government of India Press Note published on 12 February 1953 explains the causes of delay in the implementation of the Employees' State Insurance Scheme. Reports have appeared in the press that the implementation of the Employees' State Insurance Scheme is unduly delayed mainly because of the present system of control exercised by the Ministry of Labour and also to certain important posts remaining unfilled for long periods.

The Press Note says that there has indeed been delay in implementation of the scheme but the causes are quite different. They are mainly, first, certain difficulties felt by State Governments both on financial and administrative considerations. Secondly, the inability to get, so far, medical practitioners to agree to work on the panel system at rates which are the maximum that the funds of the Corporation can afford. Thirdly, representations have been received from workers' organisations that the benefits received fall short of what they expected in return for contributions which they pay. All these matters are receiving the full attention of the Corporation which is also aware that implementation in other areas cannot proceed till these difficulties are solved. To assist the Corporation in this direction, it has set up a sub-committee to examine and advise on these questions.

The control exercised by the Ministry of Labour is no more than what the Employees' State Insurance Act itself contemplates. There being no indication that this control, a very desirable one, has caused delays, the Government has no intention of making any changes, legislative or otherwise, which will result in lessening

this control. Similarly, while a few posts ~~which~~ remain unfilled, it may be pointed out that the Corporation is quite adequately staffed to cope with the present volume of work.

(The Hindustan Times, 12 February 1953).

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Increased Gratuity for Coal Miners: Board's Recommendation.

More than 200,000 coal miners in India will receive between 125 and 150 per cent more as gratuity and old age pension under the new rule decided upon on 28 January 1953 by the Board of Trustees for Coal Mines Provident Fund.

The Board, meeting at Dhanbad under the chairmanship of Mr. V.K.R. Menon, Secretary to the Ministry of Labour, decided to bring the Coal Mines Provident Fund at par with the Employees Provident Fund scheme.

The Board unanimously recommended to the Government that the miners' provident fund contribution be assessed on the basis of their total emoluments. This means ~~an~~ an increase between 125 and 150 per cent.

Representatives of employers said that unless the coal prices were increased, it would be very difficult to give effect to the recommendation "in view of the current slump in the coal industry".

(The Statesman, 29 January 1953).

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Employees' Provident Fund Scheme: Central Board reviews Progress.

The progress of the implementation of the Employees' Provident Fund Scheme was reviewed at the first meeting of the Central Board of Trustees which was held in Delhi on 5 February 1953 under the Chairmanship of Mr. V.K.R. Menon, Labour Secretary to the Government of India. The meeting was attended by representatives of the Central Government, State Governments, employers and employees.

The 21-member Central Board of Trustees meeting for the first time since its constitution has for its chairman the Secretary of the Labour Ministry, Mr. V.K.R. Menon. Three other officials of the Ministries of Labour, Finance and Commerce and Industry, have been nominated by the Government of India. State Governments are represented on the Board by officials of the five States - Bombay, Bihar, Madras, Uttar Pradesh, and West Bengal - while six representatives have each been

nominated by employers' and employees' organisations.

This meeting discussed the procedure of maintaining accounts by employers, banking arrangements, fixation of date for transfer of accumulations from existing provident funds and procedure of investment of monies of the fund.

The chairman explained at the outset in some detail the present position of the scheme and announced that the Government's plan was to transfer the scheme to the State Governments. He said: "From today onwards you would take over the administration of the Employees' Provident Funds Scheme from the Central Government and a great burden is lifted off my head".

Mr. Menon said that the scheme was a limited one and represented the minimum concession to industrial workers. At present it applied to six major industries and to factories more than three years old employing 50 or more workers. The Scheme did not cover employees drawing basic wages exceeding 500 rupees per month; the total coverage being of the order of 1.2 million ~~rupees~~ employees. This was essentially a scheme for the benefit of the worker in his old age or of his minor dependants after his death. This Scheme was stupendous and needed ~~extensive~~ extensive preparations for launching it. The number of factories covered all over India was 1,418, the number of employees covered was of the order of 1.2 million and the funds to be handled were of the order of 150 million rupees. It had been ~~necessary~~ necessary to establish several offices all over India for the proper functioning of the Scheme and accounting.

Mr. Menon stated that the Planning Commission had recommended that the Scheme should be extended to other industries after some experience was gained. He proposed to place before the Board, in due course, a plan for further extension of the Scheme. Besides he was also considering further benefits by adding, if possible, compulsory insurance ~~of~~ or pension or both.

(The Statesman, 6 February 1953;
The Hindustan Times, 7 February, 1953).

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CHAPTER 10. SOCIAL AND INDUSTRIAL MEDICINE.

INDIA - FEBRUARY 1953.

102. Maintenance of Community Health.

Public Health Policy in India: Central Council inaugurated.

The Central Health Council was inaugurated at Hyderabad on 29 January 1953 by Rajkumari Amrit Kaur, the Central Health Minister. Addressing the first meeting of the Council the Minister said that this was an "important milestone in the building up of health services" and felt confident that with careful and realistic planning "we can solve our problems with the same success as in other more advanced countries".

The function of the Central Council of Health will be to consider and recommend broad lines of policy concerning health in all its aspects, and make proposals for legislation relating to medicine and public health. It will also make recommendations for grants-in-aid for health purposes to the States and establish an organisation for promoting and maintaining co-operation between the Central and States' health administrations.

Anti-malaria programme.- During its first session the Council recommended a comprehensive all-India scheme for the prevention of malaria. The programme aims at extending anti-malarial campaigns of the Centre and the States by means of a central co-ordination organisation, viz., the Malarial Institute of India, which would be consequently strengthened and given the authority to co-ordinate all malaria control operations in the country. The programme would consist of two phases, viz., an immediate operational period for over three years and a subsequent maintenance programme on a reduced scale, the objective being to afford continued protection against malaria to about 125 million people as against 30 million at present, and to increase the number of field malaria control teams from 50 to 125.

The Council stressed the need for a comprehensive public health legislation as recommended by the Environmental Hygiene Committee and suggested that the Central Government should appoint a committee to draw up a model Act, which various States may enact with such modifications as may be necessary to suit local conditions.

The Council also discussed standardisation of medical education, including that for indigenous ayurvedic and unani systems.

(The Statesman, 30 January 1953;
The Hindustan Times, 2 February, 1953).

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CHAPTER 11. INDUSTRIAL SAFETY.

INDIA - FEBRUARY 1953.

111. Prevention of Accidents.

Rajasthan: Draft Rajasthan Boilers
Rules, 1952.

The Government of Rajasthan published on 7 February 1953 the draft of the Rajasthan Boilers Rules, 1952, proposed to be made in exercise of the powers conferred under the Indian Boilers Act, 1923. The draft rules deal inter alia, with duties of the inspectors and the chief inspector, administrative instructions for registration and inspection of boilers, investigation of accidents to boilers, and the procedure for filing appeals under the rules.

(Rajasthan Gazette, Part III, 7 February, 1953, pp. 629-648).

Rajasthan: Draft Economiser Inspection
Administrative Rules.

The Government of Rajasthan published on 31 January 1953 the draft of the Rajasthan Economiser Rules proposed to be made in exercise of the powers conferred under the Indian Boilers Act, 1923. The draft rules deal inter alia, the procedure for registration and inspection of economiser units, investigation of accidents to economisers, and the procedure for the hearing of appeals under the rules.

(Rajasthan Gazette, Part IVB, 31 January 1953, pp. 428-439).

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