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#### THEER ATLONAL LABOUR OFFICE LIDIA BRANCH

Industrial and Labour Developments in May 1964.

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

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### CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

#### INDIA - MAY 1964.

## 11. Rolitical Situation and Administrative Action.

# Recommendations of Dhebar Committee: Effective Regulations of Prices urged.

The Congress Committee on the implementation of the resolution on "Democracy and Socialism" has called on the Government to take firm measures within the next two years for effective regulation of theprices of food articles and other articles of common consumption. The Committee has suggested that Government should acquire a commanding position in the pressing and wholesale trade operations to ensure effective regulation of prices of food grains. In the industrial sector the Committee has called for an increase in the proportion of means of production under socialistic control, creation of additional capacities for production of articles of mass consumption like cloth in the cooperative or State sectors on decentralised basis and modification of the licensing system in several respects.

The Committee has suggested that progress in the next few years should be of a nature that will yield a seven per cent annual rate of growth in national output. For boosting farm output the Committee has called for determined efforts to implement the land reforms programme. In regard to general agricultural development, the Committee has urged concentration on package programme areas and underlined theheed to remedy weakness on the administrative side. Some of the other suggestions made for development of agriculture are coverage of the country with service cooperatives by the end of the Third Plan, organisation of common service programmes to help farmers with uneconomic holdings and increased attention to manufacture of agricultural implements

Besides fixation of minimum support price and maximum price at which wholesalers should sell their stocks, the other suggestions made by the Committee includes close Government supervision of processing facilities like rice mills, until they are taken over. There should be an increase in the number of fair price shops and consumer cooperatives.

The Committee has pointed out that in the consumer goods industry sector there is already a substantial unutilised capacity . but still expension is proceeding. Committee has felt that rural industrialisation should be given a high place of importance in order to broaden the base of economy and has called for a higher level policy decision in this regard. It has also been suggested that there should be an autonomous body under the Industries Ministry to concentrate on the implementation of rural industries. The Committee has underlined the inter-relationships between agriculture and industry and called for a rapid change inthe in the structure of s industrial production in the coming years to ensure minimum reliance on external assistance within the next decade or so. It has suggested speedy expansion in output of products needed for agricultural development to reduce dependence on imports. The Committee has also said that special attention should be paid in future to widening the scope of machine-building industries in the public sector. The Government should undertake in full or in a very large measure, the responsibility for the establishmenta and efficient operation of all the important intermediate and capital goods industries.

The Committee has called for recrientation of ideas in the consumer goods industry sector and said that production should be orientated to the needs of the common man. Besides suggesting organisational changes in the public sector to minimise costs, the Committe has said that effective control should be exercised on the pace and manner of expansion of the private sector. For this purpose licensing system will have to be modified in several respects.

In regard to participation of foreign equity capital, the Committee has urged continuation of the 'Policy of Selective and discriminating encouragement of foreign capital'. The Committee has further urged that the Reserve Bank should direct the Commercial Banks to ensure that the loans they advance are used for the purposes for which they are borrowed. Itshould also be ensured that basic and small industries, new enterpreneurs and agricultural operations get proper priority in the lending policies of Banks. The Committee has suggested wider powers to Reserve Bank to control commercial Banks.

The Committee has urged effective steps to deal with the existing unaccounted money and prevent accumulation in the future. On labur policy, the Committee has said that the time has come to decide the future of the link between trade unions and political parties which has had unfortunate repurcussions. It has suggested that the workers in each industrial unit should elect by secret ballot a representative body which will be the only authorised body to negotiate with the management. This will go a long way in restoring discipline in the factories. The Committee has also made a number of suggestions for meeting the minimum needs of the people for drinking water, housing, health and education.

(The Hindu, dated 10 May 1964)

# Meeting of the Labour Ministry's Informal Consultative Committee, New Delhi, 1 May, 1964.

At a meeting of the Labour Ministry's Informal Consultative Committee, held in New Delhi, on 1 May 1964, the Union Labour Minister, Shri D. Sanjivayya said that the Government was thinking of introducing legislation by virtue of which workers in continuous service for a specified period would be entitled to all the benefits of permanent employees. About contract labour also there is general agreement that the system should be abolished and the members were told that a comprehensive legislation to this might be drawn up soon.

Amon g other subjects discussed at the meeting was the question of speedy implementation of the Bonus Commission's recommendations.

(The Statesman, 2 May 1964)

# 25. Wage-Earners Organisations.

India - May 1964.

# Annual Conference of the Indian National Mine Workers Federation, 3 May, 1964.

Inaugurating the Annual Conference of the Indian National Mine Workers' Federation at Bhurkunda (Bihar) on 3 May 1964, Shri Sanjivayya, Union Labour Minister said that with the proposed comprehensive legislation on abolition of contract labour, the evil features of this system might soon be a matter of the past. The legislation would cover the contract system in non-coal mines, and would also deal with cases of evasion of aggrements on the abolition of the contract system reached between employers and workers in the coal industry. Shri Sanjiyayya hoped that there will be no difficulty in getting the recommendations of the three Wage Boards in Mining Industry, implemented without any legal sanction. The Minimum Wages Act, was being applied in a phased programme to mines not covered by the Wage Boards on the Act. He welcomed the growing willingness to have disputes settled through voluntary arbitration.

In regard to safety in mines, Shri Sanjivayya said that there was need for promotion of safety habits through constant education and propaganda. The Mines Act would be amended to enable workers representatives to inspect the mines. The rate of compensation had been considerably enhanced through an amendment of the Workmen's Compensation Act. The question of providing to injured miners a supplementary cash benefit from the Coal Mines Welfare Fund was also receiving attention. possibility of having a common welfare fund for minor wives was also being explored. Shri Sanjivayya said that in addition to the existing seven regional hospitals there were proposals to contract ten more Regarding housing, Shri Sanjivayya sald out of 30,000 units sanctioned about 17,000 had been constructed under the new housing scheme. He said that 108 consumers cooperative stores and three Central stores had been set up with financial assistance from the Coal Mines Welfare Fund

## 32. Public Finance and Fiscal Policy.

#### India - May 1964.

#### Finance Commission Constituted.

In pursuance of the provisions of article 280 of the Constitution of India and of the Finance Commission (Miscellaneous Provisions)Act, 1951(XXXIII of 1951), the President has constituted a Finance Commission consisting of Dr. P.V. Rajamannar as the Chairman and four members.

In addition to the matters on which, under the provisions of sub-clauses (a) and (b) of clause (3) of article 280 of the Constitution, the Commission is required to make recommendations, the Commission should also make recommendations in regard to -

- (a) the States which are in need of assistance by way of grants-in-aid of their revenues under article 275, and the sums to be paid to those States other than the sums specified in the provisors to clause(1) of that article, having regard, among other considerations, to
- (i) the revenue resources of those States for the five years ending the financial year 1970-71 on the basis of the levels of taxation lakely to be reached in the financial year 1965-66;
- (ii) the requirements of those States to meet the committed expenditure on maintenance and upkeep of Plan schemes completed during the Third Plan:
- (iii) any further expenditure likely to devolve upon those States for the servicing of their debt;
- (iv) Greation of a fund out of the excess, if any, over a limit to be specified by the Commission, of the net proceeds of estate duty on property other than agricultural land accruing to a State in any financial year, for the repayment of the State's debt to the Central Government; and

- (b) the changes, if any to be made in the principles governing the distribution amongst the Statesunder article 269 of the net proceeds in any financial year of estate duty in respect of property other than agricultural land;
- (c) the changes, if any, to be made in the principles governing the distribution of amongst the States of the grant to be made available to the States in lieu of taxes on railway fares;
- (d) the changes, if any, to be made in the principles governing the distribution of the net proceeds in any financial year of the additional excise duties levied on each of the following commodities, namely:-

(i) cotton fabrics.

(ii) silk fabrics.

(iii) rayon or articicial silk fabrics.

(iv) woollen fabrics,

(v) sugar, and

- (vi) tobacco (including manufactured tobacco); in replacement of the States sales taxes formerly levied by the State Governments:
- Provided that the share accruing to each State shall not be less than the revenue realised from the levy of the sales tax from the financial year 1956-57 in that State;
- (e) the effect of the combined incidence of a State's sales tax and Union duties of excise on the production, consumption or export of commodities of excise on the production, consum of or products, the duties on which are shareable with the States, and the adjustments, if any, to be made in the State's share of Union excise duties, if there is any increase in the State's sales tax on such commodities or products over a limit to be specified by the Commission.

The recommendations of the Commission shall, in each of the above cases, cover the period of five years commencing from the 1 April 1966.

(The Gazette of India, Extraordinary Part II Sec. 3, sub-sec.(ii), 5 May 1964, pp. 371-372)

# 34. Economic Planning, Control and Development. India - May 1964.

# The Finance Act, 1964 (No. 5 of 1964).

The Finance Bill (vide pages 23-24 of the Report of This Office for March-April 1964) as passed by Parliament received the assent of the President on 28 April 1964 and has been gazetted as Central Act No.5 of 1964. The Act gives effect to the financial proposals of the Central Government for the financial year 1964-65.

(The Gazette of India, Extraordinary, Part II. Sec.1, 28 April 1964, pp.43-118).

# Concentration of Economic Power in Private Hends and Prevalence of Monopolistic Practices: Commission of Enquiry appointed.

The Ministry of Finance, Government 55 India, by a notification dated 16 April 1964 has appointed a Commission of Inquiry for the purpose of making inquiry into certain matters connected with the concentration of economic power in private hands and the prevalence of monopolistic practices. The Commission consists of five members with Shri K.C. Das Gupta, Judge, Supreme Court of India, as Chairman.

The terms of reference to the Commission shall be as follows:-

- (a) to enquire into the extent and effect of concentration of economic power in private hands and the prevalence of monopolistic and restrictive practices in important sectors of economic activity other than agriculture with special reference to
  - (i) the factors responsible for such concentration and monopolistic and restrictive practices;
  - (ii) their social and economic consequences, and the extent to which they might work to the common detriment; and
- (b) to suggest such legislative and other measures that might be considered necessary in the light of such enquiry, including, in particular, any new legislation to protect essential public interests and the procedure and agency for the enforcement of such legislation.

The Commission may also report on any other matter bearing on any aspect of national economy or functioning of the private sector and financial institutions that it may deem necessary to look into in connection with the foregoing terms of reference.

The Commission shall hold its enquiry and submit its report to the Central Government by the 31 October 1965.

(The Gazette of India, Extraordinary Part II; Sec. 3, sub-sec. (1), 16 April 1964, pp.431-432).

#### Development Plan for 1966-76: Perspective Planning Division's Study Published.

A paper submitted by the Perspective PlanningDivision of the Planning Commission has been accepted as the framework for future studies on the Fourth Plan. It envisages an integrated programme of development for the decade 1966-76 and recommends a total outlay of 660,000 million rupees - 220,000 million rupees for the Fourth Plan and twice that in the Fifth Plan. The main social aims are a minimum level of consumption of 20 rupees per month per head by 1976, substantial improvement in the standard of amenities the rural area and the attainment of a social order, which, besides, providing equality of opportunity to all, will prevent excessive disparity in income and wealth.

To attain this, thestudy says, an acceleration of the national income from the anticipated figure of 180,000 million rupees annually by the end of the Third Plan to 260,000 million rupees in 1970-71 and 373,000 million rupees in 1976 is necessary. This assumes an annual compound rate of interest increase of seven per cent.

The foreign-exchange needs of the Fourth and Fifth Plans are sought to be rapidly curtailed to make the economy more or less independent of foreign help by 1976. This, combined with a high rate of investment, will lead to a self-reliant and self-generating economy.

In the next two Plans, the rate of investment under the scheme will be stepped up from 11 per cent, of the national income in 1961 to 21 per cent, in 1971, after which it will maintain itself at that level.

Total consumption under the scheme in 1975-76 will be 2.27 times that in 1960-61. In per-capita terms, it will be a rise of 60 per cent. or an average annual increase of 5.2 per cent. after allowing for a population growth of 2.2 per cent. per annum.

This will compare very favourably with the situation during the Second and Third Plan periods when the actual per-capita rise has been less than one per cent. per annum.

Family planning is to be accorded very high priority; the goal is to cover the country by the end of the Fifth Plan with a network of family planning clinics which will provide free advice and assistance.

The basic amenities available in the villages are to be augmented in a dramatic fashion. Under the programme for rural electrification, for example, the number of villages with power will go up from 40,000 in 1966 to 100,000 in 1971 and to 200,000 in 1976.

Of the 70 million likely to be added to the labour force during 1961-76, some 50 million will be absorbed in non-agricultural pursuits, the balance finding employment in the agricultural and related sectors.

A sizeable sizable increase in the share of the public sector is planned during the next two Plans. It is hoped that by 1976, about half of the total stock will be owned by the Government. This will have two effects. It will help reduce the present wide disparities in wealth, and it will facilitate the mobilisation of surpluses of productive enterprises.

Income from Agriculture.— The study assumes a step-up of around 4.7 per cent. per annum in income from agriculture, but a much higher rate of increase in indutry and other sectors. Mining, manufacturing industries and construction, for example, will go up by 11.4 per cent. a year during 1966-76. The increase in the latter category during the first half will actually by 12.5 per cent.

The figure for transport will be ten per cent. Small-scale industries will double their growth rate - from four per cent. to eight per cent. annually.

# The figure for transport will

Because of the much larger increase in industry, the share of agriculture in the total national income will decline from 43 per cent. in 1966 to less than 33 per cent. in 1976. Mining and manufactures, on the other hand, will improve their share from 19 per cent. to 27 per cent.

Critical Sectors.— The critical sectors of development are metals, machinery, fertilisers, coal, oil, power, transport, major irrigation works, higher technical education, scientific research and survey of natural resources.

These are important not only because they support the basic programme of development but because if they fail to come up to expectations the assumptions about the balance of payments would be upset, throwing the economy back into the lap of the aiding nations.

The step-up in the heavy and intermediate industries will change the production picture in a dramatic fashion. In 1961, nearly half the toral national output was derived from small-scale and household industry engaged in processing agricultural product and the nanufacture of consumer goods. The capital goods and intermediate industries accounted for less than one fourth of the total industrial output.

During the 15-year period, 1961-76, the out-turn of the latter will multiply ten times, boosting its share in the total from 23 per cent. to 48 per cent. in 1971 and 51 per cent. in 1976.

Annual Investment. It is in these critical sectors that gestation lags are long and where advance action is vital. The lack of technical organisations for planning, design engineering and constructing complex enterprises needs to be rapidly corrected.

The study declares that financial resources for a plan of this kind are not the determining factor but follow from its shape and size. This is because revenues depend also on the scope of the production planned.

The total annual investment planned at the end of the Third, Fourth and Fifth Plans is respectively 29,000 million rupees, 54,000 million rupees and 78,000 million rupees. Theshare of the private sector gradually falls over the years. The figures for the public sector and private sectors in 1966, 1971 and 1976 are 18,000 million rupees and 11,000 million rupees, and 34,500 million rupees and 19,500 million rupees, and 52,000 million rupees and 26,000 million rupees.

The return from the private sector is assumed at 13 per cent. on capital and from the public sector ten per cent. two to four years after investment. Surpluses from public enterprises are computed to go up from 3,550 million rupees in 1966 to 7,500 million rupees in 1971 and 16,300 million rupees in 1976.

Additional Taxation - Market borrowings are taken at 2,700 million rupees, 4,450 million rupees and 7,250 million rupees, respectively.

Additional taxation will provide 6,000 million rupees over the Third Plan and 7,900 million rupees during the Fifth. Considering that the figure for the Third Plan, when the income growth has been disappointing, is expected to be 7,500 million rupees, this is not an impractical proposition.

The study assumes a decline in foreign aid from 5,000 million rupees in 1966 to 3000 million rupees in 1971 and nil in 1976. This is based on the expectation of a sizable step-up in the indigenous capital goods output and in our export effort.

Export earnings are to go up from an anticipated 8,900 million rupees in 1966 to 12,200 million rupees in 1971 and 16,200 million rupees in 1976.

Export Plan.— The export plan envisages a notable reduction in the share of agricultural produce in the total. Against 76 per cent. in 1961, this figure is likely to go down to 59 percent. in 1971 and less than half in 1976.

The category includes items like jute Babrics, tea, fruit, vegetables, oil cake, fish and fish preparations, cotton textiles, vegetable oils and sugar.

The principal category which will take up some of these percentages is mineral oresparticularly iron ore.

The export of manufactured goods like electifical machinery, including electronic equipment, engineering items, iron and steel, castings, metals and metal manufactures, aluminium, chemicals, rubber manufactures, drugs and medicines, will also go up steeply.

From 600 millon rupees in 1961, earnings from this list are likely to increase to 2,760 million rupees in 1971 and 4,840 million rupees in 1976.

(The Times of India, 17 May 1964)

### Planning Commission's Half-Yearly Review: Imbalance of Economy Continues.

In a half-yearly review, the Planning Commission says that the signs of imbalance in the economy visible in the first quarter of last year persisted between July andDecember. The reasons were shortage of certain agricultural commodities and increased demand following higher outlay on development and defence. The prices of food grains and industrial raw-materials rose in December 1963. This was contrary to the seasonal trend. It had an impact on the consumer price index which rose from 132 in June to 140 inDecember 1963.

Agricultural production declined by 3.3 per cent. compared to the previous year. Industrial output recovered, according to the review. The economic review has also givensome account of of the borrowings from the Reserve Bank of India. Despite liberalisation of the Reserve Bank's lending policy, the borrowings were low - 60 millions during the October-December 1963 quarter against 160 millions during the corresponding period of the previous year.

Certain States were experiencing difficulties in raising resources on the scale postulated in the Plan. The conference of State Finance Ministers in November 1965 discussed problems relating to sales tax collections, market borrowings, provision for debt redemption, property tax, return in investments in irrigation projects and electricity rates.

Small savings collections rose from 314.5 million rupees in 1962 to 700.4 million rupees. Experts including re-exports, increased from 631.9 million rupees in July 1963 to 727.1 million rupees in December 1963.

Imports decreased from 895.4 million rupees to 747.9 million rupees. India's foreign exchange resources stood at 2.891.3 million rupees against 2.622.3 million rupees in July 1963.

Retween July and November 1963, 368 licenses for the establishments of new industrial undertakings, substantial expansion, manufacture of new items and change of location of units were issued. Of these 107 were for establishment of new undertakings. The total value of applications approved from October to December 1963 for the import of capital goods amounted to about 1,460 million rupees.

(The Statesman, 25 May 1964)

#### 36. Wages.

#### India - May 1964.

### Decline in Real Wages of Workers: Study undertaken by Reserve Bank of India.

According to a Reserve Bank study on the"trends in money and real wages in India 1951-1961", there was a decline in real wages per factory worker during the second Plan period, though his money wages had been increasing. The real wages had fluctuated from year to year and that as many as 43 per cent. of the factory workers were earning Rs.3 or less per day in 1958-59. It was found that wages were not linked to the consumer price index in the case of nearly threefifths of the factory workers as at 1958-59, the latest period for which data were available. Though the money wages per factory worker showed a rise even prior to the beginning of the First Plan, the real wages per worker reached the pre-war level only in 1953. The price situation during the First Plan as compared to the Second Plan was favourable from the point of view of labourer. The study does not take into account the benefits of social security schemes.

The study showed that following the twin advantages of favourable price situation and rising money wages, the average annual real earnings per factory and mine worker also increased during the first Plan period. During the Second Plan period, real wages per worker showed a fall. It was only in 1961 that the 1956 level of wages per worker was restored.

(The Hindu, 16 May, 1964).

# Workers to get Higher Wages: Agreement signed between Shipping Corporation and Haritime Union of India.

By a bilateral agreement signed on 22 May 1964 at Bombay between the Shipping Corporation and the Maritime Union of India, substantial wage increases, additional leave facilities and several fringe benefits will accrue to the officer personnel of the fleet of the Government owned Shipping Corporation. The agreement will be effective from 1 April 1963 to December 31, 1965. The agreement is the most comprehensive ever negotiated by the Maritime Union of India, with any shipping owner, cencerning as it coverning as it does all aspects, of life on bound a ship and the service conditions. The Wage increase range from 12 to 22 per cent. The existing allowances for special jobs on for working in special circumstances have been increased in many instances, while the list of allowances and bonus has been considerably enlarged.

(The Times of India, 24 May 1964)

#### Recommendation of Bonus Commission: Report placed before Parliament on 3 March 1964.

The Report of the Bonus Commission which was constituted by the Government of India (vide report of this Office for the month of November-December 1961, pp. 17-18) by a Resolution dated 6 December 1961 to study the question of bonus to workers in industrial employments, was placed before the Parliament on 3 March 1964. The following is a brief summary of conclusion and Recommendation made by the Commission.

According to the Commission a properly conceived bonus system that is linked to profit also imparts a measure of desirable flexibility to the wage structure. The workers are enabled to share in the prosperity of the concern, without disturbing the underlying basic wage structure.

The Commission feels that it would neither be feasible nor desirable to require industries to incorporate existing schemes of varying bonus payments into the wage structure permanently with a view to eliminate bonus, for while profits are variable, wage rates are fixed on the industry-cum-region basis and not on the basis of the particular unit's ability to pay. This is not peculiar to this country. The profit bonus system has little direct incentive effect. Bonus is usually paid to all workmen at the same tate in terms of monthly basic wages in some cases, or in some cases in terms of consolidated wages. The efficient as also the inefficient worker gets bonus at the same rate. An annual but uncertain bonus varying from year to year and paid long after the close of the financial year can hardly act as an incentive to greater effort. Incentives, to be effective, have to be given soon afterthe effort which it is sought to reward. Besides, the best incentives are those applied to results achieved by individuals or small groups of workmen;

the incentive becomes weaker when applied to large groups; and when the factory is treated as a unit, the incentive is too weak to have any influence on the quantity or quality of work turned out by the individual worker. Profit bonus is in reality a very different thing from incentive bonus, for incentives to efficiency operate only under properly conceived production bonus schemes which establish a direct relationship between better production, efficiency and higher earnings.

No case for abolition of Bonus - Having taken into consideration the role that profit bonus has played in the past and is playing at present in the industrial system in India, the Commission has not supported the proposal of some Employers' Associations and individual employers for abolition of bonus altogether. If bonus disputes have led to strife and litigation it should not be overlooked that industrial disputes on other subjects have also led, unfortunately, to industrial strife and it cannot therefore be an argument for denouncing the bonus system which has served and is serving a useful purpose. The remedy is to evolve a satisfactory bonus scheme. The worker is habituated to this system in which he receives a lumesum payment every year. It suits the workers' pattern of consumption for spending, at least once in a year, on some articles of additional and diversified consumption and on needs which cannot be conveniently met from the monthly wage packet. In any event, it is not feasible or advisable to abolish this long standing system by attempting to merge bonus in wages. According to the Commission the formula for computing bonus need not, however, be perfectly logical or aim at giving mathematical justice; would be futile to attempt to do so. It should be a formula which is not complicated, which is easy to understand and broadly just and fair to all concerned.

Linking of Bonus with Production. In view of the objections to the proposal by large sections of employers as well as by almost all the Unions, and the practical difficulties inherent in any such proposal, the Commission is of the view that the concept of bonus based on profits should not be replaced by an annual bonus linked with production or productivity. It is doubtless true that properly devised incentive systems in manufacturing concerns form a useful part of the wage structre and would help to increase production: but they cannot

be suggested as a substitute to replace the annual profit sharing bonus. Where in particular Companies, as in the case of Indian Aluminium Co.Ltd., the employerand the Unions have adopted or, in future, opt for such a scheme in substitution of bonus based on profits, it would be a different matter; and the recommendations would then have no application to such cases.

Bonus as a certain percentage of gross
Profit. The Commission has recommended
that bonus should not be determined at a
certain percentage of the gross profit after
deducting only depreciation, for the following reasons:-

- (1) It is not possible to work out a percentage satisfactorily for each industry. The proportion between bonus paid in the past and the gross profits (after depreciation) in the relevant years may reveal wide disparity between various units even in the same industry.
- (2) The formula would also necessitate a separate examination of each unit, as a single rate for the whole industry would be impracticable; a percentage acceptable to labour would be quite unacceptable to the Companies in the Industry and vice versa.
- (3) The calculation of the percentage is complicated by too many variable factors such as the type of industry, whether the industry is capital—intensive or labour—intensive; the proportion of bonus paid by different units to the profits made by them in the past etc. The capital employed for units of identical capacity may be different; and to apply a uniform percentage for determining bonus would not take account of disparities in the quantum of employed capital and the composition of the capital i.e. the proportion of owned capital and borrowings.
- (4) It gives the highest priority to bonus without regard to the claims of capital for even a minimu return or to the needs of the industry.

It may be feasible for particular concerns to enter into long term agreements with the Unions concerned on the basis of percentage of bonus to the profits after deducting depreciation and after taking into consideration the proportion of bonus paid in the past years, the prospects of the concern and other relevant factors; but the Commission cannot recommend any such formula for general application as it is impracticable to determine bonus as a certain percentage of the profits applicable to all units in the different industries.

Bonus Pool .- There is a system of pooling bonus to a limited extent in the tea industry in North East India, but it is by industrywise agreement in which bonus is payable on the basis of a certain percentage of the profits. There is also a minimum bonus in those cases where there is a loss or only a small profit. Most employers are strongly opposed to any such pooling arrangement. The Commission feels that there is force also in the objections that a bonus pooling system puts a premium on inefficiency by requiring the profits of an employer who has made profits to be distributed to workmen of loss making units. This may not also be welcome to the workmen of the profit making units. If one of the aims of a profit bonus system is to create in the workers a sense of belonging to the concern, to have a stake in the industry and its continued prosperity. this cannot be achieved if bonus is unconnected with and dissociated from the profit made by the concern, and is payable, in case of loss, from the profits of other concerns.

It seems doubtful whether the bonus scheme prevalent in the tea estates in West Bengal. Assam and Tripura which is acceptable to the employers and the workmen in the tea industry could be worked out for other industries.

In the plantations in South India bonus is paid at a certain percentage of the annual earnings and this arrangement appears to have worked satisfactorily.

Whether bonus should be unitwise. Industrywise or industry-cum-regionwise. The Commission is of the opinion that ordinarily the computation and payment of bonus should be unitwise in accordance with the formula recommended by it. A formula for a uniform rate of bonus for all Industries generally or for the Cotton Textile Industry in Southern India or for the Plantations has not been recommended. Where industrywise arrangements already exist the parties are at liberty to renew the agreements, with such modifications. if any, as may be agreed to by them. the Employers' and Employees' Associations can agree to make or continue industrywise agreements on a basis acceptable to them, the formula proposed would not apply. formula proposed would also not apply during the currency of any industrywise or unitwise agreements, except where such agreements stipulate that the formula recommended by the Bonus Commission should apply in modification or substitution of existing arrangements.

Minimum and Maximum Bonus. There can be no doubt that bonus should be subject to a reasonable maximum. If there is a maximum so that however high the profits in a year the workerscannot be given more bonus than at a certain rate expressed in thems of wages. it stands to reason that there should be a minimum also. Labour cannot be expected to accept as reasonable a formula which provides for a ceiling on bonus without also providing. for a floor. An arrangement of minimum and maximum would have the added advantage of evening out bonus payments over the years and thus avoid the obvious disadvantages of widely fluctuating bonus, with years in which there may be no bonus at all and others in which the bonus would be very large. In some industries there have been agreements providing a formula for bonus with a minimum and maximum and a set-off and set-on arrangement. If a reasonable minimum and maximum are fixed, linked with a system of set-off of deficiencies and set-on of excesses in the succedding years, it would be a satisfactory arrangement both from thepoint of view of employers and labour. An exception would however have to be made in the case of new concerns upto a certain period.

Bonus based on single year's profits .-The opinion of the representatives of Employers' Associations who appeared before the Cormission was generally in favour of continuing the present practice of taking the profits of theparticular year as the basis. The unions were also not in favour of taking the average of two or three years as the basis. In the circumstances the Commission feels that it would be best that bonus for any particular year should be related only to the profits of that year.

Computation of Gross Profits .first step in the formula must necessarily be the ascertainment of the gross profit of the accounting year for the purposes of the bonus formula.

Extraneous Profits -- The Commission has considered the question whether extraneous profits, i.e. profits unrelated to the efforts of workmen should be excluded from the computation of profits for the purposes of bonus. In actual practice the question of extraneous profits has led to much controversy and litigation as to what should be considered as extraneous profits. To attempt to scan too closely profits unrelated to the efforts of workmen serves little useful purpose. The Commission is of the opinion that only the following items should be excluded from the profit computed for the purpose of the bonus formula:- (a) profit or loss from the sale of immovable property or fixed assets of a capital nature (other than those on which depreciation has been allowed) comprised in the undertaking, unless the business of the company consists, wholly or partly of byying and selling such property or assets; (b) income, profits and losses such propert from businesses outside India; (c) income of a non-Indian concern from investments outside India; and (d) refund of Income-tax paid for previous years and any excess provision for Income-tex for previous years written back to theprofit and loss account:

The manner in which the gross profits of the accounting year should be computed for the purpose of bonus formula in the case of companies has also been indicated by the Commission. The same mode of computation would apply, mutatis mutandis in the case of proprietory and

partnership concerns

Depreciation .- The Commission has given much thought to the question of the mode of computing depreciation and, in particular, to the alternatives suggested viz. straight line depreciation, and a formula of "war and tear depreciation" suggested by some Unions. The Commission is not in favour of imposing a new type of depreciation and requiring employer to maintain separate books and accounts for calculating such depreciation. Even if the straight line method were now adopted for the purposes of bonus formula, it could only be adopted in respect of new Companies; and in thecase of old companies, it could readily be adopted only in respect of plant installed after the coming into effect of our recommendations for otherwise a portion of the depreciation which has been already written off would have to be written back after laborious calculations. The formula would also work out unevenly as between new Companies and old Companies, and as between old Companies some of whom may instal considerable new machinery and others who get on with the bulk of the old machinery. straight line basis requiring requires keeping a separate record of each asset and each addition to an asset, while the reducing balance method is simple of calculation and has been increasingly followed in this country. The Commission is having given careful consideration to the matter however in favour of allowing as prior charge only the normal depreciation admissible under the Income-tax Act (including multiple "shift allowance).

The Commission has recommended that in any case where borns has been paid in the past under an award or agreement after allowing "notional normal" depreciation from the profits, the depreciation to be deducted from the profits for the purpose of the borns formula should, at the option of such Company, continue to be the "notional normal" depreciation.

Taxation.— The next prior charge to be deducted should be the Income-tax and Super-tax. In the case of Companies these should be deducted at the current standard rate applicable for the year for which bonus is to be calculated. In the case of plantation Companies agricultural Incometax would also have to be deducted on the portion of income taxable as agricultural income.

The tax should be deducted at the standard rate; but when the rate is less on account of double taxation, e.g. investment income from shares in Companies, income from Subsidiary Companies, the tax leviable on that portion of the income would be at the lower rate applicable. In deducting tax we would, however, leave out of account rebate in tax given by the Finance Act in respect of income from articles exported, as the saving in tax is specifically intended as an inducement to export. So also the concession given in Section 84 of the Incometax Act in respect of certain new undertakings should not be taken into account.

Super Profit Tax- The Commission is of the view that in the calculations for the purposes of the bonus formula no deduction need be made on account of Super Profits Tax.

Rehabilitation. Having regard to the fact that the formula proposed by the Commission leaves a fair surplus for the Company, the Commission has recommended that no specific provision need be made for rehabilitation in addition to the normal depreciation in the formula.

Return on Paid-up Capital.— The Commission was of the view that the return on paid up capital to be allowed as a prior charge in the bonus formula should be at 7 per cent., and on preference share capital the return should be at the actual rate at which dividend is payable, and in the case of participating preference share capital the return should be at that rate of dividend payable on them when the dividend on ordinary shares is declared at 7 per cent.

Return on Reserves. The Commission has recommended that in bonus formula the prior charge of return on reserves should be at a lower rate than on paid up capital and that it should continue to be at the rate at which the return is usually allowed on reserves used as working capital under the existing formula, viz., at 4 per cent. This return should be allowed on all reserves and surpluses shown in the balance sheet at the beginning of the year including profit carried forward from the previous year.

Remuneration for Working Partners .-The Commission is of opinion, that in order to avoid unnecessary controversy and litigation, that for the purposes of the bonus formula the remuneration of the working partners should be determined on the analogy of Managing Agency Commission. As a general rule the total remuneration of the working partners may be fixed at 25 per cent. of the gross profits after deducting normal depreciation admissible under the Income-tax Act. If the terms of the partnership dded provide for remuneration which is lower than this figure, then that remuneration would be allowable, subject to a maximum of 48,000 rupees for each working partner or the working proprietor, as the case may be. If the terms of the partnership provide for a higher remuneration it would be subject to a maximum of 25 per cent., or a sum calculated at 48,000 rupees per annum for each working partner or the working proprietor, as the case may be, whichever is less.

Bonus to be in terms of basic wages and D.A.— The Commission is of the opinion that the distinction between basic wages and dearness allowance for the purposes of expressing the bonus quantum should be done away with and that bonus should be related to wages and dearness allowance taken together. But all other allowances such as overtime wages and incentive, production and attendance bonus including attendance bonus under statutory bonus schemes, should be excluded.

Quantum of Minimum and Maximum Bonus -The minimum bonus recommended by the Commission is equivalent to 4 per cents of the total basic wage and dearness allowance paid during the year (excluding all other allowances and other bonuses such as production bonus. attendance bonus, statutory attendance bonus, etc.) or 40 rupees to each worker, whichever is higher. This amount of 40 rupees would be payable to workmen who have worked for all the working days of theyear (including periods of privilege leave and maternity leave with pay, casual or sick leave with pay). In the case of children the minimum should be equivalent to 4 per cent, of their basic wage and dearness allowance, or Rs.25/- whichever is higher. For employees who have worked for a lesser period; the amount payable would be pro rate. The maximum bonus should be equivalent to 20 per cent of the total basic wage and dearness allowance paid during theyear. The bonus should ordinarily be paid not later than 8 months after the close of the accounting year?

The Bonus Formula. The general bonus formula recommended by the Commission, subject to the explanations and particular provisions, is as under:

Gross Profit for the year computed as per Chapter VIII Rs. paragraph 8.10. Less: Depreciation as per Chapter IX Paragraph 9.2. Rs. Rs. Less: Income-tax and Super-tax as per Chapter IX Paragraph 9.6. Rs. Rs. Less: Return at the actual rate payable on Preference Share Capital and at 7% on Ordinary Sapital, plus at 4% on reserves as per Chanter XI Partigraph II.17. Rs.

Balance.

Ra.

The balance would be the "available surplus".

of this balance, 60 per cent shall be allocated
as bonus subject to a minimum equavalent to 4
per cent. of the annual basic wages and dearness
allowance (excluding all other allowances and
bonuses such as production bonus, attendance
bonus, etc.) or a minimum amount of Rs.40/whichever is higher (Rs.25/- in the case of
children). The amount of Rs.40/- or (Rs.25/as the case may be) would be the sum payable
to a worker who has worked for all the working
days in theyear (including periods of privilege
leave with pay, casual leave with pay, sick leave
and maternity leave with pay). For a worker
who has worked for a lesser period the amount
payable would be pro rate.

Juste Industry.— The Commission is of the opinion that theplea of employers in the jute industry that the bonus system should not be introduced in the jute industry cannot be accepted. It has recommended that the general bonus formula should apply to the Jute Industry also, unless the Employers. Associations and the Unions concerned agree to any other arrangement.

Plantation Industries.— After taking into account the history, progress and present position of the plantation industries, the Commission feels that they would be in a position to pay the minimum bonus recommended by it. Bonus higher than the minimum would be payable only if adequate profits are made.

Coal and Mining Industry. After inquiry, the Commission has concluded that the general bonus formula should apply also to the coal and mining industry.

Banks. The Commission has recommended that the entire formula of the Desai Award (including the computation of gross profits) should continue to be applicable in future with certain modifications.

Sugar industry, Tile industry, Cashew and Coir manufacturing industries in Kerala.—
The Commission has recommended that the general formula proposed should be applicable to these industries.

Small Shops and Trading Establishments.

Having given consideration to the matter the Commission recommendathat the general bonus formula proposed should not apply to all small units employing less than 20 persons except those which are factories as defined in the Factories Act.

Institutions — The Commission has recommended that the bonus formula should not apply to institutions such as Chambers of Cormerce, Red Cross Associations, Universities, Schools, Colleges and Hospitals and Social Welfare Institutions, Such institutions are not established with a view to make profits, though they may have a surplus of income over expenditure.

Building Workers.— The Commission has felt that the problem relating to workers on building construction engaged through contractors is one of evolving and enforcing a proper wage structure. It is not feasible to apply the bonus formula to such workers engaged through contractors on building construction works.

The Public Sector. The Commission has recommended that if not less than 20 per cent. of the gross aggregate sales turnover of a public sector undertaking consists of sales of services and/or products which compete with the products and/or services produced or should be sold by units in the private sector, then such undertakings should be deemed to be competitive and dur formula should apply to such units.

Minimum attendance to qualify for bonus.— In a number of agreements between companies and Unions a minimum period of work in a year is specified to qualify for bonus. The Commission is of the view that there should be a minimum period of 30 days work in the year for qualifying for bonus.

Mon-payment of bonus due to misconduct.—
The Commission has supported the existing practice of withholding payment of bonus in case of misconduct causing financial loss to the Company with the addition that bonus may be withheld for dismissal only in cases of riotous or violent behaviour on the works premises, theft, fraud, misappropriation or shortage of property of the concern.

Payment of Bonus in Cash.— The Commission is of the opinion that theamount of bonus payable to the workers should be paid in cash and not in the form of National Savings Certificates or any other form.

Machinery for settlement of Bonus The Commission feels that since Disputes .the bonus formula has been simplified and the factors of uncertainty has been substantially reduced, invits there should be less scope for disputes and for litigation. formula could be worked out, in thelarge majority of cases, without difficulty. may, however, be a residue of cases where the parties do not agree on the calculations of bonus or some other minor issues may be involved. In such cases the Commission has recommended that the matter be referred to arbitration, each party appointing one arbitrator. The arbitrators before entering on the reference should choose an umpire to whom the matter would be referred in case of disagreement between the two arbitrators. If the parties are not willing to refer the dispute to erbitration, the machinery of the Industrial Disputes Act would be available for the settlement of the dispute.

Retrospective effect to recommendations.—
The Commission has suggested that the recommendations should apply to all bonus matters relating to accounting year ending on any day in calendar year 1962 other than those cases in which settlementshave been reached or decisions have been given.

(Report of the Bonus Commission, 1964: Ministry of Labour and Employment, Government of India, New Delhi, pp. 199+N-27+S-39+X80).

#### 38. Housing.

#### India - Hay 1964.

of
Study/Housing Conditions: More Houses
needed by end of Third Plan.

Astudy of housing conditions in the country was undertaken jointly by representatives of several Union Ministries and the Planning Commission, to collect data for the preparation of the Fourth Five Year Plan. The study is of the opinion that even if the targeted investment of 15,500 million rupees is made and 1.5 million houses are built, the housing shortage in urban areas at the end of the Third Plan will be far worse than at its beginning. The 1961 shortage of housing is now reckoned at 9.3 million houses which will increase to 11.4 million houses when the Fourth Plan begins. wide disparity between the third Plan consumption and the team's present calculations is explained by the fact that the latest Census has thrown new light on the housing problem.

During the Third Plan the number of urban households is estimated to go up from 15.6 million to 18.6 million. There will be a further addition of four million households by 1971. The housing shortage has been estimated on the assumption that each household should have a pucca house. In 1961, pucca houses numbered only 6.5 million.

If each new household is to get a house and if the houses that will decay are taken into account, a total of 4.6 million houses will have to be built in urban areas during the fourth Plan. And if it is desired to wipe out the backlog of 11.4 million houses during the next 20 years or so, another 2.5 million houses will have to be built during each of the coming four of five Plans.

Going by the 15-year perspective plan for housing, the housing experts are stated to be in favour of fixing the fourth Plan target of house construction at 2.8 million units at a cost of 23,600 million rupees, or a little less than 14 per cent. of the total proposed outlay for the Plan. Compared with the third Flan decisions, this appears a very high target. But even if this is achieved, urban housing conditions at the end of the fourth Plan will be considerably worse than today.

Of the investment of 15,500 million rupees in the third Plan, as much as 11,250 million rupees is in the private sector, which is expected to build 800,000 houses. The investment in the public sector is 2,600 million rupees for 400,000 houses while the outlay on social housing is 1,650 million rupees for 300,000 house units.

of the suggested fourth Plan investment of 23,600 million rupees; 14,600 million rupees is for the private sector (960,000) houses, 3,400 million rupees for the public sector (600,000 houses), and 5,600 million rupees for social housing (1.25 million houses).

The third Plan recommendation for setting up a Central Housing Board seems unlikely to be implemented during the Plan. The argument usually advanced is that most of the States are opposed to the idea and are also unwilling to get up their own statutory housing boards. Such heards have been established only in six States.

The team on housing is reported to be strongly in favour of housing boards being set up in all States. A sugrestion is likely to be made that it should be made impossible for the States to divert to other purposes funds originally earmarked for housing.

(The Statesman, dated 22 May, 1964).

# Recommendation of Working Group on Housing Co-operatives: No compulsion on Employers to provide Houses for Workers.

The Union Housing Ministry has not found it possible to accept the recommendation of the Working Group on Housing Cooperatives that employe s should be expected to provide houses for their employees. The Industry Ministry and Planning Commission feel that this recommendation will hamper the growth of industries. The Government has not even been able to implement the policy laid down in the Third Plan, that new establishments with a paid up capital of 2 million rupees on more could be placed under the obligation of constructing one half of the housing required by their labour over a period of perhaps 10 years.

In 1961-62 a total of 15,637 houses were completed at a cost of 47.1 million rupees if the three sectors. (Employers Government and Cooperatives). The respective figures came down to 13,940 houses and 42.8 million rupees in 1962-63 and to 75,39 houses and 28.2 million rupees till December of the last Financial year.

(The Statesman, dated 20 May, 1964).

# Recommendations of Working Group on Housing Cooperatives.

The Working Group on Housing Cooperatives. appointed by the Government, has estimated that 155,000 million rupees would be required to meet the deficit of 18 million houses in urban areas of India during the period 1961-76. This is without providing for replacements and the population rise. As against this. the resources likely to be available during the Fourth and Fifth Plans for housing is estimated at only 30,000 million rupees. The Working Group is of the opinion that unless sufficiently large funds were provided and earnest efforts made to arrest the steadily deteriorating situation, a stage might come when a solution of the problem would defy all planning. group found that while cooperative housing had gained some momentum in Madras. Maharashtra and Gujarat, it had not made any appreciable advance in other States. It suggested that housing cooperatives be encouraged both in urban and rural areas. The Working Group suggested a two-tier federal structure for cooperative housing organisations in each State, an apex society and primary appiliated societies. In due course, it said a federation of housing cooperatives at the national level might also be formed.

(The Statesman, 19 May 1964)

### 56. Labour Administration.

India - May 1964.

# Work of the Ministry of Labour and Employment during the Year 1963-64\*.

In connection with Parliament discussions on the demands for grants of the Ministry of Labour and Employment, the Ministry published a report of its activities during 1963-64. The report is in two Volumes - the first Volume covers the activities of the Ministry in the field of industrial relations, wages, social security, labour welfare, and working conditions etc. The second Volume covers the activities of the D.G.E.& T. (please see pp. of this report). Abrief review of the first Volume of the report is given below:

General Labour Situation.— In the field of industrial relations the Government's policy continued to be one of promotion of constructive cooperation between labour and management through codes and agreements like the Code of Discipline in Industry, Industrial Truce Resolution, etc. The man-days lost owing to industrial disputes, which is one of the indicators of the general climate of industrial relations, declined in 1963. As compared to a loss of 6.1 million days in 1962, the provisional figure for 1963 is about 2.9 millions. This was just about half the average number of mandays lost owing to industrial disputes in the last five years from 1958-62. The improvement in industrial relations was noticeable both in the Central and the State spheres.

<sup>\*</sup> Report 1963-64 (Volume I): Ministry of Labour and Employment: Government of India, New Delhi. pp. 65.

Against the total of 2.9 millions man-days lost in 1963, 0.3 millions were accounted for by railways, mines, oil fields, ports and harbours etc., which fall within the Central Sphere. The situation was generally normal in banks and insurance companies where no work-stoppage of any significance took place during the year. In the case of major ports, a few work stoppages each involving more than 1000 workers took place in Marmagoa, Bombay and Calcutta. The situation was otherwise normal in Defence and other Central Government undertakings, except for some go slow in Hindustan Steel, Rourkela and Heavy Electricals, Bhopal.

Coal Mines - Strikes. Sixty strikes
were reported during 1963. These were mostly
of short duration. The more serious ones
took place in: Kurasia (1134 workers), Churulia
(425 workers), Kurhurbaree (594 workers), East
Bhagatdih (800 workers), Hutar (183 workers),
South Bulliari (47 workers), Malkera-Choitidih
(500 workers), Sijua (2299 workers), Belatand
(877 workers), No. 5 Incline of Singareni
Collieries (240 workers), No.7 Incline of
Singareni Collieries (650 workers), Angarpathra
Colliery (450 workers), Gidi 'A' Colliery
(800 workers) and Korea Colliery (60 workers).

The Industrial Truce Resolution adopted on November 3, 1962 had considerable impact on the labur situation in coal mines. The number of man-days lost in 1963 was 40,801 as against 186,594 in 1962.

Arbitration.— The number of disputes in the coal mining industry settled through arbitration by the officers of the Central Industrial Relations Machinery during 1963 was 112. Arbitration in these cases was undertaken under the Code of Discipline.

Abolition of Contract Labour. As a result of the report of the Court of Inquiry the contract labour system has since been abolished in all except 31 collieries. The officers of the Central Industrial Relations Machinery are persuading these collieries also to abolish this system.

Adjudication - During 1963, 242 failure reports were received from the Conciliation Officers (Central) in respect of disputes in coal mines. In 86 cases, the disputes were referred to adjudication. On 31 December 1963, 88 cases were still under consideration of the Government. In the remaining 68 cases, adjudication was not granted for the following reasons:

- (i) Settlements were arrived at subsequent to the raising of disputes.
- (ii) Disputes did not satisfy the principles laid down for the grant of adjudication by the Indian Labour Conference.

Awards received.— Seventysix awards were received during 1963 from Industrial Tribunals appointed by the Central Government. In 26 cases, the awards were in terms of mutual settlements; 17 went in favour of workmen and 9 partly in their favour. Of the remaining 50 cases, 27 were disposed of in favour of workmen, 3 partly in their favour and 17 in favour of employers; in the other 3 cases, 'no dispute' awards were given.

Non-Coal Mines and Oil-fields: Strikes.Fortysix strikes were reported during 1963.
These were mostly of short duration. The
more serious ones took place in Mysore Mine,
K.G.M.U. (165 workers), Champion Heef Mine,
K.G.M.U. (167 workers), Electricity Department,
K.G.M.U. (17 workers), Gurpahar and Kaplas
Limestone Quarries of Messrs Bisra Stone
Lime Co.Ltd., Birmitrapur (2071 workers),
Quarries of SatnaCement Works (800 workers),
Nundyodroog Mine, K.G.M.U. (2686 workers),
Hutti Gold Mines (1141 workers), and the Heavy
Equipment Section of Bisra Stone Lime Co.,
Birmitrapur (502 workers).

There was a general improvement in the labour situation in the non-coal mines as compared to 1962. The number of man-days lost as a result of strikes in 1963 was 56,160 as against 79,855 in the previous year.

Arbitration.— The number of disputes in the non-coal mines settled through arbitration by the officers of the Central Industrial Relations Machinery during 1963 was 18.

Adjudication - Fortyfour failure reports were received from the Conciliation Officers (Central) in respect of non-coal mines during 1963. In 8 cases, the disputes were referred to adjudication. Thirteen cases were pending consideration of Government as on 31 December 1963. In the remaining 23 cases, adjudication was not granted for the same reasons as mentioned above.

Awards.— Sixteen awards were received during 1963. Out of these, 8 were in terms of settlement between the parties. Of these 7 were in favour of workmen and in one, the parties requested the Tribunal to give a 'no dispute' award. In the other 8 cases, 6 awards went in favour of workmen, one partly in their favour and one against them.

Companies and Corporations in the Public Sector. There are about 65 public sector undertakings under the Central Government run as companies and corporations. These employ about 500,000 workers. The industrial relations in these undertakings have, on the whole, been satisfactory. Except for minor work stoppages there was no serious strike or lock-out. However, during the year some reports of minor work-stoppages and 'go slow' were received from the Hindustan Steel, Rourkela and Heavy Electricals, Bhopal.

Closures.— At the beginning of the year 1963, 16 cotton textile mills units remained closed as compared to 17 units at the beginning of 1962. Nearly 9,000 workers were affected by the closure of these units. At the end of the year 1963, 11 cotton textile units remaining totally closed accounting for an installed capacity of 149,000 spindles, and 2,367 looms, and affecting 5,763 workers. These closures were mainly due to financial difficulties and uneconomic working.

Industrial Relations Machinery and Its Working.— There are four Industrial Tribunals at present for dealing with disputes in the Central Sphere. These are at Bombay, Dhanbad, Calcutta and Delhi. The Tribunals at Bombay, Dhanbad and Calcutta have whole-time Presiding Officers. The one at Delhi is under the Delhi Administration, but it deals with some cases of the Central sphere also. The services of other State Tribunals are also utilised by the Central Government as and when necessary.

Adjudication and Arbitration.— One hundred and sixty-eight disputes in the Central Sphere were feferred to adjudication during 1963 as against 184 in 1962. The response of employers and workers in the matter of settlement of disputes through employers arbitration has not been discouraging. Of the 610 cases in the Central sphere, in which conciliation failed during 1963, voluntary arbitration was agreed to in 156.

Working of the Central Implementation and Evaluation Division: Industrial Truce Resolution .-The action taken on the conclusions of the first meeting of the Standing Committee on the Industrial Truce Resolution was reviewed at a meeting of the Standing Labour Committee held on 27 December 1963. It was decided that Consumers' Stores/Fair Price Shops would be set up by the employers in at least 95 per cent. of the establishments employing 300 or more workers within a period of two nonths. the Stores were not set up by 29 February 1964. Government would consider legislation, making the setting up of such Stores a statutory requirement as in the case of canteens under the Factories Act.

Code of Discipline .- During 1963, the Central Implementation and Evaluation Division received 1,236 complaints about breaches of the Code of Discipline in the Central sphere. Of these, 176 did not require action as they were reported to other organisations and referred to the Division only for information or pertained to cases which were sub judice. Of the remaining 1.060 cases on which action was required to be taken by the Division, 179 (or 17 per cent.) were not substantiated on enquiry, in 456 (or 43 per cent.) breaches were either got set right or the parties were advised to avoid them in future and the remaining 425 (or 40 per cent.) cases the majority of which were received towards the end of the year - had either been taken up with the parties concerned for rectification or were under investigation.

Preventive Action.— The Central Implementation and Evaluation Division received 54 cases of threats of direct action during 1965. As a result of prompt preventive action these threats failed to materialise in 48 cases.

Recognition of Unions.— Of the 30 complaints of non-recognition of unions requiring action, in 3 claims for recognition were not found valid on enquiry, in 6 the unions were granted recognition, in 3 the managements concerned have been requested to recognise the majority unions or the only existing union, in 8 vertification has either been ordered or is already in progress, in 3 the claims have been kept in abeyance till the term 'local area' is defined by the Industrial Committee on Coal Mining, and the remaining 7 are in different stages of investigation.

Screening Machinery .- During 1962. 40 cases of industrial disputes were considered by the Screening Committees of the Employers' Federation of India and the All-India Organisation of Industrial Employers. In 32 of these, managements were allowed to file appeals in higher courts and in the remaining 8 cases the parties concerned accepted the advice of the Screening Committees not to file appeals. Of the central workers' organisations the Screening Committee set up by the United Trades Union Congress considered 7 cases and allowed unions to file appeals in 2; in the remaining 5 cases the unions concerned accepted the advice not to file appeals. The Screening Committee of the Hind Mazdoor Sabha did not screen any The Indian National Trade Union Congress cases. and the All-India Trade Union Congress have not sent any information in this regard. During the first half of 1963 the Screening Committees of the Employers' Federation of India, the All-India Manufacturers' Organisation and the All-India Organisation of Industrial Employers screened 26 cases and allowed managements to field applied in 24. The Screening Committee of the Hind Mazdoor Sabha allowed its unions to file appeals in 5 of the 8 cases screened by it. Other central workers' organisations have not reported the cases screened by their committees.

Grievance Procedure.— The Implementation and Evaluation Division received 20 complaints against employers for failure to set up grievance procedure. The managements concerned and/or their central organisations have been requested to rectify this omission. The Division is in correspondence with them.

Evaluation Studies. The Division completed the following evalution studies:-

- (a) Labour-Management relations in the Hindustan Housing Factory, Delhi-
- (b) Labour-Management relations in the Hindustan Insecticides Ltd., Delhi-
- (c) Labour-Management relations in the Hindustan Machine Tools, Bangalore,
- (d) Review of the working of the Industrial Truce Resolution during November 1962 to May 1963.
- (e) Review of the working of the Code of Discipline and Implementation Machinery in the Central sphere during 1962.

Code of Conduct. During 1963 the Central Implementation and Evaluation Division received 30 complaints under the Code of Conduct. Of these, Il did not require action as the complaints were addressed to other authorities and endorsed to the Division only for information or the concerned cases were sub judice; 3 were not substantiated on enquiry; 9 were referred to State Governments concerned for necessary action; in 6 the breaches, having been established on enquiry, were brought to the notice of the central organisations of erring parties and one was under investigation.

Workers' Participation in Managements.— Joint Management Councils are, at present, functioning in 80 units - 25 in the public sector and 55 in the private sector as against 53 - 16 in the public sector and 37 in the private sector - in 1962-63.

Special machinery to promote Joint Management Councils has been set up by all the State Governments except those of Gujarat and Jammu and Kashmir. TripartiteCommittees on Labour Management Cooperation have been set up by the Assam and Rajasthan Governments to review the progress of the scheme and to recommend measures for its extension. The State Governments of Bihar, Maharashtra, Madhya Pradesh, Orissa, Uttar Pradesh, and West Bengal have entrusted this work to the State Labour Advisory Boards. In Kerala, the Industrial Relations Committees set up for different industries are to look after this work. The Punjab Government has also constituted a Committee of the Secretaries of the employing departments to promote the scheme in the public sector. This arrangement is in pursuance of one of the recommendations of the Standing Labour Committee held on 28 April 1961 and reiterated in a subsequent meeting of the Committee on 17 October 1962

The State Governments, the all-India organisations of employers and workers and the National Productivity Council were requested to furnish names of units which were considered suitable by them for the setting up of Joint Management Councils. A number of names have been received. The question of setting up of Joint Management Councils has been taken up with the units concerned.

Wages: Appointment of new Wage Boards. Two new Wage Boards were constituted in Hay 1963 - one for the Iron Ore mining industry and the other for the Limestone and Dolomite mining industries. The industries covered by Wage Board so far are:

(i) Cotton Textiles; (ii) Sugar; (iii) Cement; (iv) Jute; (v) Tea plantations; (vi) Coffee plantations; (vii) Rubber plantations; (viii) Iron and Steel; (ix) From Coal Mining; (x) Iron Ore mining; and (xi) Limestone and Dolomite Mining.

The number of workers employed in these industries is more than 2.7 millions.

A Second Wage Board has been set up under the Working Journalists (Conditions of Service) and Miscellaneous Provisions Act, 1955, for the purpose of fixing or revising rates of wages in respect of working journalists.

A Wage Board for non-journalists employees of newspapers establishments has also been set up.

It has been decided to set up a second Wage Board for the Cotton Textile industry.

The question of setting up a Wage Board for the Engineering Industry would also be considered after receiving the report of the Study Group on Wages in the Engineering industry.

Interim Wage Increase.— The Wage Boards for the iron ore, lime-stone and dolomite mining industries recommended in November 1963 that all workmen employed in these industries should get a minimum interim wage increase of Rs. 7.80 per mon th (i.e. 30 nP. per day). They also recommended that the minimum emoluments of an unskilled worker should be raised to Rs. 2.50 per day or Rs. 65 per month. These recommendations were accepted by Government. The employers concerned have been requested to implement them as early as possible. The interim wage increase recommended last year by other Wage Boards has, by and large, been implemented.

Minimum Wages.— Minimum rates of wages were notified under the Minimum Wages Act, 1948 in some of the Central Agricultural farms. Draft proposals for minimum rates of wages in respect of certain categories of employees employed on a contract basis in the ports of Madras, Bombay and Calcutta on the construction of roads or in building operations were also notified under the Minimum Wages Act, 1948 for eliciting comments. These proposals will be finalised in the light of the comments received.

Bonus Commission.— A tripartite Bonus Commission was set up in December 1961 to consider the question of payment of bonus based on profits and to recommend principles for the computation and methods of payment of such bonus. Public sector undertakings which are not run departmentally and which compete with establishments in the private sector were included within the purview of the Commission. The Commission has submitted its report.

Social Security: Employees' State Insurance Scheme .- By the end of March 1963. the Employees' State Insurance Scheme had been extended to about 1.984 millions of industrial employees in 151 centres spread over all the States (except Gujarat) and the Union Territory of Delhi. About 2.055 millions family units were also covered. During the period April to December 1963, the Scheme was extended to Bhadaninagar and Marhowrah in Bihar, Mettupalayam, Shencottah and Nagarcoil in Madras, Jorhat and suburbs of Gauhati in Assam, Adichanallore and Palchat in Kerala and Scholapur in Maharashtra. The number of additional workers covered was 31,750 - bringing the total coverage to 2.016 millions in 160 centres. Medical care was extended to about 24,850 more family units at Markapuram and Guntakal in Andhra Pradesh. Jorhat and the suburbs of Gauhati in Assam, Vaniyambadi, Gudiyatham, Virudhunagar and Mettupalayam in Madras, Gaya, Mokamesh, Muzaffarpur, Bhadaninagar, and Marhowrah in Bihar, Belgaum in Mysore and Dehradun, Mathura, Hapur and Harangaon in Uttar Pradesh. The total number of family units for far covered is 2,080 millions consisting of about 8,363 millions beneficiaries including the insured persons.

An additional amount of 39.113 million rupees was sanctioned for the construction of haspitals, annexes and dispensaries. This will provide 1,342 additional beds. The total amount for the construction of hospitals, dispensaries, etc., so far sanctioned is about 161.172 million rupees and the total number of beds to be provided is 6,548. Besides this, 327 additional beds were reserved, while the reservation of 58 beds in Maharashtra was discontinued. The total number of beds reserved to far is 3,913.

Improvements effected.— Insured women were allowed reimbursement on the same scale as that for wives of insured persons for confinement at a place where medical facilities under the Employees' State Insurance Scheme were not available.

The rate of extended sickness benefit during the extended benefit period has been doubled and it now equals the rate of sickness benefit.

The Corporation has decided to pay compensation for the loss of wages to those insured persons who lose wages for appearing before the Medical Referee even though they are already recipients of disablement benefit. The Corporation also decided to supply hearing aids free of cost to insured persons who sustain loss of hearing owing to employment injury. Provision has also been made for the supply of spectacles free of cost to insured persons who suffer impairment of vision due to employment injury and occupational diseases.

Studies.— On the recommendation of the Standing Labour Committee, the Central Government has set up a tripartite Committee, under the Chairmanship of Shri C.R. Pattabhi Raman, Deputy Labour Minister, to review the working of the Scheme and to suggest modifications or changes in the structure and organisation of the Employees' State Insurance Corporation so as to ensure a more satisfactory functioning of the Scheme.

A general Purposes Sub-Committee of the Corporation consisting of representatives of different interests periodically visits various centres to review the working of the Scheme and suggest improvements. The General Purposes Sub-Committee visited the State of Kerala in May 1963.

Future Programme.— Gujarat, which continued to be the only State where Employees State Insurance Scheme has not so far been implemented, is likely to enforce the Scheme in Ahmedabad in August 1964. This will cover over 200,000 workers.

Similarly, the Government of West Bengal intend to implement the Scheme in 24 Parganas and Hoogly by the end of 1964 which will cover about 312,000 of additional workers.

The Third Plan programme contemplates the coverage of all industrial centres with an insurable population of 500 and more and of the families of the insured persons in all areas where the Scheme is implemented. The total coverage of industrial employees and the members of their families by the end of Third Plan is likely to be about 3 millions and over 10 millions (including the insured workers) respectively. as against the present coverage of 1.993 millions of employees and 8.327 millions of family beneficiaries which continues to be the (including the workers). The construction of hospitals and dispensaries, which continues to be the main hurdle in the way of further extension and smooth running of the Scheme, is being specked up. addition to the five independent Employees' State Insurance hospitals already functioning, 13 more are under construction. Plans and estimates of 16 more have been approved. At present, the total ultimate outlay on the construction of hospitals and dispensaries is estimated to be about 281 million rupees. Morestress would be laid on the preventive aspect of medical care and suitable measures adopted for this purpose.

The Employees' Provident Funds Act, 1952 and the Employees' Provident Funds Scheme, 1952.— The Employees' Provident Funds Act, 1952 and the Scheme provide for compulsory contributory provident fund to industrial workers in specified industries and classes of establishments. The Act initially applied to 6 industries. It now applies to 84 industries. The Act was extended to Pondicherry with effect from 1 October 1963.

Coverage. At the end of December 1963, the number of establishments covered under the Act was as follows:

Exempted	Un-exempted	<u>Total</u>	
1,469	23,373	24,842	

Membership.— All employees in the covered establishments drawing basic wages and dearness allo and other allowances totalling not more than 1000 rupees per month, are eligible for the membership of the Fund, after completing one year's continuous service or 240 days, actual work during a period of 12 months or less.

At the end of December 1963, the number of subscribers to the 'Fund' in exempted and un-exempted establishments was as follows:

Exempted.	Un-exempted	Total
1,373,580	2,506,109	3,879,689

Contributions.— The compulsory rate of contribution is 64 per cent. of basic wages, dearness allowance, retaining allowance (if any) and the cash value of food concession (if any).

The rate of contribution has been raised to 8 per cent. in 24 industries and the enhanced rate has been applied in the establishments employing 50 or more persons in these industries. The question of similar increase in the rate of contribution in certain other industries is under consideration.

Loans and Advances.— Non-refundable advances are granted to the members of the Fund for the following purposes:—

- (i) for payment of premia on life insurance policies,
- (ii) for purchase of a dwelling house, or a site or construction of a dwelling house,
- (iii) during un-employment due to temporary closure of any factory or establishment in certain cases, and
  - (iv) for purchasing shares of Consumers Co-operative Societies.

The question of making suitable provisions for the grant of advances for serious or prolonged illness in certain cases is under consideration.

Contributions and Investments.— Provident fund contributions collected under the Act amounted to 4,875.2 million rupees till the end of December 1963 out of which a sum of about 1,420 million rupees had been refunded to out-going members of given as loans. The total amount of provident fund accumulations (including interests and transferred securities) invested inCentral Government securities till the end of December 1963 was 3,453.3 million rupees.

Rate of Interest.— Members of the Employees' Provident Fund are now entitled to an interest of 4 per cent. per annum on their provident fund accumulations for the financial year 1963-64. The rate was 3.75 per cent. in the previous year. The rate approved for 1964-65 will be 4.25 per cent.

Refund of Provident Fund. Full accumulations with interest are refunded in the event of death, permanent disability, superannuation, retrenchment, migration from India for permanent settlement abroad and on leaving service for any reason after completion of 15 years of membership and also in certain other cases.

In cases where the members leave service before 15 years of membership, they get their own contribution in full together with interest and part of the employer's contribution (with interest) on a graded scale depending upon the length of membership.

Special Reserve Fund. - A Special Reserve Fund was created in September 1960 with an intitial amount of 2 million rupees for making payments of provident fund dues to outgoing members or their nominees/heirs in cases where the employers had failed to deposit, in full or in part, their own contribution as also the amount recovered from the workers. A further sum of 2 million rupees was transferred to this Special Fund Reserve Fund during the year 1963. A sum of 2.983 million rupees had been paid out of the Fund till the end of December 1965.

Death Relief Fund. A Death Relief Fund has also been set up with effect from 1 January 1964 with an initial amount of 1 million rupees for affording financial assistance to the nominees/heirs of every deceased member of the Fund so as to assure to them a minimum sum of 500 rupees.

Family Pension Scheme.— Government has under consideration a proposal to introduce a scheme of family pension for workers who are members of the Employees Provident Fund and the Coal Mines Provident Fund. Briefly, the proposal is to create a fund out of the difference between the old rate of contributions at 64 per cent. and the enhanced rate of 8 per cent. Out of this Fund, a minimum family pension of 25 rupees per month will be paid to the widow/minor children in the event of the death of a member. It is also under consideration what part of the Pension Fund would be returned to the member on retirement.

The Coal Mines Provident Fund Schemes. The Coal Mines Provident Fund Scheme, 1948 was framed under the Coal Mines Provident Fund and Bonus Schemes Act, 1948. It was originally introduced in the coal mines of West Bengal and Bihar from 12 May 1947 and later extended to Madhya Pradesh, Assam, Orissa and Maharashtra. Separate schemes were prepared for Andhra Pradesh and Rajasthan and applied to the coal mines in these States from 1 October 1955.

Coverage.— The total number of collieries/ organisations covered under the Act and the Schemes was 1,248 as on 31 December 1963.

Contributions.— The rate of compulsory contribution is 8 per cent. of total emoluments. Employers are also to contribute an equal amount. Members are allowed to contribute voluntarily upto another 8 per cent. of their emoluments. Voluntary contribution was introduced in June 1963, a sum of 0.145 million rupees was received as voluntary contribution from 1,352 members.

The total Provident Fund contributions realised till 31 December 1963 were 372.5 million rupees.

Investments.— The Provident Fund moneys are invested in Central Government securities and the various Defence Certificates, Deposits, Bonds, etc. The total amount (including interest and transferred securities) invested was 392.1 million rupees as on 31 December 1963.

Refunds.— Till 31 December 1963, a sum of 54.5 million rupees was refunded to outgoing members or their nominees and heirs in settlement of their claims.

Amendments to the Schemes.— The Rajasthan and Andhra Pradesh Schemes were amended in April 1963 to provide that employees earning more than 300 rupees per month who were hitherto excluded should also be entitled to the membership of the Fund, if they fulfil the prescribed attendance qualification. This brings these Schemes in line with the main Scheme of 1948 which was amended for this purpose in January 1957.

The Andhra Pradesh Scheme was again amended in May 1963 so that the subscribers to the Provident Fund established for the employees of the Singareni Collieries Company Ltd., who had originally elected to continue to subscribe to that Fund, may exercise a second option for coming over to the Statutory Provident Fund.

The Schemes were age further amended in June 1963 to simplify the existing procedure of payment of provident fund accumulations to the outgoing members of their nominees and heirs.

The Schemes were again amended in August 1963 to provide for payment of non-recoverable advances from the Fund of an amount not exceeding a member's own contribution for the purchase of a dwelling house or a site or for the construction of a dwelling house.

Coal Mines Bonus Schemes. There are four Coal Mines Bonus Schemes, namely:

- (a) Coal Mines Bonus Scheme, 1948 which applies to the Coal mines of West Bengal, Bihar, Madhya Pradesh, Orissa and Maharashtra.
- (b) The Andhra Pradesh Coal Mines Bonus Scheme, 1952 which applies to the Coal mines in Andhra Pradesh.
- (c) The Rajasthan Coal Mines Bonus Scheme.

  1954 which applies to the only
  colliery in Rajasthan owned by the
  Rajasthan Government, and
- (d) The Assam Coal Mines Bonus Scheme, 1955 which applies to the Coal Mines in Assam.

Coverage.— The total number of collieries covered by these Schemes at the end of December 1963 was 824.

Employees eligible for bonus.— Every employee drawing basic earnings not exceeding 300 rupees per month is entitled to receive bonus under the Schemes subject to the fulfilment of the conditions prescribed. The bonusis essentially an attendance bonus. Certain categories e.g., malis, sweepers, etc. are, however, excluded.

Number qualifying for bonus. The number of persons who qualified for bonus for the quarter ending September 1963 was 293,005

Amount of Bonus. The employees covered by the Schemes are entitled to get 1/3 of their basic earnings as quarterly bonus. Under the Assam Coal Mines Bonus Scheme, however, the daily rated employees are entitled to the payment of both weekly as well as quarterly bonus while the monthly rated employees are entitled to the payment of only quarterly bonus.

No. of Inspections carried out and Irregularities detected.— A total of 1,608 inspections were carried out by the officers of the Industrial Relations Machinery during the period April to December 1963 and 2,944 irregularities were detected. Out of these, 826 irregularities were rectified during the period.

Prosecutions and certificate cases.— One hundred and eighteen prosecutions were launched during the period April-December 1963 for infringement of the provisions of the Schemes and 17 certificate cases for recovery of unpaid bonus were also filed under the Coal Mines Provident Fund and Bonus Schemes Act. 1948. The total amojnt involved in these cases was 0.146 million rupees.

Amendments.— The Coal Mines Bonus Schemes were amended in June 1963 to Lay down specifically that the bonus shall lie on the employer to prove that he had 'reasonable cause' for not paying the bonus within the prescribed period.

The Bonus Schemes were amended in October 1963 to clarify that non-submission of returns within the specified period would be punishable.

Relief and Assistance Fund for Handicapped Persons. Twenty million rupees have been earmarked in the Third Plan for a Relief and Assistance Fund for handicapped groups. The scheme prepared for the purpose provides for the grant of assistance to old persons, the physically handicapped and destitute women and children without means of livelihood. Such grants will be made through local bodies such as municipalities and panchayats. It is proposed to make a beginning on a pilot basis. State Governments and Union Territories have been asked to set up pilot projects. In the pilot stage, 25 per cent, of the expenditure will be met by the local community and the balance by the Central Government. The cost of administration will be the liability of State Governments

Working and Living Conditions: Welfare of Coal Miners - The Coal Mines Labour Welfare Fund was constituted in 1944 with the object of improving the living conditions of workers in coal mines. The income of the Fund is derived from a cess on all coal and coke despatched from collieries. of tess continued to be 49.21 nP. per metric tonne. The total income of the Fund is being allocated between two accounts - the Housing Account and the General Welfare Account - in the ratio of The estimated income and expenditure 50:50. of the Fund during 1963-64 are 35.032 million rupees and 35.500 million rupees, respectively. as against the actual income and expenditure of Rs. 304.2 and Rs.269.00 respectively, in 1962-63.

Hospitals - The two Central Hospitals (one each at Dhanbad and Asansol) and the seven Regional Mospitals (two each at Jharia and Hazaribagh coal fields and one each at Raniganj). Rajliganj, Pench Valley and Vindhya Pradesh Coal fields) continued to function. The construction of the eighth Regional Hospital at Kurasia in the Korea anal Fields was completed and its out-patient department was declared open on6February 1963. Another Regional Hospital at Bhuli is under construction. Work in connection with the expansion of the bed-strength of the Regional Hospital at Jamai - from 30 to 50 - is also in progress. In order to met the increasing demand for medical facilities at the Central Hospitals at Dhanbad and Asansol, sanction was accorded for expansion of the bed-strength of these hospitals from 250 to The work in this connection has already started in Dhanbad. The total number of new cases of in-patients and out-patients treated at the two Central Hospitals was 20,428 and 77,935, respectively. The number of new indoor and out-door patients treated at the Regional Hospitals was 10,025 and 31,142 respectively.

Family Welfare Centres and Maternity and Child Welfare Centres. There were in all 66 centres. Of these, 51 were Maternity and Child Welfare Sentres (run by Jharia, Asansol and Hazaribagh Mines Boards of Health with graints—in—aid from the Fund) and 15 Family Welfare Centres (run by the Coal Mines Labour Welfare Fund). Of the latter, 7 were attached to Regional Hospitals and eight were in other areas.

Other important activities of the Fund are: Establishment of Blood Banks at the Central Hospitals at Dhanbad and Asansol: establishment of Health Promotion Centres: maintenance of ambulance vans; supply of spectacles, dentures, etc., Malaria Control Operations and Anti-Filaria measures.

Educational and Recreational Activities .-Some relevant statistics are given below:-

	Number
Miners' Institutes. Adult Education Centres. Feeder Adult Education Centres. Feeder Adult Education Centres	56 61 156
(for women). Welfare Centre for women. Holiday Home. Boarding Houses for Children.	15 59 1 2

Other Welfare Activities: Water Supply .-Financial assistance from the Fund was given/ sanctloned for augmenting water supply as under: (1) Rs.37,400 to Bargolai Colliery (Assam);

(2) Rs.5,000 to Dilli Colliery (Assam); and

(3) Rs.14,921 to M/s. West Bokaro, Ltd.

So far the digging of 217 wells with a subsidy of 50 per cent. has been undertaken. Of these, 54 wells have been completed,

Co-operatives - Threehundred and thirtysix and credit and consumers' societies were functioning in the different coalfields in 1963 as against 250 in the previous year. A non-recurring grant of Rs 67/- each was paid to 154 of these societies for meeting the preliminary expenses. A wholesale Central Co-operative Store was opened at Bhuli Township in the Jharia coal fields for the purpose of feeding the primary consumer stores of colliery workers. Action is also being taken to set up consumers co-operatives in the Raniganj and Korea (Madhya Pradesh) coal fields.

Death Benefit Scheme. The number of beneficiaries under this scheme were 66 widows and 20 school going children of victims of accidents. The total amount of financial assistance sanctioned was Rs. 26,550/-

Housing .- The progress of housing under the various schemes was as under:-

Scheme

Progress

## A. Old Schemes:

(i) Township(Direct construction). No. of houses constructed -2,153.

(ii) Old Subsidy Scheme (20 per cent. of the cost of construction given as subsidy).

Ho. of houses constructed -1.638.

2,060.

No. of houses constructed -(iii) Subsidy-cum-Loan Scheme (25 per cent. of the cost of construction as subsidy and 37台 per cent. as loan).

B. Current Schemes:

- (iv) New Housing Scheme (entire cost borne by the Fund).
  - (v) Low Cost Housing Scheme (entire cost borne by the Fund subject to certain ceilings).
- (iv) Build Your Own House Scheme (Rs.325.00 paid as subsidy to workers for building their own houses)

No. of houses completed -16,424

No. of houses under construction - 12,152. Of 104 collieties to whom 12,060 houses and 133 barracks were allotted, work was in progress on 6,271 houses and 52 barracks and 2,255 house and 9 barracks were completed. Construction of 12 houses sanctioned.

Welfare of Mica Miners - The Mica Mines Labour Welfare Fund - constituted under the Mica Mines Labour Welfare Fund Act, 1946 - is intended to provide medical, educational, recreational and otherwelfare facilities to workers in mica The Act provides for the levy of a customs duty on all mica exported from India upto a maximum rate of 64 per cent. ad valorem. levy at present is 21 per cent. The collections are allocated for expenditure on welfare measures among the various mica-producing areas in proportion to their average production. The estimated income and expenditure of the Fund during 1963-64 are 2.6 million rupees and 3.5 million rupees, respectively. The actual income and expenditure in 1962-63 were 1.998 million rupees and 2.725 million rupees respectively.

The activities of the Fund are briefly mentioned below:-

Medical Facilities - Hospitals. The
Fund continued to maintain a 100-bed Central
Hospital at Karma (Bihar), a 15-bed Hospital
at Tisri (Bihar) and a 14-bed Hospital at
Kalichedu (Andhra Pradesh). The construction
of the 30-bed Hospital at Gangapur (Rajasthan)
was completed and the out patient departments
has started functioning. A 50-bed T.B. Hospital
at Karma (Bihar) started functioning in October
1963. A 12-bed T.B. clinic at Tisri was under
construction, and work on a 16-bed T.B. Ward
attached to the hospital at Kalichedu would
start shortly.

Other Medical Facilities.— Details regarding the number of dispensaries, welfare centres, etc. functioning in the different mica-producing States are given below:—

	Bihar	Andhra	Rejesthen	Total
Ayurvedic Dispensaries Static Dispensaries Mobile Medical Units Maternity and Child	3 5 3	1 3 1	12 5 5	16 13 9
Welfare Centres. Community Centres.	3 5	4	9	16 5

Facilities provided for T.B. patients include: Reservation of 21 beds in two hospitals; financial assistance (also to silicosis patients) at the rate of Rs.50 per month to dependents of mica miners undergoing treatment; and a Rehabilitation-cum-Convalescence Home for workers cured of T.B.

Arrangements have also been made for the treatment of leprosy at the Leprosy Hospital. Titul Mahari (Bihar).

Educational and Recreational Facilities, The number of institutions set up for these purposes was as under:

		Bihar	Andhra	Rajasthan	Total
a)	Multipurpose Institutes (with an Adult Education Centre and a Women's				
	Welfare Centre).	7	• •	• •	7
b)	Community Centres.	7	1	▼ •	8
c)	Women's Centres.	• •	2	8	10
d)	Primary/Elementary	_	_	_	- A
	Schools.	6	6	2	14
e)	Feeder Centres.	6	• •	• •	6 5
ſĵ)	Middle/High Schools.	2	2	1	
g)	Adult Education Centres.	• •	• •	23	23
g) h)	Boarding Houses for Hiners Children.	3	1	••	4

The arrangements previously made in some of these institutions for free mid-day meals, milk, snacks, stationery articles, grant of scholarship or tuition fee, etc., were continued. Recreational activities are also arranged by many of these institutions/centres.

Other Welfare Amentities. The grant of financial assistance to the widows and children of victims of accidents was continued.

Housing - The progress of housing schemes was as under:-

	Scheme	Progress
a)	Departmental Colonies.	of the two colonies of 50 houses each in the mica fields of Bihar that were under construction, one is nearing completion. Nine more colonies comprising, in all, 26¢ houses are proposed to be constructed.
ъ)	Low Cost Housing Scheme	Discussions regarding surface rights of housing areas were carried on with the Govern- ment of Bihar, who have recently agreed to grant such rights to mine owners. The actual construction of houses is expected to start soon.
c)	Build Your Own House Scheme.	Construction/improvement of 500 houses in Bihar ha sbeen sanctioned under the Scheme which provides for a grant of Rs.325 to a miner either in cash or in the shape of materials.

Water Supply. Twentynine wells (25 in Bihar and 4 in Andhra Pradesh) have already been sunk by the Fund and another 25 wells are being sunk in Bihar. These are in addition to eleven wells (three in Bihar and eight in Andhra Pradesh) sunk under the Subsidy Scheme. Four more wells under the same Scheme are being sunk in Andhra Pradesh. Under the Subsidy Scheme the mine owners who sink wells get a subsidy equal to 75 per cent. of the cost of construction or Rs. 7,500 per well, whichever is less. Three wells are also being sunk in Rajasthan and 90 per cent. of the cost of these will be met by the Fund.

Creches in Mines.— Under the Mines Creche Rules, 1959 (as amended in January 1961), it is obligatory for the mine managements to provide creches in every mine where women are employed or were employed on any day of the preceding twelve months. Fourhundred fourteen coal mines and 280 non-coal mines have provided creches. The Chief Inspector of Mines and the Coal Mines Welfare Commissioner continue to take action to ensure that creches are set up wherever necessary.

Boots for Miners. The experience gained from the use of footwear recommended by the Miners Boot Committee (1959) indicated the need to revise the specifications. An ad hoc Technical Committee was set up to re-examine the question. This Committee will, inter alia, prescribe new specifications of the footwear suitable for different classes of mines and different working conditions.

Theramine all the aspects of the question of supply of Wootwear to workers in coal mines; Government have also set up a Tripartite Committee with the presiding officer, Central Industrial Tribunal, Bombay as its Chairman.

Working Conditions in Mines.— Working conditions in mines are regulated by the Mines Act, 1952. While Rules provide generally for non-technical matters, the safety precautions to be followed in mines have been laid down in the Regulations framed under the Act. The Act, Regulations and Rules are enforced by the Chief Inspector of Mines.

Safety in Mines.— The following table gives the fatality rates in mines for the period 1956-62:-

Year	Fatality rate per	thousand persons employed
•		All Mines Coal Mines
1956 1957 1958* 1959 1960 1961 1962		0.53 0.73 0.40 0.49 0.78 1.10 0.47 0.55 0.49 0.59 0.51 0.65 0.53 0.61** 0.57*** 0.62***

<sup>\*</sup> Two hundred killed in Chinakuri and Central Bhowrah disasters during this year.

\*\* Revised figures.

The number of persons killed and sectiously injured in accidents during the year 1963 is given below:

	Fatalities*	Serious Injuries*
Coal Mines	266 80 <b>34</b> 6	2,443 1,519 3,962

<sup>\* (</sup>The figures are provisional).

The question of safety in mines is being kept constantly under review and measures for the improvement of safety are taken from time to time. The more important of the measures taken during the year were the setting up of the National Council for Safety in Mines and a Standing Mines Safety Equipment Advisory Board and organisation of Safety Weeks. Some details of these are given below.

National Council for Safety in Mines.— The Council (Rashtriya Khan Suraksha Parishad) was set up in July 1963 to promote a safety education and propaganda in mines. It includes representatives of mine owners, workers and mine managers.

<sup>\*\*\*</sup> Calculated on the basis of employment figures for 1962.

Standing Mines Safety Equipment Advisory
Board. The Board was set up in June 1963 and
is composed, inter alia, of representatives of
mine-owners, mine managers, mine workers and
theGovernment Departments concerned. The
functions of the Board are: (i) to make annual
assessments of future requirements of mine safety
equipment and material; (ii) to keep track
of the progress of indigenous production of such
equipment and material; (iii) to review the
position regarding import of such equipment and
material; and (iv) to advise on the availability
of mine safety equipment.

Safety Weeks.— Safety Weeks were celebrated with great enthusiasm during the year in the year important coalfields, as also in the mica mines in Bihar. These weeks were of great assistance in arousing safety consciousness as well as in improving the working conditions in mines.

Training and Medical Examination.— As an untrained or a physically unfitworkers is often a source of risk to himself and to his fellow workmen, Rules are being framed to provide for the vocational training of workmen and for their medical examination at the time of appointment and also periodically thereforer.

Inspections — The number of inspections made during the four quarters of 1962 and 1963 are given below:—

Quarter ending	Number of In	spections	
	1962	1963	<b>-</b> ∵
31 Harch.  30 June.  30 September.	2,532 2,750 2,897 2,920	2,447 2,784 2,650 2,720	

Rescue Stations.— Rescue Stations set up under the Coal Mines Rescue Rules, assist in rescue and recovery operations in coal mines in the event of fire, explosion, etc. For this purpose, permanent rescue brigades are maintained at these stations to attend to emergency calls. These stations also provide training in rescue work to emer persons deputed from the mines. The number of Rescue Stations at present functioning continued to be six. Arrangements are being made to open a new rescue station in Assam. A proposal to set up a rescue station at Sahdol in Madhya Pradesh is also under consideration.

The Rescue Stations are at present managed by the Central Coal Mines Rescue Stations Committee. Having regard to the special nature of the functions of the Committee, and of the terms and conditions of service of its employees, it is being registered under the Societies Registration Act so that it may have a corporate status.

During the period April to December 1963 the rescue services attended to emergency calls on twenty-two occasions. The number of persons trained in rescue work and on theactive list as on 31 December 1963 was 1,775.

Prosecutions.— The number of prosecutions launched for the violation of statutory regulations during 1963 were 133.

Dock Labour: The Dock Workers (Regulation of Employment) Schemes - These Schemes seek to regulate the employment of certain specified categories of stevedore labour and are, at present, in operation in five masor ports viz., Bombay, Calcutta, Madras, Vishakhapatnam and Cochin. In Calcutta, Bombay and Madras, these schemes are supplemented by 'Listing Schemes' called the Unregistered Dock Workers (Regulation of Employment) Schemes, one of the objects of which is to collect necessary data with a view to seeing whether the listed workers can be ultimately decasualised and given the benefits of regular employment. minimum guaranteed wages, etc. All these schemes are administered by Dock Labour Boards which are tripartite bodies consisting of an equal number of representatives of (i) the Central Government, (ii) the dock workers, and (iii) the employers of dock workers and shipping companies.

Working of the Schemes.— The total number of reggatered and listed workers under each of the five Boards are as on 1 January 1964 was as follows:—

	Number of		
	Registered worle rs.	Listed workers.	
1. Bombay. 2. Calcutta. 3. Madras. 4. Cochin 5. Vishakhapatnam	4,750 11,432 1,531 1,832 1,352	3,090 5,284 2,433	in the second se

In Madras, the average employment of a "mazdoor" during the year ending 31 March, 1963 was 21 days in a month as in the previous year. However, their average monthly earnings during the year increased to Rs.180.52 from Rs.170.48 during the previous year. A scheme of piece-rate wages for the listed workers except the chipping and painting workers, was also evolved in Madras through mutual agreement between the representatives of the employers and employees. The agreement has been working satisfactorily.

In Bombay, the monthly average duration of employment increased from 15.5 days in 1961-62 to 20.3 days in 1962-63. There was also an increase in the earnings of all categories of workers. The average monthly earnings of gang workers was Rs.240.36 as against Rs.206.91 during the preceding year. The Bombay Board also increased the dearness allowance by Rs.5/- with retrospective effect from 1 November 1961. The Bombay Listing Scheme was amended to bring foodgrain workers within its purview.

In Cochin, the monthly average employment of "mazdoor" of general cargo in 1963 was 12.2 days and that of the workers of bulk cargo, 11.4 days. The monthly average earnings of general "mazdoor" was Rs.134.37 and that of workers of 'bulk cargo', Rs.139.30.

In Vishakhapatnam, the monthly average employment of Reserve Bool "Maddoors" was 14 days and their monthly average earnings. Rs. 105.00.

Cost of operating the Schemes.— The cost of operating the schemes is met by the Boards by imposing a levy on the registered employers in terms of percentage of their gross wage bill. The Bombay Board reduced the rate of levy from 120 per cent. of the gross wage bill, to 100 per cent. from 1 September 1963. The Madras Dock Labour Board had also reduced the General Levy from 85 per cent. to 70 per cent.

Medical and Educational Facilities.— The Madras Board has decided to reimburse the cost of the radiological, pathological and bacteriological examinations and other medical expenses incurred by the registered workers as recommended by the medical authorities. The Bombay Board has extended and full benefits of indoor medical treatment to the families of the staff and registered workers and also extended the benefits of out-door medical treatment to the listed chipping, painting, and coal workers. Workers in Bombay suffering from

T.B. and discharged from hospitals are being supplied with & litre of milk each daily for a period of 6 months. In Calcutta, the Board's Hospital achieved its full bed-strength of 125. A well-equipped operation theatre and a chest clinic were also provided.

Educational Facilities .- The workers in Bombay continued to show interest in the Unit Level Workers' Education Class. Bombay Board awarded medals to all the successful trainees and time-pieces to such of the successful trainees who stood first and second in their batches. The Madras Board introduced the award of scholarships to the children of the Reserve Pool Workers for college education. The Calcutta Board sanctioned Rs. 12,000/- to the Waterfront Workers' Educational Association for adult education. The Board also granted stipends for higher education to the children of registered workers.

Housing.— In allocation of 20 million rupees has been made in the Third Plan for construction of houses for dock workers under these Boards. A separate Housing Scheme for dock labour has been drawn up and is being finalised. According to this Scheme, each Board will get Central assistance in the shape of loan upto 35 per cent. of estimated cost and subsidy upto 20 per cent.

The Madras Board has started construction of 120 tenements for its workers. The Bombay Board has already constructed 571 tenements. It is carrying on negotiation for the purchase of land for constructing more houses. The Calcutta Dock Labour Board had entrusted the Calcutta Port Commissioners with the work of drawing up plans for the construction of 336 quarters.

Canteens.— In Bombay, the departmental canteen registered a sale of Rs. 170,172/- during the year ending 31 March 1963. The Calcutta Board is also running a canteen. The Vishakhapatnam Board arranged to supply tea at concessional rates to night-shift workers.

Advisory Committee on Machine Guarding.— An Advisory Committee on Machine Guarding, consisting of 8 members was set up in June 1962 under the chairmanship of the Chief Adviser, Factories. The main function of the Committee is to co-ordinate research work on industrial safety and to ascertain whether new machines imported or manufactured in the country are provided with adequate guards.

The Committee has decided that a detailed study on the problem of guarding of machinery incotton textile, jute and printing industries should be taken up by the Chief Inspectors of Factories, Maharashtra and West Bengal and the Joint Chief Adviser, Factories respectively. The study is in progress.

Central Joint Standing Committee (Cement). The Central Tripartite (Technical) Committee (Cement), recommended a tripartite Agreement relating to the standards of safety, welfare and health to be adopted by the cement industry. Joint Standing Committees at the Centre and States concerned were to review the progress of implementation of the Agreement. The State Governments concerned have been requested to set up Joint Committees to supervise the working of the Agreement and send their reports to the Central Committee.

Scheme for National Awards.— The Special Committee set up in December 1962, to draw up a scheme for giving awards to groups of workers of individuals in factories and establishments has submitted its report. It has recommended four schemes for "National Safety Awards".

Scheme for Shram Vir National Awards.— A scheme of 'Shram Vir' National Awards has been drawn up for recognizing good performance on the part of the workers. The scheme which envisages the award of cash prizes and certificates of Shram Vir is expected to be brought into force in 1964-65.

Safety Posters.— The following six safety posters have been prepared by the Chief Adviser Factorics: 1) Deadly Fang — Pull them out; 2) Guards, Require Haintenance Too — Report for Repair or Replacement; 3) Remember when lifting — keep load close — Bend Knees Back Straight — Use Legs — Keep Load Below Line of vision; 4) Makeshifts Make Accidents; 5) Watch for Blind Corners; 6) Keep the Danger Guarded.

Working Group on Plantations Labour Housing set up in August 1962, first visited some typical plantations in Assam, West Bengal, Tripura and South India and held discussions with the representatives of planters, the plantation workers and the Governments of Assam, West Bengal, Madras, Mysore and Kerala. In the light of these discussions detailed questionnaires were framed and sent out. The replies received were analysed and other investigations made. The Group has completed its work and is about to submit its report.

Central Pool of Labour Officers.— The Ministry of Labour and Employment continued to administer the Central Pool of Labour Officers which was constituted in 1952. Officers of the Pool were allotted to different Ministries according to their requirements for employment in their respective undertakings. During the year about 180 Labour Officers were in position in different Central Undertakings and in some Companies and Corporations owned and controlled by the Central Government.

Welfare Work .- Periodical reports on welfare activities were received from about These reports show that 161 establishments. compliance with the statutory provisions concerning welfare such as canteens, rest rooms, latrines, urinals, washing facilities and first aid appliances, was on the whole, satisfactory. Wherever deficiencies were noticed or nonimplementation of statutory provisions was observed they were taken up by the Labour Officers with the local management authorities and, in some cases, by the Ministry of Labour and Employment with the Ministries concerned. The Labour Officers contunued to initiate and assist dundwinistration in administering a number of non-statutory welfare measures such as reading rooms, libraries, sport and games. recreation centres, kindergarten, primary and high schools, adult education classes, cooperative societies, workers education classes, labour welfare funds, etc. Welfare activities were also organised in workers! colonies for the benefit of families of the workers.

Workers Grievances .- The Labour Officers also looked into the grievances of workers, both individual and collective, and helped in maintaining industrial peace. During the year (upto the end of October 1963) 25,671 complaints were handled by them. Of these, as many as 25,196 were reported to have been settled. Of the total number of grievances handled, individual grievances accounted for 23,035 and collective grievances, 2,636. A further analysis of grievances shows that 11,312 related to terms and conditions of service, while the remaining 14,359 related to othe matters. The Labour Officers elleossisted the local managements in the smooth functioning of bipartite Committees such as Works Committees. Welfare Committees, Canteen Committees, Accident Prevention Committees, etc., as also in setting up Emergency Production Committees. Some Labour Officers looked after the induction programes of the undertakings.

Education and Training.— The first nine months of the current year have witnessed a significant expansion in the Workers' Education Scheme. The number of Regional Centres has gone up from 14 to 21 and of the sub-Regional Centres from 6 to 21. A total of 42,979 workers have been trained and 687 new unit level classes organised. Since the commencement of the scheme 96,020 workers and 5,712 worker teachers have received training. A total of 1,755 unit level classes have been set up.

Safety Training Programmes(a) Central
Labour Institutes— The Institute conducted a
training course in 'Industrial Safety' at
Baroda under the auspices of the Baroda
Productivity Council in April 1963.

(b) Regional Labour Institute, Calcutta.—The Institute participated in the Safety and Health Exhibition organised in conjunction with the annual convention of the Society for the Study of Industrial Medicine in India at the Calcutta University premises in April 1963.

A seminar on 'Industrial Poisons and their Control' was held under the joint auspices of the Institute and the Society for the Study of Industrial Medicine in India, Calcutta Branch.

Two Seminars were held on 'Industrial Safety and Occupational Health' in co-operation with the Board of Industrial Safety and Training and the Society for the Study of Industrial Medicine in India, Calcutta Branch, respectively.

(c) Regional Labour Institute, Madras. The Institute carried out a Safety Survey in Metal Box Co. of India, Madras. The report is under preparation.

Psychology Section.— The Section conducted two training courses - one on Management Development Programme' in a group of textile Mills in Delhi during February-March, 1963 and the other on 'Selection Methods and Procedures' at Bombay, under the auspices of the Bombay Productivity Council in April 1963. Senior personnel staff members from 16 industrial establishments participated in the training course at Bombay.

A course on !Selection Methods and Procedures and Merit Rating! was conducted for Units of the Fertilizer Corporation of India at their Rourkela Unit.

Productivity Centre.— The Centre conducted the following training programmes during the year:

- (1) "Production Planning and Control for Productivity and Output" at the instance of the Citizens' Defence Committee, Bombay.
- (2) "Office Organisation, System and Procedures" under the auspices of the Bombay Productivity Council coupled with a series of seven management seminars under the auspices of Bombay Management Association.
- (3) A week's seminar on 'Production Management Problems' for the members of the Andhra Pradesh Emergency Production Committee at Hyderabad.
- (4) A 15 weeks advanced course on Method Study, Production, Planning and Control and Work Measurement for the members of the industrial engineering departments of the Associated Cement Companies Ltd., Messrs Larsen and Tubro, India Government Mint(technicians and two twade union representatives), Staff Members of the Management Section of the University of Bombay and Union Secretary of the B.E.S.T. Undertaking.

The Centre has also given assistance in conducting 'job evaluation' for various categories of workes at the National Ecko Radio Ltd., Bombay.

With the help of two I.L.O. Experts the Centre is rendering assistance to the Assam Assam Government Road Transport Workshop and the Government of India Mints at Bombay and Calcutta in undertaking productivity studies.

The Officers of the Centre gave talks on a number of aspects of industrial engineering in Seminars and Symposiums organised under the auspices of the Bombay Productivity Council, the Bombay University, the Administrative Staff College, the St. Xaviers Social Institute, etc.

Training-Within-Industry Centre. A TWI project was completed during the year for the benefit of the staff of the Indian Leaf Tobacco Development Company Limited.

The Centre conducted 5 Discussion
Leading Programmes. One each of the Programmes
was sponsored by the Bombay Management
Association, the Bombay Productivity Council
and the Delhi Productivity Council and the
remaining two were conducted for the benefit
of the staff of the Tata Mills Imited and
Tata Textile Mills.

Seven CaseStudy Discussions on "Human Problems at Work" based on filmstrips were also conducted for the members of the Bombay and Poona Productivity Councils, Bombay Management Association and for members of certain industrial establishments in Bombay and Poona.

To impart leadership training to union officials such as organisers, field workers and branch secretaries, a Union Job Relations Programme was organised at the request of the unions. The programme was sponsored by the Bombay Productivity Council and 14 officers of various unions affiliated to the three main trade union organisations, viz., the Indian National Trade Union Congress, the All-India Trade Union Congress and the Hind Mazdoor Sabha participated.

The Centre assisted an I.L.O. Expert in organising Pilot Projects on Supervisors Training in the Bombay Electric Supply and Transport Undertaking, Bombay and the Murphy Radio Industries, Bombay.

The Centre has been issuing a quarterly News Letter on T.W.I. for the benefit of the industry. About 1,200 copies of this publication are being subscribed for at present.

Joint Project. A Course as well as a Project on Communication and Organisation Studies' for intermediate Management level was offered as a joint endeavour of the Productivity Centre. T.W.I. Centre and Psychology and Physiology Wings of the Central Labour Institute under the overall guidance of an U.N. Expert.

Factory Inspectors Training Course.— The seventh course of training for Factory Inspectors was held in Bombay in January 1963. Thirteen candidates from various States including two from the Organisation of Chief Adviser, Factories participated in the training programme. Besides lectures and demonstrations on various topics relating to factory legislation, the programme also included visits to selected factories in Bombay to enable the trainees to study the various problems from a practical point of view.

Assistance Programmes: The ILO and Other Programmes: Experts.— Services of 5 Experts were secured under the Expanded Programme of Technical Assistance (ILO); four of them were experts in 'Productivity' and one in 'Vocational Guidance'.

Under the Colombo Plan, the services of two experts were secured for a period of six weeks for advising Government, industry and labour on problems of occupational safety and halth and also for planning and equipping the Industrial Safety, Health and Welfare Centres of the Central and Regional Labour Institutes.

Training facilities. Training facilities were made use of under the Colombo Plan, the Indo-US (TCM) Programme and the Expanded Programme of Technical Assistance (ILO). In all 32 trainees were sent abroad for training in subjects like mines inspection, social security, factory inspection, manpower problems, occupational information, employment market information, vocational guidance and apprenticeship training, manpower assessment and planning, vocational training and small industries,

Technical assistance was also rendered to countries in South East Asia under the I.L.O. Expanded Programme of Technical Assistance and the Colombo Plan. Training facilities were provided in employment services, workmen's compensation, textile handicrafts, textile mill management, vocational training, and training in engineering trades etc., to 33 officers—23 from Nepal, two each from Ceylon, Zanzibar and Thailand and one each from Indonesia, Afghanisatan, Malaysia and Nigeria.

Equipment. Equipment worth \$ 305,120 was received from the U.S. Government upto 31 December 1963, for the Central Training Institute for Craftsmen and Instructors

Equipment and supplies worth \$ 2,400 have been received during the period as grant-in-aid from the US AID Mission for the Workers' Education Scheme.

Certain specialised equipment and publications have been received from the Colombo Plan authorities in the U.K. for the Industrial Hygiene Laboratories and Industrial Safety, Health and Welfare Centres of the Central and Regional Labour Institutes.

U.N. Special Fund Programme. - According to the Plan of Operation relating to the establishment of the three Regional Labour Institutes at Calcutta, Madras and Kanpur, which was signed in October 1960. technical assistance to the extent of \$ 351,400 is being made available. comprises \$ 180,000 for experts' services and \$ 150,000 for specialised equipment and publications to be phased over a period of about three years from 1 March 1961. The balance of \$ 21,400 is for the cost of the executive agency. About 90 per cent. of the equipment has been received and is being utilised for setting up the various Sections of the Institutes. Out of 144 man-months provided under the Plan of Operation, the services of 4 experts for a total of 69 man-months have since been utilised.

A number of experts arrived during the year for work at the Central Training Institutes for Instructors and at the Directorate General of Employment and Training under the Projects approved for assistance from the U.N. Special Fund.

T.C.M. Programme.— The services of one expert under T.C.M. Programme were made available to the Productivity Centre for conducting its Programmes. One officer from Regional Labour Institute, Calcutta has been deputed to U.S.A. for training in Industrial Safety and Hygiene under T.C.M. Programme.

Employment and Earnings in Small-Scale Engineering Units in the Howrah Municipal Area: Results of a Survey published\*.

A review of a survey on some aspects of employment and earnings in small scale engineering units in the Howrahhunicipal area has been published in December 1962 issue of the West Bengal Labour Gazette. The following is a brief summary of the article.

Introduction - Large number of small engineering units are concentrated in Howrah area. To start with it was decided to conduct theenquiry amongst the establishments located within themunicipal area of Howrah. For the purpose a list of such units was obtained from the Municipality of Howrah from their trade licence list. The number of such units was 1,112. As the employment figures of these units were not available a census of the units was conducted in October 1961. The census was done not only amongst the units obtained from the Municipality but also by investigation through all the streets within the area. Employment figures in respect of 924 concerns including 12 units employing more than 250 per day could be collected.

As the main enquiry could not be started in absence of the views of the State Statistical Bureau and non-availability of staff required for the enquiry under the Third Five-Year Plan it was decided in view of the urgency of the subject as mentioned in the preamble to take up a quick enquiry within a small compass covering some aspects of employment.

Sampling.— A 10 per cent. sample of the units excluding those employing more than 250 per day from all the groups formed according to number of workers was taken for the purpose of the enquiry. The following table shows the number of units selected as sample from different groups:-

<sup>\*</sup> West Bengal Labour Gazette December 1962; Department of Labour Government of West Bengal; pp. 593-603

Group.	No.of employees in a unit.	Humber of units.	Size of the sample.
I — III — IV —	1 to 9 10 to 19 20 to 49 50 to 249	604 148 100 60	60 15 10 6
TOTAL.	• •	912	91

Twelve units which had an employment above 250 per day were omitted from the scope of the enquiry as most of such units had already been covered by the Omnibus Tribunal for the Engineering Industry.

In course of the enquiry itwas found that three units from group I were closed and another unit in thesame group having an increase in employment in the meantime belonged to group II. One unit in group III with a larger number of employment belonged to group IV. The enquiry was thus conducted in 88 units as shown below:-

Group	•	No.of employees in a unit.	Size of the sample.	
I II	***************************************	1 to 9 10 to 19	56 16	
ITI	Table (asid)	20 to 49 50 to 249	9 7	

The period of the enquiry was from 6 August to 23 August 1962 and the results of the enquiry relate to July 1962.

Employment.— The following table shows the total number of persons employed in the sampled units and average per unit in different sizes of the establishments:-

Employment. No. o units			Average number of workers per unit.	
1 to 9 -	56	330	5.89	
10 to 19 —	16	210	13.12	+
20 to 49 —	9	287	31.89	
50 to 249 —	7	739	105.57	1

In the smallest establishments there were 4.34 persons in the skilled occupations accountings for 73.66 per cent. of the total employment of 5.89 in such establishments. In units with 10 to 19 workers there were 10.31 persons in the skilled occupations accounting for 78.57 percent. of the total employment. In the next larger group namely with 20 to 49 persons there were 21.22 persons in the skilled occupations and in the units of largest size, i.e., with employment between 50 to 249 the number of persons in the skilled occupation is 54.29 per unit. The corresponding percentages of the skilled workers in these two categories of establishments were 66.55 and 51.42, respectively. The following table shows the percentage distribution of the workers in different categories namely skilled. semi-skilled (helper to skilled workers) and unskilled:-

Units with employment.	Skilled workers,	Helper to skilled workers.	Unskilled workers.	Total	
1 to 9 —	73.64	9.09	17,27	100.00	
10 to 19 —	78.57	11.91	9,52	100.00	
20 to 49 —	66.55	19.86	13,59	100.00	
50 to 249 —	51.42	16.10	32,48	100.00	

It might be observed from the table above that the proportion of skilled workers in the smaller units is comparatively high in relation to that those in the larger units. The reason for this, as far as could be gathered, is that in smaller units a skilled worker is generally required to look after various occupations which are normally done by the helper or unskilled workers in the larger units. Out of an estimated total employment of 15,023 in these units in the municipal area of Howrah there are 9,526 workers in the skilled occupations.

Earnings.— The average earning of a worker in establishments of different sizes during the month of July varied from Rs 2.77 in the units of smallest size to Rs 3.55 per day in the units of largest size. The following table shows the average number of working day days a unit worked in the month and also the cash earnings under different constituents such as basic wages. Dearness Allowance, etc.

Units with		No.of	Average	Cash earnings during the month					
employment	•	units.	No.of working days.	Basic wage.	D.A.	Over- time pay- ment.	Other allow- ances.	Total.	
1	**************************************	2	3	4.	5	6	7	8	
1 to 9 10 to 19 20 to 49 50 to 349		56 16 9 7	26 27 26 26	2.36 2.77 2.31 2.46	0.01 0.09 0.59 0.39	0.39 0.20 0.37 0.37	0.01 0.03 0.33	2.77 3.06 3.30 3.55	

System of payment of Dearness Allowance.— In the smaller units employing up to 19 there is practically no system of payment of D.A. separately. A consolidated total wage is paid. Out of 56 units in the smallest group only one had the system of paying separate D.A. Out of 16 units employing 10 to 19 workers per day only two units had the system of separate D.A.

Overtime Payment. Porty-five units in all the groups taken together reported the system of overtime working. The balance of 43 units informed that they did not have any occasion for overtime work. As regards payment of overtime remuneration 39 units reported that the payment was made at the rate of a single basic wage which is most cases were the total cash wage in absence of any separate system of D.A. Five units reported payment at double the rate and one at one and half times.

Hours of Work and Recess. Out of 88 units only nine reported working more than eight hours. As the informations were obtained by contacting the employers alone it cannot, however, be said definitely that the other units do not resort to work for more than eight hours a shift.

Holidays.— The units allow holidays to their workers on various occasions. In the smallest establishments the most important holidays are on the occasion of Durga Puja, Bishwakarma Puja, Independence Day and Holi followed by those on account of Kali Puja, Republic Day and Netaji Birth Day. Similar is the case in the units of other sizes.

Leave System.— In the units em smallest size employing up to nine there is no system of leave whatsoever on any ground. In the units employing between 10 to 19 one has reported of sick leave up to a maximum of six days in a year. Three units have reported privilege leave varying from 7 to 14 days with an average of 12 days a year.

In the higher group with employment varying between 20 to 49, out of nine units four have reported privilege leave up to a maximum of 14 days a year. Other units have not reported any leave system. In the units of the largest size with employment between 50 to 249 all the establishments have reported existence of privilegeleave up to 14 days and two have reported other kind of leave varying between four to five days a year.

# Pundab: Annual Report on the Working of the Factories Act, 1948, in the State during the Year 1962.

The Government of Punjab published on 17 April 1964 its review on the annual report on the working of the Factories Act, 1948, in the Punjab during the year 1962.

According to the annual report. at the beginning of the year 1962, there were 4.079 registered factories in the State. Of these, 3,468 were registered under section 2(m)(i). 590 under section 2(m)(ii) and 21 under section 85 of the Factories Act. Duringtheyear under review, 945 factories were registered afresh of which 201 were registered under section 2(m)(i). 8 under section 2(m)(ii) and 736 under sectiin 85 thus raising the total number of registered factories in the State to 5.024. Amongst the factories registered afresh 52 were registered in the industry group Textile 58; in machinery(except) electrical machinery) and the rest in the remaining industry groups. However, 518 factories, 71 under section 2(m)(i) and 447 under section 2(m)(ii) were removed from the list of registered factories. Out of those removed from the register, 16 belonged to textile and 11 to machinery products, 441 brick kilns and the rest to other industry groups. a result, at the close of the year, 4,506 factories were on the register to which 3,600 were covered under section 2(m)(i) and 149 under section 2(m)(ii) and 757 under section 85 of the Factories Act, 1948. Striking feature of increase in the number of registered factories under section 85 is due to the fact that the saw mills in the State were covered under section 85 is due to the fact that the saw mills this section of the Act. Of the total registered factories 4,405 were reported as working and 80 as closed. The closed factories registered were mostly cotton ginning and pressing textile and engineering factories. As regards the remaining 21 factories they were defence establishments in respect of which information was not called for by the Chief Inspector of Factories, Punjab.

Inspections.— During the year under report, the Inspectorate Staff of the Labour Department conducted 4,048 inspections under the Factories Act as compared to 2,411 during the preceding year. Out of 4,405 working factories, 1,755 factories were inspected once, 601 twice, 199 thrice and 108 more than three times.

Employment.— The annual returns in the prescribed forms were received from 3,198 factories as against 3,127 during the preceding year. The daily average number of workers employed in the factories which who submitted the returns was 120,184. The number of the workers employed in the factories which workers employed in the factories which worked during the year under report but did not submit the return was estimated as 23,522. Thus the total average number of workers employed daily during the year under report in all the working factories may be taken as 143,706 as against 130,022 during the preceding year.

Accidents - A total of 4,328 accidents were reported as occurred in the registered factories in the State during the year under report as against 3,600 accidents during the preceding year. Out of 4,328 accidents. twenty-four proved fatal, 119 serious and the remaining of minor nature. Though the total number of accidents in comparison with the previous year increased, however, the number of fatal and serious accidents decreased during the year under report as compared to the year 1961. The increase in the numb er of minor accidents over the preceding year may be attributed to the increase in the number of registered and working factories and the larger number of persons daily employed in such establishments. The table given below indicates the accident rates for a period of five years:-

Year.		Total No. of workers.		Accident rate ts. (per thousand workers).
1958	*****	102,719	4,175	30.4
1959		111,036	3,699	33.3
1960		125,043	3.573	28.5
1961	***************************************	130,022	3,600	27.5
1962		143,706	4,328	30.12

out of the total non-fatal accidents, 21 per cent. accounted occurred due to machinery moved by mechanical powers, 24,72 per cent. due to handling of goods and 27.19 per cent. account of missellaneous causes, 8.42 per cent. were on account of molten metal and other hot or corrosive substances and remaining 20.7 per cent. were due to electricity, being struck by falling body, persons falling, stepping on or striking against objects, etc.

Prosecutions - The number of prosecutions launched against the Managers/Occupiers of various factories on account of the violation of the different provisions of the Factories Act and the rules framed thereunder, substantially increased during the year under report. A total of 6,691 prosecutions were launched by the Inspectorate staff of the Department as compared to 3,834 prosecutions during thepreceding year. Out of 6,691 prosecutions launched during the year under report, the results of 1,415 cases were reported by the field staff. Convictions were obtained in thel, 386 cases, 29 cases were acquitted by the Courts. Fine to the extent of 40,402 rupees was imposed on the managements. The average fine per offence comes to 29 rupees as compared to Rs.12.12nP. during the preceding The highest fine offe per offence was reported to be 500 rupees and the lowest was 5 rupees only.

The general health of workers in the State remained satisfactory and no outbreak of any epidemic disease was reported during the year under report.

All factories employing more than 250 workers are required to provide a Canteen or Canteens for the use of workers under section 46 of the Factories Act. During the year under report there were 61 factories which were required to maintain the Canteens. Out of these factories 57 maintained Canteens as compared to 54 during the preceding year. The Canteen facilities were availed of by 44.294 workers in the State. The Canteens were mostly run on 'no profit no loss' basis.

Particular attention was directed towards the enforcement of the provisions of the Act, relating to working hours, weekly holidays, leave with wages, rest, interval and overtime, etc. Employment of workers beyond prescribed hours was detected in 1,103 cases.

(Supplement II, Puhjab Government Gazette, 17 April 1964, pp.81-132).

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

#### Payment of Wages (Amendment) Bill, 1964.

Shri D. Sanjivayya, Union Labour Minister introduced in the Lok Sabha on 4 May 1964 a bill further to amend the Payment of Wages Act, 1936. According to the Statement of Objects and Reasons of the Bill, the Payment of Wages Act, 1936, was enacted with a view to ensuring that wages actually disbursable to workers covered by the Act are disbursed within the prescribed time-limit and that employees get their full wages without any deductions not authorised by law. the Act has been emended from time to time and certain major amendments were effected in 1957, the experience of the working of the Act has revealed certain other difficulties. With a view to removing these difficulties. it is now proposed -

- (a) to widen the coverage of the Act so as to make it applicable to all factories to which provisions of the Factories Act, 1948, have been extended by the State Governments.
- (b) to include in the definition of industrial establishment air transport services other than military, naval and air forces and notor transport services.
- (c) to permit deductions from wages of employees on account of grant of advances for various purposes such as purchase of cycles or grant of loans for house-building purposes and loans from labour welfare fund, travelling allowance, etc.,
- (d) to provide, as recommended by the Public Accounts Committee, for the recovery of losses to the railways due to acts of omission or commission on the part of the employees.
- (e) to provide for the fixation of an outer limit for deductions from wages;

- (f) to enlarge the powers of Inspectors so as to ensure proper inspection and better enforcement of the provisions of the Act, and
- (g) to clarify that the jurisdiction of the authorities appointed to hear claim applications empowers them to decide incidental matters.

These are broadly the main features of the amending Bill. Opportunity has also been taken to make certain other amendments of a minor character.

The notes on clauses explain the various changes proposed to the be made.

#### Notes on Clauses:

Clause 2. Clause 2 lays down that the provisions of the Act shall be extended to industrial establishments owned by the Central Government with objects not confined to one State in consultation with the Central Government.

Clause 3.- Clause 3 seeks to clarify certain terms and expressions used in the Act and also to enlarge the coverage of the Act so as to include civil air transport services and establishments declared as factories under section 85 of the Factories Act, 1948.

Clause 4.- Clause 4 is intended to make it clear that in addition to the employer, the manager, the supervisors, etc., shall also be responsible for the payment of wages.

Clause 5.- Clause 5 seeks to amend section 5 of the Act. The amendments proposed in this clause seek to lay down that any balance of payments due on account of piece rates in certain cases shall be paid within seven days from the day of completion of calculation relating to piece rates, and that wages shall be paid before the expiry of the second day from the day of termination of employment in cases where an establishment is closed down otherwise than in observance of a weekly or other recognised holiday. One of the amendments to section 5 also gaves power to grant exemption to daily rated workers in the Public Works Department from the provisions of section 5, which power, in the case of dailyrated employees of the Public Works Department, can be granted only in consultation with the Central Government

Clause 6.— In sub-section (2) of section 7, in clauses (8) and (j) the approval of the State Government is necessary. Now it is proposed to enable the State Government to delegate the said power to any specified officer.

Another amendment effected by clause 6 seeks to substitute clauses (f),(ff) and (fff) for clause (f) of sub-clause sub-section (2). The proposed clauses authorise deductions on account of advances of whatever nature, including advances for travelling allowance, conveyance allowance and also in respect of loans for house building purposes and loans from labour welfare fund.

This clause also provides for the recovery of amounts for payment of insurance premia on fidelity guarantee bonds and sums lost to railways due to certain acts of omission or commission on the part of the employees.

This clause further provides for the deduction to seventy-five per cent. of the wages for payment to co-operative society and up to fifty per cent. in othercases. It is also laid divinded down that recoveries under any other law are not precluded.

Clause 7.— Clause 7 provides that deductions under clause (c) or (clause (o) of sub-section (2) of section 7 shall not exceed the amount of damage or loss and the deductions under clause (c), clause (m), clause (n) or clause(o) shall not be made until the worker has been given an opportunity of showing cause against such deductions.

Clause 8.- Clause 8 provides for the imposition of conditions for deductions on account of advances given after employment.

Clause 9.- Clause 9 seeks to provide for the framing of rules to regulate the grant of loans, etc.

Clause 10.— Clause 10 provides for the maintenance of registers and records by the employers and the details connected therewith.

Clause 11.- Clause 11 enlarges the powers of the Inspector so as to render the enforcement of the provisions of the Act more effective.

Clause 12 - Clause 12 seeks to insert a new section 14A which would require the employer to afford all reasonable facilities to an Inspector for making inspection, etc.

Clause 13.- The amendment made by this clause would enable the appointment of a presiding officer of any Labour Court or Industrial Tribunal constituted under the Industrial Disputes Act or other corresponding law as the authority under the Payment of Wages Act and also clarifies that the authority under the Act can also decide matters incidental to claims arising out of delay in payment of wages, etc.

Provision has also been made in this clause to empower the State Government to appoint more than one authority in any specified area and to allocate or distribute work amongst them.

Another change effected by this clause is to increase the time-limit for presentation of claim applications from six months to twelve months.

At present the liability of the employer is to pay a compensation up to a maximum of rupees ten in cases of delay in payment of wages. It is now being increased to rupees twenty-five and it is also provided that the compensation shall be payable even in cases where the amount is paid before the disposal of the claim application.

The clause also seeks to provide for penalty in cases where the applicant ought not to have been made to seek redress under section 15 of the Act.

Another amendment effected by this clause is to empower the authority under the Act to decide disputes concerning the legal representative of the employer or the employed persons.

The clause also provides that an inquiry under section 15 shall be deemed to be a judicial proceeding within the meaning of sections 193. 219 and 228 of the Indian Penal Code.

Clause 14.— Clause 14 seeks to extend the facility of making a single application on behalf of any number of persons who are similarly affected in case of unauthorised deductions also.

Some other changes of a consequential nature have also been made by this clause's

Clause 15.— Clause 15 seeks to provide for appeals from a direction under section 15 which has the effect of imposing on the employer a financial liability exceeding one thousand rupees.

The proposed change in clause (b) of sub-section (1) of section 17 would provide for appeal being filed by all persons who can file claim applications under sub-section(2) of section 15. It would also enable an appeal being fixed by an individual, if the amount involved is rupees twenty as against rupees fifty which is the existing limit.

A new sub-section (AA) is being introduced after sub-section (1) of section 17 with a view to providing that the memorandum for appeal field by an employer shall be accompanied by a certificate to the effect that the appellant has deposited the amount appealed against. The proposed new sub-sections (3) and (4) provide that where an appeal is preferred by an employer, the authority shall, if directed by the Appellate Court, withhold any sum in deposit with him. The appellate Court would also be critical to submit any question of law for the decision of a High Court.

Clause 16.— Clause 16 seeks to authorise the same persons to act on behalf of the worker as are authorised under sub-section(2) of section 15.

Clause 17.— The proposed omission of section 19 is consequential to the emendment of section 3 proposed in clause 4.

Clause 18.— Clause 18 provides for the imposition of penalties for non-maintenance of registers and records, non-submission of correct returns, etc.; it also provides for enhancement of the penalty in cases of continuing or repeated offences.

Clause 19 - Clause 19 is self-explanatory.

Clause 20. Clause 20 seeks to insert a new section 22A with a view to providing for protection to persons acting in good faith.

Clause 21. Clause 21 seeks to include air transport service in section 24 so asto being it within the Central sphere.

Clause 22.— Clause 22 seeks to empower the State Government to make rules in relation to certain additional matters necessitated by the other amendments made in the Bill. This clause also seeks to make the usual provision for the laying of the rules made under the act before Parliament.

(The Gozette of India, Extraordinary, Part II, sec. 2, 4 May 1964, pp. 381-400).

#### 67. Conciliation and Arbitration.

India - May 1964.

The Industrial Disputes (Andaman and Nibobar Islands Amendment) Regulation, 1964 (No.4 of 1964).

In exercise of the powers conferred under the article 240 of the Constitution the President promulgated on 29 April 1964 a Regulation to amend the Industrial Disputes Act, 1947, in its application to the Union territory of the Andaman and Nicobar Islands. The Regulation makes the following amendment:

"The In chause (a) of sub-section (3) of section 7 of the Industrial Disputes Act, 1947, in its application to the Union territory of the Andaman and Nicobar Islands, for the words "seven years" the words "three years" shall be substituted".

(The Gazette of India, Extraordinary, Part II, Sec. 1, 29 April 1964, pp. 119-120)

## Seminar on Workers Participation in Management, Bombay, 15 May 1964.

Inaugurating a seminar on Workers'
Participation in Management in Bombay
on 15 May 1964, the union Labour Minister
Shri D. Sanjivayya said that the scheme
of Workers' Participation in Management
might be an abstract idea for some but for
him it is an article of faith. For the
democratisation of the administration of
an undertaking, workers' participation
was essential. But the participation had
to be real and not formal.

Shri Sanjivayya said that the scheme envisaged. Joint Consultation through Councils on which workers' and employers were equally represented and had a free forum for discussion and exchange of ideas on subjects of nutual interest. Consultations, administration of welfare measures and sharing of information on specified items were basic to an effentive working of a joint management council. Evaluation studies on the working of such councils have revealed that wherever such councils existed there were better industrial relations, increased production and a closer understandingbetween the management and labour. He categorically stated that a joint management council neither encroached up on the legisimate functions of the management nor did it usurp the position of the forum for collective bargaining. He appealed to the management to shed its customary notions about prerogatives and to labour to eschew belligrent and demonstrative acts which might hamper the spirit of cooperation.

(The Times of India, 16 May 1964)

### CHAPTER 7. PROBLEMS PECULIAR TO CERTAIN CATEGORIES OF WORKERS.

#### INDIA - MAY 1964.

71. Employees and Salaried Intellectual Workers.

#### Dearness Allowance for Central Government Staff Raised.

An increase in dearness allowance and liberalisation of the childrens' educational allowance scheme to the Central Government employees were announced by the Government of India on 7 May 1964. The increase in dearness allowance ranges between Rs.3.50 and Rs.15 according to pay. The benefit of dearness allowance, which has hitherto been confined to employees drawing less than Rs.400 has now been extended to those in the pay range of Rs.400 and Rs.600 also. This increase will benefit 2.3 millions employees and is expected to cost the exchequer about 140 million rupees in a year.

For Central Government employees drawing salaries upto Rs.600 a month it has been decided that the tuition fees payable and actually paid in middle and higher secondary schools should be reimbursed at rates not exceeding those approved by the State Government of the area for Government and aided schools. The new concession, which in effect makes education of children of Central Government employees earning up to Rs.600 a month, free upto higher secondary stage is extended expected to cost 43 millon rupees a year.

(The Hindu, 8 May 1964).

### Madras: Dearness Allowance for Government Employees Increased.

The Madras Government has announced an increase in the rates of dearness allowance to all its employees, effective from 1 May 1964. The enhanced Dearness Allowance is applicable to all those working in Municipalities, Panchayat Unions and teachers of all categories. The higher Dearness Allowance structure will benefit nearly three 0.3 million employees in the State. The additional amount the Government will have to incure on account of this measure is about 15.0 million rupees.

(The Hindu, 12 May 1964)

#### CHAPTER 8. MANPOWER PROBLEMS.

IIDIA - MAY 1964.

81. Employment Situation.

Review of the Work of the Directorate-General of Employment and Training during 1963-64\*.

Introduction.— At the Commencement of the period 1963-64, 369 employment exchanges including 20 University Employment Information and Guidance Bureaux, 6 Colliery Eechanges and 5 Special Employment Exchanges for Physically Handicapped were functioning. In addition, 147 Employment Information and Assistance Bureaux were functioning in the Development Block's in India, During the period April-December 1963 three more Employment Exchanges for Physically Handicapped and one District Employment Exchange were set up bringing the total number of Employment Exchanges to 373. Sanctions were also issued for additional six Employment Information and Assistance Bureaux in the Community Development Blocks.

Employment trends.— During the period April-December, 1963, there was an increase in registrations, vacancies notified, applicants submitted to employers and placements effected, as will be seen from the following statistics:—

	April-December 1962	April-Dec. 1963
Registrations. Vacancies notified. Submissions. Placements.	3,088,413 629,025 2,509,369 361,729	3,202,399 703,512 2,767,941 414,562

<sup>\*\*</sup> Report 1963-64(Volume II): Ministry of Labour and Employment (Directorate-General of Employment and Training), pp. 31.

The monthly average number of employers using the Exchanges increased to 12,922 during the period April-December 1963 as against 11,791 in the preceding period.

The Live Register at the Exchanges continued to show a rising trend, as in the earlier years, primarily due to additions to the labour force. At the end of December 1963 the All-India Live Register was 2,518,463.

Educated Applicants.— In line with the trend of the Live Register, the number of educated applicants (Matriculates and above) on the Live Register at the end of December 1963 was 739,066 as against 708,356 at the end of December 1962. During the period January-December 1963, the Exchanges placed 167,739 such applicants in employment which included 23,128 graduates.

Scheduled Caste/Tribe Applicants.— The number of Scheduled Caste/Tribe applicants on the Live Register of Exchanges rose from 304,699 (December 1962) to 330,051 (December 1963). During the period January-December 1963, 60,954 Scheduled Castes and 12,587 Scheduled Tribes were provided with jobs.

Women.— At the end of December 1963.

197,989 women applicants were seeking employment assistance through the exchanges. During the period April-December 1963, the monthly average number of registrations was 25,521 and placements 3,246.

Vocational Guidance and Employment
Counselling.— By December 1963, Vocational
Guidance Sections have been set up at 118
Employment Exchanges in the country. At the
State headquarters, there are State Vocational
Guidance Officers to coordinate the activities
and supervise the work of Vocational Guidance
Sections of employment exchanges.

The following figures summarise the activities of the Vocational Guidance Sections at the Employment Exchanges during the period April-December, 1963.

Number of applicants guided in groups. 342,078

Number of applicants who were given

occupational Information individually. 140,750

Number of applicants guided individually at employment exchanges. 18,629

Collaboration with Guidance Service of the educational authorities is achieved through the Central Coordination Committee for Vocational Guidance and Employment Counselling which consists of representatives of the Ministries of Education, Defence, Labour and Employment, Planning Commission and National Council of Educational Research and Training. During the period under report, one meeting of the Central Coordination Committee was held, Similar coordination at the State and District levels is achieved through the State and District Coordination Committee.

During the period under review, the Directoate General of Employment and Training has been developing aptitude tests for selection of craftsman trainees seeking admission to Industrial Training Institutes. The services of an expert under the United Nations' Special Fund were utilised in standardising a battery consisting of 4 tests. Fifteen thousands applicants for admission to 15 selected Industrial Training Institutes were put to these tests under a pilot scheme in 13 States including the Union Territory of Delhi.

Employment Market Information.— Study of the employment situation continued to be made on the basis of the data collected by Employment Exchanges at quarterly intervals under the Employment Market Information Programme. Employment information is collected on a statutory basis from (i) all employers in the public sector and (ii) private employers employing 25 or more persons. Information is also collected on a voluntary basis from employers employing between 10 and 24 workers in certain selected areas.

Twohundred thirtyseven employment market areas were covered under this programme by December 1963 as against 136 at the beginning of the Third Plan. A pilot study of the Madras Employment Market area was also undertaken during the year with a view to identifying significant manpower problems in particular to skilled personnel.

In addition to the above studies, which mainly cover the urban areas, surveys were undertaken to analyse the employment situation in Community Development Blocks where rural works projects have been located. These surveys are undertaken throughthe Employment Information and Assistance Bureaux.

The following are some of the conclusions available from Employment Market Studies:-

Overall Employment Situation.— Employment in the organised sector increased by 11.2 per cent. from 12.09 million at the beginning of the Third Plan to 13.45 million at the end of June, 1963.

Employment situation in the Public Sector.— Employment in the public sector continued to edge upwards during the Third Plan period. It increased from 7.04 million at the beginning of the Third Plan to 8.06 million at the end of June 1963 representing as increase of 14.5 per cent.

The following table shows the growth of employment in different branches of the public sector in the country during the period March, 1961-June, 1963:-

Branch of the Public Sector,		ersons emp- t the end of June 1963 Lion)	Percent increase.
Central Government State Government Quasi-Government Local Bodies	2.09 3.01 0.77 1.17	2.35 3.20 1.05 1.45	12.4 6.3 36.3 24.8
TOTAL	7,04	8.05	14.5

It is observed that almost all industries and services showed increase in employment. The increase, however, continued to be significant in the Transport and Communication and in the Manufacturing Industries in the public sector.

Employment in the Private Sector.— Although comprehensive information about employment in the private sector was not available as in the public sector, the information collected from bigger establishments employing 25 or more workers throughout the country revealed an increase of 6.7 per cent in employment at the end of June 1963 since the beginning of the Third Plans

Employment in selected areas.— An analysis of the employment situation has been made in 119 areas for which continuous data is available since March 1961. The index of employment has shown an upward trend in 98 areas. In the remaining areas the position has remained static or indicated a decline. To a large extent, the position in these areas has been fluctuating due to seasonal factors affecting industries such as sugar, tobacco, cotton ginning, brick kilns, and also due to seasonal variations in construction activity.

Manpower Shortages - Employment market studies have also revealed occupations in which employers are experiencing shortages of manpower. Shortages were mainly expenienced for professional and technical personnel as well as craftsmen and production process workers. Among the professional and technical workers, shortages were mainly reported for civil, mechanical and electrical engineers, overseers, surveyors, medical and surgical specialists, nurses, pharmacists, and secondary school teachers. Among the craftsmen and production process workers, shortage occupations included fitters, turners, moulders and electricians. Employers also reported shortages of stenographers and typists. further probe into the shortages revealed that the available craftsmen seeking work did not possess the requisite experience demanded by employers. Similarly, the vacancies for professional and technical personnel remained unfilled because applicants did not satisfy the employers requirements about experience or age. In certain cases the terms of service were unattractive.

Occupational Research and Analysis.-Information about occupations is essential for all activities of employment exchanges registration, submission, vocational guidance and employment market studies. The Occupational Malysis and Research Unit of the D.G.E.& T. and its counterparts in the State continued to be engaged in the task of identifying, classifying and cataloguing and coding of occupations. Short definitions of occupations given in the N.C.O. were being replaced by detailed definitions. In addition, the D.W.E.& T. continued to publish guides to careers on individual occupations or groups of occupations. A Handbook on Training Facilities has been published giving information about Inplant Training in Delhi, Orissa, Punjab, Uttar Pradesh and West Bengal.

Deployment of Surplus Personnel.— Upto the end of December 1963, 71,000 persons were rendered surplus at the various River Valley Projects and the Steel and Fertilizer Plants. Of them, 41,000 left the project area on receipt of retrenchment benefits as they did not require employment assistance, 27,000 were placed in alternative employment through the efforts of special cell in the D.G.E. & T. and Project Employment Exchanges and the remaining 3,000 were awaiting employment assistance at different places, the largest number Being at Bhilai who desire employment either in the local Steel Plant or in the new Steel Plant at Bokaro.

The Special Cell also rendered assistance for finding alternative employment for the surplus/retrenched employees of the Central Government, (Department of Rehabilitation and other offices) placed in employment 217 Gazetted Officers upto the end of November 1963. Of these, 143 have been secured employment through the Special Selection Board of the U.P.S.C., 61 Class II officers were awaiting employment assistance. Twentytwo of them are being considered by the U.P.S.C.'s Special Selection Board and 39 have been sponsored for employment in the public sector undertakings.

In addition, 2,366 Class III and 805 Class IV employees have been placed in employment through the Special Cell.

Employment Exchanges (Compulsory Notifi-Act, all employers in the public sector and Under this those employers employing 25 or more in the private sector (50 or more in Maharashtra) are required to notify their vacancies and submit returns to employment exchanges. Fortyfive thousands employers in the public sector and 29,000 employers in the private sector are submitting returns at quarterly intervals, as against 40,000 and 28,000 respectively in the previous year. The implementation of the Act is under constant review with a view to finding out the weaknesses in implementation and taking remedial measures Employers notified 16 per cent. more vacancies than in the previous year to employment exchanges. Certain instances of failure on their part were noticed. The State Governments therefore issued show cause notices to defaulting employers and delegated powers to employment officers authorising them to inspect the records of establishments. As a result, there was improvement in the implementation of the Acta

Mational Labour Corps - Three units of the National Labour Corps were raised in November 1962 recruiting 2,890 workers at Gorakhpur. They were despatched to work sites at Katihar and Siliguri to meet the immediate requirements of the Ministry of Defence, On being replaced by the Pioneer companies, the National Labour Corps Units at Katihar (Bihar) and Siliguri (West Bengal) were dishanded with effect from 1 October and 1 November 1963, respectively, A nucleus Unit of the National Labour Corpos consisting of 300 workers was, however, retained at Gorakhpur as an insurance against any possible The workers of the Unit were emergency, deployed on works which have training value.

Central Labour Depot, Gorakhpur, - The Labour Depot, Gorakhpur, continued to function as an integrated wing of the National Employment Service for the supply of unskilled manpower. In addition to supply of workers to the coalfields and the iron ore mines, the Depot is also supplying workers forthe construction of roads, etc. From January 1963, to the 15 December, 1963 the Depot has supplied 13,118 workers to various sectors of activity.

The Depot provided banking facilities to workers recruited by it. During the period, a sum of 11,839,406 rupees was paid to workers by the Record Office of the Labour Depot.

Manpower Studies and Surveys.— A number of manpower studies and surveys were conducted by the D.G.E. & T. during the period under review. A summary of the main findings and conclusions in some of the reports is given in the following paragraphs:

(i) Occupational Pattern of Employees in the Private Sector in India (1961) .of the Occupational Pattern of employees in the private sector in India was undertaken for the first time in September 1961. Information regarding the number of persons employed occupation-wise was obtained from over 20,000 establishments employing 25 or more persons throughout the country. Similar information was obtained from nearly 70,000 smaller establishments (employing 5 to 24 persons) in 156selected areas. The study revealed that in the bigger establishments, the labour force comprised of 40.8 per cent, of the unskilled workers and 37.8 per cent. of craftsmen and production process workers. In case of smaller establishments. the unskilled workers represented 29.6 per cent. and craftsmen represented 23.0 per cent. of the total employment,

A comparison of the occupational pattern in the public sector with that in the private sector revealed that the proportion of craftsmen and production process workers to the total number of workers was almost five times more in the private sector than in the public sector. On the other hand, the proportion of professional and technical workers and administrative, executive and managerial workers was nearly one-fourth and that of clerical workers nearly one-half in the private sector as compared to the public sector. For obvious reasons, there are proportionately more craftsmen and production process workers in manufacturing industries than in the private sector as a whole; 64.0 per cent. of the total labour force employed in manufacturing industries were craftsmen and production process workers as against 37.8 per cent. for the private sector as a whole.

(ii) Employment of Womenin India.— A study regarding employment of women was undertaken on the basis of information available under the Employment Market Information Programme and other information available with Employment Exchanges. The study revealed that 484,154 women (6.5 per cent. of the total) were employed in the public sector on 31 March 1962. Of these, 42.6 per cent. women were employed in local bodies and 40.0 per cent. in State Government establishments. 42.9 per cent. of the women employed in the public sector belonged to professional and technical categories. A large number of them was employed as teachers, nurses and midwives.

In the private sector, women comprised 17.2 per cent. of the total employment in bigger establishments. 41.4 per cent. of them were employed in manufacturing industries alone. It is interesting to note that as many as 78.5 per cent. of the women in the public sector were engaged in services while in the private sector their proportion was the highest (nearly 80 per cent.) in manufacturing and plantations.

- (iii) Employment Survey of Rural Works

  Programme. An employment survey of Rural
  Works Programme was undertaken through the
  Employment Market Information and Assistance
  Bureaux in 28 Community Development Blocks
  during March 1963. A similar survey undertaken in 34 Community Development Blocks
  in July, 1963 has been recently completed.
- (iv) Survey of Employment of Matriculates .-A survey of employment of matriculates was undertaken by the D.G.E.& T. at the instance of the I.L.O. in 1961. It was in the nature of a case study designed to throw light on the underlying causes, responsible for unemployment among matriculates. The survey covered those matriculates who passed out from schools in Bombay, Burdwan, Ludhiana and Trichur Districts. Information was collected from 2,859 matriculates by personal interview method. It was revealed that nearly 70 to 85 per cent. of the employed matriculates secured their jobs through Employment Exchanges. About 60 per cent. of the unemployed matriculates, preferred clerical jobs. A majority of the matriculates were not unwilling to take up occupations involving manual work.
- (v) All-India Survey of the Pattern of Graduate Employment.— An All-India Survey of the Pattern of Graduate Employment was undertaken by the D.G.E.& T. in 1960 with the object of bringing out the relationship between the University education and subsequent employment of the alumni. The survey was conducted on a sample basis and covered (i)graduates and post-graduates of 1954 from 29 out of the 31 Universities (except Delhi and Madras) and (ii) graduates of 1950 from 3 Universities of Agra, Andhra and Patna. Of nearly 20,000 graduates to whom the questionnaire was mailed, 7,400 responded.

The bulk of the graduates of the 1954 batch (nearly 87 per cent.) were employed at the time of the survey, 10 per cent; reported themselves to be unemployed and the remaining were not seeking work. Hajority of the graduates (nearly 60 per cent.) were employed as professional. technical and related workers. 10 per cent. administrative, executive and managerial workers and nearly 20 per cent, were working in clerical posts. The rest of the graduates were employed in other occupations. In so far as the relation-ship between education and employment is concerned, most of the graduates who had taken professional and specialised degrees, like engineering, medicine, etc., were employed in occupations whichwithin their field of study. A sizeable fraction (percentage) of graduates who had taken degrees

in general and non-professional courses, were working in jobs not directly related to their fields of study. The report on this survey is under print.

Training requirements of Occupations.— On
the basis of the data collected from 83
manufacturing industries, including Textiles,
Heavy Chemicals, Heavy and Light Engineering,
Mining, etc., industry-wise reports have been
published giving the educational and technical
training requirements of occupations in 9
industries. The scope of the programme was
subsequently expanded to cover occupations
of supervisory personnel. Accordingly, field
investigations were conducted in May and June
1963 throughout the country in 47 industries
which were considered important in the context
of development under the Third and Fourth Plans.

(vii) Census of Central Government

Employees.— According to the 1961 census;
the total number of Central Government
employees as on 31 March 1961 was 2.094
millions. Of the 1.986 millions of regular
employees, 5.41 54.1 per cent. were drawing
a baic pay of less than 100 rupees per month,
36.5 per cent. in the pay range of 100-200
rupees and the remaining 9.4 were in receipt
of a basic pay of 200 rupees and above?

Staff Training.— Two mill training courses were held — one at Patna for 42 Employment Officers of Bihar, Assam, Orissa and West Bengal States and the other at Chandigumh for 33 officers of the Punjab, Himachal Pradesh, Rajasthan and Delhi States. These training courses followed the revised integrated syllabus designed to equip the officers with basic knowledge of Employment Market Information, Vocational Guidance and Occupational Information Programmes. It also included lectures on policy and procedures.

Evaluation of Employment Exchanges. The D.G.E. & T. conducted evaluation of selected Employment Exchanges in Kerala, Mysore, Assam, Andhra Pradesh, Himachal Pradesh, Gujarat, Orissa, Bihar, West Bengal, Punjab, Madras, Maharashtra and Uttar Pradesh, After the evaluation of each State, the findings were discussed in a Seminar of State Officers. As a result of evaluation, certain modification and simplification of procedures is being effected.

Working Group on Employment Service.—The seventh meeting of the Working Group on Employment Service was held in August, 1963. At this meeting, matters relating to employment exchange procedure and the development programme of Employment Service were discussed and important decisions were taken. The Working Group felt the need for modification and simplification of procedure relating to registration of applicants, documentation of vacancies, collection of employment market information, rationalisation of returns etc.

The Central Committee on Employment.—A meeting of the Central Committee on Employment which consists among others, of representatives of the Central and State Governments, the Employers and the Workers Organisations, and Economists, was held at New Delhi in August, 1963 with Shri Gulzari Lal Handa, the then Hinister of Labour and Employment as Chairman.

It considered problems relating to unemployment among educated persons, implementation of Employment Exchanges (Compulsory
Hotification of Vacancies) Act, 1959 and
utilisation of Employment Exchanges by the
State Governments, Local Bodies and Public
Sector Undertakings. It had also set up a
Standing Committee with Shri V.K.R.V. Rao,
Member, Planning Commission as Chairman.

The Standing Committee.— The first meeting of the Standing Committee of Central Committee on Employment was held at New Delhi in November 1963. It considered methods for more effective ways of dealing with the employment and unemployment problems and the extent of revision of planning techniques for better utilisation of unemployed manpower.

All India Seminar on University Employment Information and Guidance Bureaux - An all-India Seminar on University Employment Information and Guidance Bureaux was held under the auspices of the Benaras Hindu University in January 1964. The Seminar was attended by representatives of different Universities and States. Different aspects of the work and functions of the University Employment Information and Guidance Bureaux were discussed, particularly those relating to guidance and occupational and career information for university students. A committee has been set up to review the procedures. Several universities volunteered to undertake studies on openings available to persons passing out in different subjects in which Degrees/Diplomas are being offered at various universities

Training of Craftsmen in the Industrial Training Institutes (Regular).— Under this Scheme, free training is provided to those between 16 and 25 years of age in 29 engineering and 22 non-engineering trades. For engineering trades, the period of training is 18 months in an Industrial Training Institute followed by 6 months implant training in industry. For the non-engineering trades, the training period is one year. During the year 1963, 64 new Industrial Training Institutes were established and 17,230 additional seats were introduced. This brings the total number of Industrial Training Institutes to 283 and the seating capacity to 78,200 as on 31 December 1963.

In addition to the expansion of the seating capacity, efforts were directed to raising the quality of training ensuring uniformity of standards and efficient implementation of the Craftsmen Training Scheme. Some of the improvements effected are as under:-

- (i) Trade Manuals for the trades of Moulder, Plumber and Draughtsman (Mech.) were finalised;
- (ii) As training and employment are complimentary to each other, State Governments were requested to bring the operation of Training Schemes and Employment Service under the control of a full-time Director. During the period under review, this suggestion was implemented in two States, namely, Andhra Pradesh and Madras.
- (iii) In order to provide incentive to the trainees for better performance, arrangements were planned for competitions at Industry, State and National levels.

Analysis of Educational Qualifications of
Applicants of Industrial Training Institutes.— With
a view to study the characteristics of the
trainees, an analysis was made of the educational
qualifications of applicants who applied for
admission to the Industrial Training Institutes
for the session commenced in August 1963. Though
for a majority of the trades the minimum educational
qualifications prescribed for admission is two
standards below Matriculation, it was found in
respect of engineering trades that 52.4 per cent.
of the applicants were Matriculates, 3.1 per cent.
were Intermediates and 0.1 per cent. were Graduates.
For admission to non-engineering trades, 43.4
per cent. Were Intermediates and 0.7 per cent.
were Graduates.

Aptitude Tests for the Selection of
Trainees for Admission to Industrial Training
Institutes.— In order to improve the quality
of the intake, a pilot project in the use of
aptitude tests for selection of trainees was
conducted in July 1963. About \$5,000 applicants
were tested in 13 States, including the Union
Territory of Delhi. The project having proved
its utility and feasibility, it has been decided
that aptitude tests will be used on an increasing
scale for the subsequent recruitment to the
Industrial Training Institutes.

Trade Tests.— The All-India Trade Tests were conducted by the National Council of Training in Vocational Trades in July 1963. A total of 19,807 candidates in the engineering trades and 2,194 candidates in the non-engineering trades were declared successful.

Accelerated Training Programme for the Training of Craftsmen for the Emergency. Under this scheme, short-term training courses of three to six months, duration were organised with a view to meeting the urgent demands of technical personnel for Defence Services and other Industries engaged in work of national importance. During the year under report nearly 23,200 trainees completed such training in 19 engineering trades. In addition, training programmes were organised for the training of M.T. Drivers, Wireless Operators and Radio Mechanics to meet the urgent demand of Defence Services. This programme will come into to an end in a phased manner on the 31 March 1964.

Part-time Classes for Industrial Workers.— The During objective of this scheme is to impart theoretical trade knowledge to industrial workers who have not had the benefit of such training. At the end of the Second Plan period 2,142 seats were available under this Scheme. During the Third Plan 9,150 seats were allotted of which 3,545 have been sanctioned upto 31 December 1963.

Apprenticeship Training.— During the period under report upto 1 November 1963, about 6,500 apprentices were engaged in the 14 designated trades under the Apprentices Act. More industries were brought under the purview of the Act. Nine more engineering trades were designated as apprenticeable trades under the Act.

With a view to discuss in detail the various aspects of implementation of the ApprenticesAct, a Seminar of Apprenticeship Advisers was held at Madras in April 1963. In order to ensure efficient implementation of the Act, periodical meetings were arranged with major employers both in thepublic and private sectors and employers organisations like Indian Engineering Association, all India Manufacturers Organisations, etc. The results of these discussions have been circulated to all concerned with the implementation of the Act.

The Indian Engineering Association, in collaboration with Engineering Association of India and Howrah Manufacturers' Association, organised a seminar on Apprenticeship Training at Calcutta in 1964 to discuss the various problems of both administrative and technical nature relating to the training of skilled personnel under the Apprentices Act, 1961. Representatives of various industries and Apprenticeship Advisers of Eastern Region participated in the Seminar. This Seminar was very timely as this helped in discussing the various problems faced in the implementation of the Apprentices Act during the first year of its implementation.

In order to examine the training requirements in the field of Textile, Chemical and Printing Industries, separate study groups consisting of experts from the industry were constituted. So far syllabic in respect of 7 trades of Textile and Chemical Industry have been prepared.

At the second meeting of the Central Apprenticeship Council held on 24 December 1963, the syllabi, minimum educational qualifications, period of training, and ratio of apprentices to workers (other than unskilled) in respect of additional 9 designated trades and the 7 trades of Textile and Chemical industry were approved to The Council also recommended that training programmes on a pilot basis at selected establishments may be carried out in respect of trades in Textile and Chemical industry.

Training of Craft Instructors.— During the period under review, 632 additional seats were introduced bringing the total seating capacity to 1.780 at seven Central Training Institutes for Instructors. A total of 989 instructor trainees passed out from all the Central Training Institutes bringing the total number of Instructors passed out so far to 6.106%.

In order to provide training in principles of teaching to the Instructors of the trades not catered by the Central Training Institutes and with a view to follow up the training imparted at the Central Training Institutes. additional Masters in principles of teaching have been sanctioned in the first instance at Central Training Institute, Bombay and Calcutta. These Masters will organise training programmes in principles of teaching at Industrial Training Institutes in their respective zones. With a view to raising the quality of training and to ensure uniformity of standards, periodical conferences of the Principals of the Central Training Institutes and Experts from I.L.O. and US AID were held at the Central Training Institutes. The second Conference was held at Central Training Institute, Kanpur in June 1963 which inter alia recommended revised standard lists of tools and equipment and syllabi for the trades of Motor Mechanic, Electrician and Moulder. These have since been examined by the Trade Committees consisting of experts from the industry.

A course for the training of Craft Instructors in Building Construction Trades was started at New Delhi in November 1963. It is designed to give 18 months trade training followed by six months training in principles of teaching at the Central Training Institutes. Those candidates who have completed their training as Civil Draughtsman or Surveyor at an Industrial Training Institute are eligible for admission.

Training of Supervisors - With a view to advising the Government of India in the organisation of programmes for the training of supervisors (first line supervisors) the services of an Expert were obtained from the United Nations Special Fund The Expert arrived in India in May 1963. It was decided to organise the training programme in close-co-operation with the organisation of the Chief Adviser of Factories and the National Productivity Council. A three-man team which was formed to study the existing programmes of the industry have had discussions with all concerned. The discussions revealed that the industry appreciated the need forsuch training andwould welcome the assistance that may be rendered by Government in the organisation of such programme by the industry.

To start with, the following establishments have been selected for organising pilot programmes:-

- (i) Integral Coach Factory, Madras.
- (ii) B.E.S.T., Bombay.
- (iii) Murphy Radio Industries, Bombay.
  - (iv) Associated Cement Company, Bombay.
    - (v) Jessops & Co. Ltd., Calcutta.

The Pilot courses at Integral Coach Factory, Madras and Jessops & Co. Ltd., Calcutta started in February 1964 and arrangements for starting courses at other establishments have also been initiated.

Assistance to the Ministry of Education in Implementing Pre-Vocational A scheme for providing Training Scheme .pre-vocational training to the children in the age group 11 to 14 was launched during the year under report by the Ministry of Education with financial assistance from the UNICEF. As a pilot project, it has been decided to set up 65 Youth Vocational Centres during the Plan period. The D.G.E. & T. has given assistance in formulating the Scheme and training a batch of 20 Vocational Trainers at Central Training Institute, Kanpur. These Trainers having completed their training have been deputed at the first five Youth Vocational Centres which will also function as Instructor Training Centres.

Foreign Aid and Technical Assistance
Received and Rendered. Under U.S. AID
Programme five officers of the National
Employment Service received training abroad
for a period of six months. Of these two
were trained in Employment Market Information, one each in Vocational Guidance,
Placement Methods of Highly Qualified
Personnel and Placement Methods of Physically
Handicapped.

The I.L.O. provided the services of an Expert for a period of one year under its Expanded Programme of Technical Assistance to advise the D.G.E. & T. in the implementation of its Vocational Guidance Programmes Two officers deputed by the Governments of Indonesia and Nigeria under I.L.O. Fellowship Programme and one officer deputed by the Government of Malaya under the Technical Cooperation Scheme of the Colombo Plan were given training for about three months each at the D.G.E. & T. and at selected Employment Exchanges in States in Various aspects of Employment Service in India.

Three senior officers of the Employment Service who had been assigned as I.L.O. Eeperts in Iraq, Afghanistan and Ghana continued to assist those Governments in their respective fields. One of these officers, on expiry of his term in Ghana, was transferred to Libya on a similar assignment.

The D.G.E. & T. have also agreed to train seven candidates from Philippines and five from Malayasia in the various aspects of Employment Service in India under the Colombo Plan Programme. Their training is expected to commence early in 1964.

Assistance from U.N. Special Fund. The Experts assigned by the UN Special Fund to the Central Training Institute for Instructors at Calcutta, Kanpur and Madras and at the national level continued to render technical assistance and advice during the year under review. Against the total equipment valued at \$949,000 to be supplied for the three Institutes, equipment worth \$873,145 has already been received.

Plans of operation for assistance in the shape of Experts and equipment have also been signed between the UN Special Fund, Government of India and the I.L.O. (Executing Agency) for the establishment of Central Training Institute for Instructors at Hyderabad and Ludhiana. The services of 9 Experts (for 20 months each) and equipment worth \$ 292,000 will be provided for each of the two Institutes.

Assistance from U.S. AID .- Under the U.S. AID Programme, five officers of the Training Organisation are receiving six months training in U.S.A. in the Organisation of Apprenticeship Training Programmes. The Chief Adviser and six Experts whose services were made available by the U.S. AID for the establighment of the Central Training Institute for Instructors at Bombay continued to render technical assistance and advice to the Institute. Nominations of two more Experts are awaited. Against the total equipment valued at \$ 406,000 to be supplied for this Institute. equipment worth \$ 305.120 has already been received. Under a supplementary agreement. the US AID agreed to provide training in batches to 12 officers at the Dunwoody Industrial Institute in U.S.A. Accordingly two officers were deputed for training in August. 1963 and seven in December. 1963.

Assistance from West Germany.— During the year, the Federal Republic of Germany provided the services of a Senior Adviser for a period of three months to advise the D.G.E. & T. in the establishment of model Apprenticeship Schools and prepare a scheme indicating the quantum and nature of financial resources and equipment necessary for such projects.

Technical Assistance rendered by D.G.E. & T. to other countries -Under the Technical Cooperation Scheme of the Colombo Plan, the Directorate General of Employment and Training accepted 23 nominees of the Government of Nepal for a full course of Craftsman Training in Engineering trades at the Industrial Training Institutes. These candidates are now undergoing training at the Industrial Training Institutes in Delhi and Kanpur. Another candidate nominated by the Government of Uganda is now receiving Craftsman Training in Fitter Trade at the Industrial Training Institute: Pusa under the Special Commonwealth African Assistance Plan.

### Employment Exchanges: Working during February, 1964.

According to the Review of the principal activities of the Directorate-General of Employment and Training for the month of February 1964, the following was the position of registration, placement, live register, vacancies notified and employers using employment exchanges:-

Item	January 1964	February 1964	Increase (+) or decrease (-).	
Registrations. Placements. Live Register. Vacancies Notified. Employers using Exchanges.	301,960 41,864 2,494,543 68,620	250,306 40,683 2,464,229 70,404	(-) 51,663 (-) 1,181 (-) 30,514 (+) 1,784 (-) 732	

Shortages and Surpluses.— Shortages were reported during the month of February, in respect of engineers, doctors, nurses, midwives, compounders, overseers, draughtsmen, turners, electricians, stenographers, accountants, fast typists and trained teachers, while surpluses were reported in respect of clerks, untrained teachers, unskilled office workers and unskilled labourers.

Collection of Employment Market Information.—
At the end of February 1964, employment market area studies were in progress in 257 areas in different States.

All India Report on Employment in the Public Sector, Quarterly Employment Review and Report on Shortage Occupations for the quarter ended September 1963, were in issued during the February 1964. In addition a report on 'Occupational Pattern in Private Sector — India 1961' was also issued.

A Seminar of State Employment Market Information Officers was held at the Directorate General of Employment and Training during the month under review.

Vocational Guidance and Employment Counselling - Two more Vocational Guidance Sections have been set up in the Employment Exchanges, Cannanore and Udaipur bringing thetotal number of Vocational Guidance Sections in the Employment Exchanges to 120.

Deployment of Surplus and Retrenched Personnel .- During the month under review, 53 persons were retrenched from the various river valley projects. Twohundred fifty-one were registered and 471 placed in employment. A detailed statement showing the number of persons retrenched, number registered, placed and the number of persons awaiting employment assistance is given in the following table:-

Name of Project.	ing assis- tance	No. refren- ched during the month.	ret- ren- ched person- nel(inc ing the left ve tarily tered of the mon	the month.  clud- ose olun- )regis- during oth Loyment		Ho. awaiting assistance at the end e of the month.
	2	3	4	5	6	7
1.Damodar Valley Corporation. 2.Bhakra Nangal	200	2	2	8	, . 	194
Project.  3.Bhilai Steel Project.  4.Durgapur Steel	111 2258	12	12 198	418	77 107	46 1,931
Project. 5.Special Cell of	448*	<b>****</b>	* NAMES *	3	43	442
Ministry of Home Affairs.	346	<b>3</b> 9	39	42	-	343 <del>**</del>
Total. 3	,403	53	251	471	227 2	,956
* Report for the month	of Febru	arv 1964	not i	eceived		

<sup>\*\*</sup> Class II - 58, Class III & Class IV - 285. Note: Total of columns 2 and 4 is equal to the total of Columns 5.6 and 7.

Gorakhpur Labour Organisation. During the month of February 1964, the Gorakhpur Labour Depot despatched 1,011 workers to various worksites.

Assistance to the Physically Handicapped.—During the Quarter ended 31 December 1963, 538 handicapped persons were registered and 123 placed in employment leaving 1,480 on the Live Register at the end of December 1963.

Opening of additional Employment Exchanges.— Two additional Employment Exchanges were opened during the period under review, raising the total number of Employment Exchanges functioning in the country at the end of February to 375.

(Review off Activities of the Directorate-General of Employment and Training for the Month of February 1964: Issued by the D.G.E.& T., Ministry of Labour and Employment, Government of India, New Delhi).

### Employment Exchanges: Working during March, 1964.

According to the Review on the principal activities of the Directorate-General of Employment and Training for the month of March 1964, the following was the position of registration, recruitment, live register, vacancies notified and employers using employment exchanges:-

Item .	February 1964.	March 1964.	Increase (+) or decrease (-).
Registrations. Recruitments. Live Register.	250,306 40,683 2,464,229	321,229 45,078 2,452,853	+ 70,923 + 4,395 <b>-</b> 11,376
Vacancies Notified.	70,404	75,785	+ 5,385
Employers using Exchanges.	12,343	13,317	+ 974

Shortages and Surpluses.— Shortages were reported during the month of March 1964, in respect of engineers, doctors, compounders, nurses, midwives, overseers, fast typists, draughtsmen, stenographers, electricians, accountants and trained teachers, while surpluses were reported in respect of clerks, untrained teachers, unskilled office workers and unskilled labourers.

Collection of Employment Market Information.— The field operations connected with the study of Maduas, Labour Market Area have been completed in March 1964.

Vocational Guidance and Employment
Counselling.— One more Vocational Guidance
Section hasbeen set up in the Employment
Exchange, Narnaul (Punjab) bring the total
number of Vocational Guidance Sections in
the employment exchanges to 121.

Deployment of Surplus and Retrenched

Personnel. During the month under review

50 persons were retrenched from the various river
valley projects; 239 were registered and

333 placed in employment. A detailed statement
showing the number of persons retrenched, number
registered, placed and the number of persons
awaiting employment assistance is given in the
following table:-

Name of Project.	No. await- ing assist- ance at the end of Febru- ary. 1964.	dur- ing the	No. of ret- ren- ched per- sonnel .(inclu- those left v tarily) registe during month f employm assista	the month.  ding  olun-  red the or ent	indicating no desire for	No. awaiting assist— ance at the end of the month.	
1	2	3	4	5	б	7	
1.Damodar Valley Corporation. 2.Bhakra Nangal Project. 3.Bhilai Steel Project. 4.Durgapur Steel Project. 5.Special Cell of Ministry	194 46 1,931 442	1 20 -	1 20 189 -	5 298 2	16 109	190 47 1,822 331	
of Home Affairs.	343	29	29	25		347*	
Total. 2	2,956	50	239	353	125	2,737	

\* Class II - 57. Class III & IV - 290. Note: To al of Columns 2 and 4 is equal to the total of Columns 5, 6 and 7.

Gorakhpur Labour Organisation. During the month of March, 1964, the Labour Depot at Gorakhpur despatched 1,424 workers to various work sites.

Opening of additional Employment Exchanges .- In One all 375 Employment Exchanges were functioning in the country at the end of March 1964?

(Review of the Principal Activities of the Directorate-General of Employment and Training forthe Month of Merch 1964: Issued by the D.G.E. & T., Ministry of Labour and Employment, Government of India, New Delhi).

Name of Project.

# Additional Employment for 1.44 million People during Third Plan: Survey undertaken by Labour Ministry.

According to the data collected by the Ministry of Labour and Employment, 1.44 million persons were provided with jobs during the first two and a half years of the Third Five Year Plan, outside agriculture. This estimate excludes employment generated in establishments employing less than 25 workers. The number of persons employed in establishments covered has gone up from 12.09 millions at the end of March 1961 to 13.55 millions at the end of September 1963. This signifies an increase of 12 per cent. in the number of persons employed by these establishments in thefirst  $2\frac{1}{3}$  years of the Third Plan.

of the additional employment created, the services sector accounted for 50 per cent., manufacturing 21.5 percent., and transport and communication 17.4 per cent. According to the Director General of Employment and Training, employers were reported to have experienced during the quarter ended September 1963, shortages in respect of professional and craftsmen technical categories of personnel and craftsmen, some such important occupations were, civil, mechanical and electrical engineers, physicians, surgeons, nurses and midwives, fitters, turners, automobile mechanics and stenographers.

The following table indicates employment in the public sector and the private sector:-

	Harch 1961.	employees September 1963. illions).	Increase inSep- tember, 1965 over March 1963 (Million)	
1	2	3	4	5
Agrigulture, forestry, etc. Mining and Quarrying. Manufacturing. Construction. Electricity, water and	0.85	0.95	0.10	6.9
	0.68	0.64	- 0.04	- 2.8
	3.39	3.70	0.31	21.3
	0.84	0.84	No change.	No change.
rade and commerce.	0.26	0.29	0.03	2.1
	0.25	0.32	0.07	4.9
tions.	1.80	2.05	0.25	17.4
	4.02	4.74	0.72	50.0
Total.	12.09	13.55	1.44	100.0

(The Economic Frimes, 27 May, 1964)

#### 83. Vocational Training.

#### India - May 1964.

### Labour Mimistry's Training Schemes: Working during February 1964.

According to the Review on the principles activities of the Directorate-General of Employment and Training for the month of February 1964, there were 283 institutes for training craftsmen and 21 centres holding part-time classes for industrial workers. The total number of seats stood at 80,485 and the total number of persons undergoing training was 70,892.

Craftsmen training schemes.— During the month of February 1964, only 32 additional seats under the Craftsmen Training Scheme were sanctioned for introduction during the Third Five Year Plan. One-hundred seats were also sanctiomed during this period under the part-time classes for industrial workers. The progressive total number of additional seats sanctioned so far is as under:-

Craftsmen Training Scheme National Apprenticeship Scheme Part-time course for industrial	61,090 seats. 2,787 seats.
Workers.  Number of Training New Training	3,645 seats.
Industrial Training Institutes sanctioned.	146

National Council for Training in Vocational Trades.— During the month under review, trade committees finalised the lists of tools and equipment and the syllabi in the trades of electical electrician, fitter, turner, and machinist in their meetings held at Bombay and calcutta during February 1964.

Equipment. Central Training Institutes for Instructors at Calcutta, Kanpur, Madras. Hyderabad, Ludhiana and Bombay are being assisted by foreign aid programmes. These Projects functioning under Craftsmen Instructors Training Schemes are being aided by Special Fund Programme for the United Nations Organisation except the one at Bombay, which is being assisted by the Agency for International Development of the United States.

(Review of activities of the Directorate-General of Employment and Training for the Month of February 1964: Issued by the D.G.E.& T., Ministry of Labour and Employment, Government of India. New Delhi).

### Labour Ministry's Training Schemes: Working during March 1964.

According to the Review on the Principal activities of the Directorate-General of Employment and Training for the month of March 1964, there were 283 institutes for training craftsmen and 21 centres holding part-time classes for industrial workers. The total number of seats stood at 8,062 and the total number of persons undergoing training was 70,832.

Craftsmen Training Schemes.— During the month of March, 1964, 168 additional seats under the Craftsmen Training Scheme were sanctioned for introduction during the Third Five Year Plan. The progressive total number of seats sanctioned so far is as under:—

a) Craftsmen Training Scheme.
b) National Apprenticeship Scheme.

61,258 seats. 2,787 seats.

c) Part-time courses for Industrial workers.

3.645 seats.

Number of new Industrial Training Institutes sanctioned.

146

Equipment. Central Training Institutes for Instructors at Calcutta, Kanpur, Madras, Myderabad, Ludhiana and Bombay are being assisted by foreign aid programmes. These Projects functioning under Craftsman Instructors Training Schemes are being aided by Special Fund Project of the United Nations Organisation, except theme at Bombay, which isbeing assisted by the ATD Agency of the United States. The progressive receipt position of equipment upto March 1964, is tabulated below:

Name of Centre.	Value of Equipment stipulated in the AID. (In Millions)	Value of equipment received upto 51.3.64. (In Millions).		
	2	3		
Central Training Institute Kanpur. Central Training Institute Madras. Central Training Institute Hyderabad. Central Training Institute	1.390 1.390 1.390	1.267 1.345 1.212		
Central Training Institute Ludhiana. Central Training Institute Bombay.	1.390	1.176 1.453		

It may be mentioned that Central Training Institute for Instructors, Calcutta has received all theequipment indented for. Out of the saving of previous Project Implementation Orders, two fresh Project Implementation Orders amounting to \$ 28,000 have been issued for which orders have been placed by the Indian Supply Mission, Washington and shipping documents have started coming in.

Apprentices Act, 1961.— The number of apprentices undergoing training under the Apprentices Act was 6,770 at the end of December 1963, of which 4,415 were full-time apprentices and 2,355 short-term apprentices.

(Review of the Principal Activities of the Directorate-General of Employment and Training for the Month of March, 1964: Issued by the D.G.E.& T., Ministry of Labour and Employment, Government of India, New Delhi). 92. Legislation.

India - May 1964.

## The Punjab Maternity Benefit (Repealing) Act. 1964 (No.12 of 1964).

The Punjab Maternity Benefit (Repealing) Bill (vide page 91 of the Report of this Office for March-April 1964) as passed by the Punjab Legislature received the assent of the Government Governor on 21 April 1964 and has been gazetted as Punjab Act No.12 of 1964. The Act provides that on such day as the State Government may by notification specify in this behalf, the Punjab Maternity Benefit Act, 1943, shall stand repealed.

(Punjab Government Gazette, Extraordinay, 23 April 1964, page 37).

### Health Services Scheme to be introduced in Colleges.

The University Grants Commission has appointed an eight-member Committee with Dr. A.L. Mudaliar, Vice-Chancellor, University of Madras, as the Chairman, to look into the question of introducing a scheme for students and staff in universities and colleges on the lines of the Contributing Health Service Scheme of the Central Government for its employees.

The Committee is likely to submit its report within six months.

(The Hindu, 10 May 1964)

#### CHAPTER 11. OCCUPATIONAL SAFETY AND HEALTH.

#### INDIA - MAY 1964.

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

Uttar Pradesh: U.P. Boilers Operation Engineers Rules, 1964.

The Government of Ottar Pradesh gazetted on 11 April 1964 the text of the U.P. Boilers Operation Engineers Rules, 1964. made in exercise of the powers conferred under the Indian Boilers Act, 1923. Rules provide that after two years of the coming into force of these rules (the rules came into force on 11 April 1964) the owner of one or more boilers connected in a battery or of 80 many separate individual boilers situation within a radius of 23 meters having a total heating surface exceeding 697 sq.meter in any of the cases, shall not use the same or permit the same to be used unless the boiler or boilers are placed in direct charge of a competent person possessing a certificate of proficiency as a boiler operation engineer, in addition to such number of boiler attendants as required under the U.P. Boiler Attendants Rules, 1956, The Rules also deal with the constitution of the board of direc examiners. mode of examination, examination subjects, procedure for grant of certificates and penalties for contravention of the provisions of the Rules.

> (Utter Pradesh Gazette, Part IA, 11 April 1964, pp. 833-839 )

# DURING THE PRINCIPAL LAWS PROMULGATED DURING THE PERIOD COVERED BY THE REPORT FOR MAY 1964.

#### INDIA - MAY 1964.

#### CHAPTER 3. ECONOMIC QUESTIONS.

The Finance Act, 1964 (No. 5 of 1964) (The Gazette of India, Extraordinary, Part II, Sec.1, 28 April 1964, pp.43-118).

#### CHAPTER 6. GENERAL RIGHTS OF WORKERS.

The Industrial Disputes (Andaman and Nicobar Islands Amendment) Regulation, 1964 (Ho.4 of 1964) (The Gazette of India, Extraordinary, Part II, Sec.1, 29 April 1964, pp. 119-120).

#### CHAPTER 9. SOCIAL SECURITY.

The Punjab Maternity Benefit (Repealing)
Act, 1964 (No.12 of 1964) (Punjab Government
(Gazette, Extraordinary, 23 April 1964,
pp.37).

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## CHAPTER 4. PROBLEMS PECULIAR TO CERTAIN BRANCIES OF THE NATIONAL ECONOMY.

\*(a) "Fifty-Years of Cooperation in Kodinar Taluka: A CaseStudy": By Manilal B. Manavati: The Indian Society of Agricultural Economics, Bombay, 1964: pp. ix+37.

\*(b) "Report of the Study Group on Cooperatives under Railways and Posts and Telegraphs Department": Ministry of Community Development and Cooperation(Department of Cooperation) Government of India, New Delhi, April 1963.pp.124.

\*(c) "Village Level Worker and the Cooperative Movement": By RamChandra Tewari: Translated by D.R.Goyal: Government of India: Ministry of Community Development and Cooperation, New Delhi. 1963. pp.61.

\*(d) "A Guide for Secretaries of Service Cooperatives": Ministry of Community Development and Cooperation(Department of Cooperation): Government of India, New Delhi.1963. pp.30.

\*(e) "Report of the Study Team on Cooperative Training": (Volume I): Ministry of Community Development, and Panchayati Raj and Cooperation (Department of Cooperation): Government of India, New Delhi. April 1961: 1962. Price Rs. 3.20nP. pp. 133.

### CHAPTER 5. WORKING CONDITIONS AND LIVING STANDARDS.

"Indian Labour Statistics 1964": Labour Bureau, Ministry of Labour and Employment, Government of India: Publication No.62: (Year of Publication 1964): Printed in India by the Manager of Government of India Press, Simla for the Manager of Publications, Civil Lines, Delhi, 1964: pp. xxiv+2+183.

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