FD/ASM

Copy No.

		INTERNATIONAL LABUR OFFICE INDIA BRANCH  1 6 SEP :969	}
· · · · · · · · · · · · · · · · · · ·	e and the second	INDIA - MAY-JUNE-JULY 1969 6 33-2	3/
		astrial and Labour Developments: in May-June	<u>-1011</u> V
N.B	- <u>Eac</u> l	Seperately.	•
		Contents.	Pages.
-		CHAPTER 1. INTERNATIONAL LABOUR ORGANISA	PION.
	12.	Activities of External Services.	1
	13.	Press and Opinions.	2
		CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.	
	24。	Non-Governmental Organisations (Internati Regional and National) Other than Employe and Workers' Trade Organisations.	onal, rs!
		29th Annual Conference of the All India Manufacturers' Organisation held at New Delhi, 10-11 May 1969.	3–5
	•	CHAPTER 3. ECONOMIC QUESTIONS.	·
	34•	Economic Planning, Control and Development	0
		<ul> <li>a) The Banking Companies(Acquisition and Transfer of Undertakings) Ordinance, 19 (No.8 of 1969).</li> <li>b) Industrial Policy liberalised for diversification.</li> </ul>	969 6 <b>–</b> 7 8
	36.	Wages.	
		<ul> <li>a) Central Government accepts Recommendat of Wage Board for Cotton Textile Indus</li> <li>b) Minimum Wages for Workers under Centra Government Fixed.</li> <li>c) Punjab Links Wages with Price Index.</li> <li>d) Study Group of the National Labour</li> </ul>	strv. 9-15
		Commission suggests Universal Minimum Wage, Not Feasible in India.	19-20

	Contents.	Pages.		
٠	CHAPTER 4. PROBLEMS PEULIAR TO CERTAIN BRANCHES OF THE NATIONAL ECONOMY.			
44.	Merchant Marine and Fisheries.			
	Unemployment Insuranc: Benefits for Seamen: Tripartite Committee Appointed.	21		
	CHAPTER 5. WORKING/CONDITIONS AND LIVING STANJARDS.			
50 <b>。</b>	General.			
	<ul> <li>a) Delhi Shops and Establishments(Amendment) Bill, 1969.</li> <li>b) Labour Welfare Committee Report submitted: Minimum Amaneties for Labour Welfare.</li> </ul>	22 <b>-</b> 23 24 <b>-</b> 25		
	CHAPTER 6. GENERAL RIGHTS OF WORKERS.			
64.	Wage Protection and Labour Clauses in Employment Contracts with the Public Authorities.			
	Working of the Payment of Wages Act, 1936 in Mires during 1967.	26–27		
67。	Conciliation and Arbitration.			
	Suggestions to resolve Labour Disputes.	28-29		
69 <b>。</b>	Co-operation and Participation of Industral Organisations in the Social and Economic Organisations.	· · · · · · · · · · · · · · · · · · ·		
	Report on the Working of-Joint Management Councils for the Year 1968.	30-31		
CHAPTER 8. MANPOWER PROBLEMS.				
80。	General.			
	Number of Engineers with Post-Graduate Degree Fourfold Increase during Ten Year Period endi	is: ing 32 <b>–</b> 33		
81.	Employment Situation.			
	a) Employment Exchanges Working during May 1969. b) Survey to ascertain the Employment State	34 <b>–</b> 35		
	b) Survey to ascertain the Employment Status of Craftsmen trained under the Craftsmen Training Scheme.			
	c) Job-Seekers on the Increase: Views of	36 <b>–</b> 38		
	Different Study Groups.	39-40		

Contents.

Pages.

### CHAPTER 9. SOCIAL SECURITY.

### 92. Legislation.

a) Orissa: Draft Amendment to Schedule II of 41

the Workmens' Compensation Act, 1923.

b) Mounting Arrears of Employers' Contribution to Provident Fund: Government to take Remedial Measures. 42-43

LIST OF ARTICLES -/INDIA-MAY-JUNE-JULY 1969.

44-45

### CHAPTER 1. INTERNATIONAL LABOUR ORGANISATION.

### INDIA - MAY-JUNE-JULY 1969.

### 12. Activities of External Services.

The I.C.F.T.U. Asian Trade Union College arranged a Workshop for Trade Unionists engaged in Educational Work at local level from 28 April to 10 May 1969. The Firector of this Office, Mr. P.M. Menon addressed the Workshop on the I.L.O. on 6 May 1969.

The International Cooperative Alliance celebrated the 47th International Cooperative Day on 5 July 1969 at New Delhi. The Director attended the meeting and spoke about I.L.O's interest in the Cooperative Movement.

The Sixth Meeting of the Central Committee on Employment was held at New Delhi on 16 July 1969. The Director attended the meeting as a special invitee.

On the invitation of the Commissioner of Labour Madras, the Director attended the inauguration of the 50th anniversary celebrations organised by the Government of Madras on 20 July 1969 at Madras. The State Labour Minister presided on the occasion and the Chief Minister of the State inaugurated the celebrations and opened an exhibition. The Director of this Office spoke on the occasion about I.L.O.

### 13. Press and Opination.

### India - May-June-July 1969.

In addition to the attached clippings the following references to the work of the I.L.O. appeared in Indian Journals received in this Office.

- 1) The October-December 1968 issue of Oceanite contains an editorial/on I.L.O.
- 2) The same issue of Oceanite, publishes a full report of the I.L.O. Seminar on Maritime Training for Asian Countries, held in Denmark.
- 3) The same issue contains an article on the Fifthtieth anniversary of I.L.O. and also an article on I.L.O. by the Director of this Office.
- 4) The June issue of Industrial Bulletin writes an editorial 'I.I.O. and Social Progress'. The article highlights the contribution of I.L.O. to the welfare of the working class during the last fifty years.
- 5) The May Day issue of Janatha publishes an article "I.L.O. Symbol of Hope and Humanisim" by Mahesh Dasai. The author emphasises the activities of ILO against unemployment.
- 6) The 1 July 1969 issue of Industrial Bylletin publishes a note on "I.L.O. and the Right to Strike", reproduced from I.L.R.
- 7) The 15 Jyly 1969 issue of Industrial Bulletin contains another reproduction from I.L.R. "I.L.O's contribution to Labour Relations system.

## CHAPTER 2. INTERNATIONAL AND NATIONAL ORGANISATIONS.

### INDIA - MAY-JUNE-JULY 1969.

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

29th Annual Conference of the All India Manufacturers' Organisation held at New Delhi, 10-11 May 1969.

The 29th Annual Conference of the All India Manufacturers' Organisation was held at New Delhi on 10-11 May/1969. The Conference was inaugurated by the Prime Minister, Mrs. Indira Gandhi. Among others Dr./D.R. Gadgil, Deputy Chairman of the Planning Commission also addressed the meeting.

Creation of the right psychological climate in which licensing provisions, price and distribution controls and inordinate administrative delays which act as impediments to growth are reduced to the minimum was demanded at the annual meeting. It also emphasised the need for creating an economy of abundance in place of one of scarcity by giving the greatest possible encouragement to increasing the output of goods and services rather than to restraining consumption.

Dr. Gadgil, in his address said there was an awareness in the public sector lately to do better. The Planning Commission was suggesting more autonomy in the individual management of a project, with stress at the same time on coordinated developing development of various projects. These measures were bound to have an impact on the efficiency of the Public Sector in the next three years.

Referring to the Fourth Plan Dr. Gadgilsaid the private sector had a larger scope in its implementation. He was confident that five per cent growth rate in agriculture was feasible which not only would lead to seff-sufficiency on the food front but would also lead to fuller utilisation of capacities in industries, the base for which have been created with previous plans.

In a resolution on "Industrial development in the 1970's", the AIMO suggested a five-point programme for achieving a higher degree of selfreliance, developing large employment potential and building up a wide and diversified export base. It noted that the outlook for industrial development in the 70's is certainly bright provided the opportunities which are presenting themselves are seized, political stability ensured, and a congenial environment created in which enterprise can flourish and earn its legitimate reward. The resolution urged the Government to exercise greatest possible care to maintain price stability to enable growth of savings which could be tapped for industrial development. The public sector enterprises must be made to operate profitably and on commercial lines. They should work in close association with units in the private sector with a view to avoid imbalances in supply and gross under-utilisation of capacity. While import of technology on the basis of collaboration should be done with great circumspection so as not to inhibit growth of indigenous skills, the approach must be highly realistic and import of technical brainpower by way of engaging services of individuals and teams from abroad should be engouraged. Meanwhile, grearest possible attention should be paid to research and development with in the country by the National Research Laboratories and by manufacturers themselves to keep track with the pace of technological

Equality of Opportunity.— The resolution identified agro-industries, labour intensive industries, consumer industries, export based industries and the road transport industry as the areas in which intensive development efforts should be concentrated since it is felt that substantial progress in them is possible at the present juncture and has as the country has by now established a fairly diversified industrial structure and has acquired the necessary skill for the forward thrust.

development the world over.

In its resolution on "National Integration for economic development", the AIMO points out that since increased economic activity which results in gainful employment is necessary to deck the fissiparous tendencies and to create oneness of feeling in the entire population, a co-ordinated effort should be made by all sections of the society and the Central and State Governments for economic development. Industrialists should readily come forward to start industry or business in any part of the country especially in industrially backward Sites States. They should also strive for ensuring equality of opportunity and treatment in service, employment, business and other vocations to every one.

レ

On the part of Central and State Governments, efforts should be made to recognise that all material resources of the country, including rivers and mines, are the common property of the entire nation. A national policy should be followed for effectively tapping them in a co-ordinated and co-operative manner.

The Conference also stressed the free movement of food grains and other commodities throughout the country.

Mr. P. Randal Patel was elected as President of the All India Manufacturers' Organisation for the year 1969.

(The Hindu, 12-5-1969 ).

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

India - May-June-July 1969.

The Banking Companies (Acquisition and Transfer of Undertakings) Ordinance, 1969
(No. 8 of 1969).

The Vice-President acting as President of India promulgated on 19 July 1969 an Ordinance to provide for the acquisition and transfer of certain banking companies in order to serve better the needs of development of the economy in conformity with national policy and objectives and for matters connected therewith or incidental thereto.

The 14 banks covered by the Ordinance are the Central Bank of Inida, Bank of India, Punjab National Bank, Bank of Baroda, United Commercial Bank, Canara Bank, United Bank of India, Deena Bank, Syndicate Bank, Union Bank of India, Allahabad Bank, Indian Bank, Bank of Maharashtra and the Indian Overseas Bank. The Ordinance excludes from the scope of nationalization Indian scheduled banks with deposits of less than 500 million rupees at the end of June 1969 and branches of banks incorporated outside India.

While excluding the foreign banks from the purview of nationalization, the Government has decided to ask the Reserve Bank to instruct these banks not to increase their deposits.

Compensation will be paid to the shareholders of the acquired banks on the basis of the net value of their assets less the liabilities. Provision is being made for the appointment of a tribunal to which disputes regarding compensation will be teferred for adjudication.

The scheme of nationalization envisaged in the Ordinance provides "the necessary degree of continuity in the normal operations of each bank so that the relations of the depositors and borrowers with their banks are not disturbed.

The essential identity of each acquired bank will be preserved in the form of a new corporate body in which the business and undertaking of the acquired bank will vest.

Each new corporation will be managed by a person appointed by the Central Government who will be designated as the custodian and will function as the Chief Executive Officer of the new bank. The chairman of each acquired bank is being appointed as the custodian of the corresponding new bank.

The baord of directors of the acquired banks are being dissolved but the Government intends to appoint an advisory board for each of the acquired banks.

Employees of the acquired bank will automatically become employees of the new corporation on their existing terms and conditions.

The Ordinance was later replaced by a Bill which was passed by Parliament and received the assent of President on 11 August 1969.

(The Gazette of India, Extraordinary, Part II, Sec.1, 19 July 1969, pp.215-225).

## Industrial Policy liberalised for diversification.

The Government of India has further liberalised its industrial Policy to allow the organised sector greater freedom in product diversification and to make articles normally produced in the small-scale sector. By a notification three years ago the Government had allowed the organised sector to diversify production subject to the condition that the new lines would not include any of the 72 articles in which the small-scale sector was substantially interested. This was done mainly to protect small-scale sector. The Government has now revised the list of such industries.

As against 72 articles which were practically reserved for the small-scale sector, the new list contains only 47. The remaining 25 have been thrown open to the organised sector for production through diversification.

These articles include cigarette lighters, bicycle parts, fountain pens, hair pins, adhesive tapes, mechanical toys, nail cutters and weights and measures.

The small-scale sector will continue to enjoy protection in 47 industries, including absorbent cotton, automobile radiators, barbed wire, domestic electrical appliances, bolts and nuts, fireworks, full P.V.C. footwear, hurricane lanterns, laundary soap, miniature bulbs, safety matches and water meters.

(The Times of India, 28-6-1969).

#### 36. Wages.

### India - May-June-July 1969.

### Central Government accepts Recommendations of Second Wage Board for Cotton Textile Industry.

A Resolution dated 17 May 1969 of the Ministry of Labour, Employment and Rehabilitation, states that the Government of India appointed in 1964 the Second Wage Board of the Cotton Textile Industry to consider the question of a further revision of the wage structure in the industry, keeping in view the following:-

- (i) the recommendations of the first Wage Board for the Cotton Textile Industry, constituted by the Government of India by their Resolution No.WB-1(3), dated 30 March 1957 and Government decisions thereon as published in Resolution No.WB-8(78), dated 2 March 1960;
- (ii) the principles of fair wages as set forth in the report of the Committee on Fair Wages;
- (iii) the needs of the industry in a developing economy including the need for maintaining and promoting exports;
  - (iv) the various elements of labour costs (excepting bonus) apart from wages;
    - (v) the requirements of social justice;
  - (vi) the need for adjusting wage differentials in such a manner as to provide incentive to workers for advancing their skill; and
- (vii) the desirability of extending the system of payment of result.

The Board's Report was submitted to the Government on 31 December 1968 and after a careful examination of the report, including the views expressed in the dissenting note of the employers' representatives and at the tripartite meeting held at New Delhi on 25 February, 1969, the Government of India has decided to accept the majority recommendations of the Wage Board briefly summarised below.

The Government of India has further decided that the Wage Board's recommendations should remain operative for a period of 5 years with effect from 1 January 1969, andthat during this period there should be no claim for revision of matters covered by the recommendations, in those establishments which implement these fully.

The concerned organisations of employers and workers and also the State Governments are requested to take steps to set cure implementation of the recommendations accepted by the Government.

### Board's Recommendations

- (1) Every person employed in the Cotton Textile Industry, who answers to the definition of 'workman' in the Industrial Disputes Act, 1947 or the definition of 'employee' under the Bombay Industrial Relations Act, 1946, as the case may be, should be governed by the recommendations of the Board.
- (2) The sewing thread industry falls within the scope of the Board's recommendations.
- (3) The Board finds itself unable to make any recommendations in regard to the powerloom sector. The Board, however, recommends setting up of a separate Wage Board if the Government is so advised.
- (4) The Board is not making any recommendations in respect of the purely staple fibre units except to say that they will maintain the existing parity, if any, with the revised wages for the cotton textile workers in the centre. So far as the Mills engaged partially or intermittently on staple fibre are concerned, they fall within the scope of the Board's recommendations.
- (5) The Board does not intend to bring within the purview of its recommendations, the processing units which are entirely dissociated from a cotto n textile concern.
- (6) The recommendations of the Board shall cover the processing units which are an integral part of a spinning or a composite cotton textile concern.
- (7) The other recommendations are given in Para 255 of Chapter IX of the report (annexed).

### ANNEXURE (Para 255 of Chapter IX)

(1) Narrowing down the dispartities in dearness allowance. (a) Where the average monthly dearness allowance paid by a unit during the year 1968 to its lowest-paid worker falls short of Rs.140, the difference between the sum so paid and Rs.140 shall be made up-over a period of 5 years commencing from 1 January 1969 as far as may be in the manner specified below.

If the difference is Rs.15 or more, the unit shall pay to every worker an additional dearness allowance of Rs.3 per month from 1 January 1969; Rs.6 per month from 1 January 1970 and so on till 1 January 1973.

If the difference is less than Rs.15, it shall make similar payments to every worker from 1 January 1969 until the difference is made up. If, however, the difference can be made up by paying an additional sum of less than Rs.3 at any stage, only such sum falling short of Rs.3 as makes up the difference shall be paid.

For the purpose of calculating the average monthly dearness allowance paid during the year 1969, the total dearness allowance including the fixed, variable and flat dearness allowance paid during the year shall be taken into account.

(b) Where a unit has not paid any separate dearness allowance during the year 1968 and has paid less than Rs.175 to its lowest-paid worker by way of total monthly average wage during that year, it shall make up the difference between the sum so paid to every worker and Rs.175 in the manner indicated in clause (a) above.

The total average wage paid during the year 1968 to the worker shall be taken as the basis of these increases only until such time the unit implements our recommendations regarding payment of a separate dearness alhowance linked to Consumer Price Index Number, after which our recommendation in clause (a) above will apply.

(c) As far as the units paying separate dearness allowance are concerned, this phased payment is independent of and in addition to the dearness allowance payable to the workers on the existing scheme and at the existing scale in the respective units. As regards the units where no separate dearness allowance is paid, this phased payment shall be independent of and in addition to any other increments to which the workers are entitled to under arrangements, if any, existing in the respective units.

- (2) Linking dearness allowance with Consumer Price Index. The recommendation of the first Wage Board made in para 107 of their report shall be implemented forthwith by the units which have not done so till now. For the sake of convenience, we reproduce the relevant recommendation hereunder:
  - "The Board recommends that dearness allowance should be linked to the cost of living index in all centres, and if any centre has not such cost of living index, the index of the nearest centre should be taken for that purpose. The Board has also come across some cases where there is only a consolidated wage or a fixed dearness allowance. In both cases we have found that the total wages are comparatively lower. We recommend that in these cases also the dearness allowance should be made adequate and linked to the cost of living index number by a suitable machinery."
- (3) Merger of dearness allowance with basic wage. (a). The recommendation of the first Wage Board made in para 109 of their report shall be implemented forthwith. The said recommendation is reproduced for ready reference:
  - "The Board has reached the conclusion that the consolidation of dearness allowance with basic wage in each mill should take place at an index which will yield an amount equal to three-fourths of the average dearness allowance of the first six months of 1959. It is our intention that the remaining 25 per cent dearness allowance which will continue as dearness allowance, shall have a flexible character, and shall rise and fall according to the further cost of living; and the difference between the future index and the point at which the current index is merged shall be compensated according to existing method and at the existing scale."
- (b) The basic wage as it stood before the recommendations of the first Wage Board plus the increases granted by that Board in para 106 of their report plus the dearness allowance equal to three-fourth of the average dearness allowance of the first six months of 1959 shall be treated as the basic wage from 1 January 1969.

- to the revised basic wage as determined in accordance with clause (b) of recommendation (3).
- (c) The 'fall-back wage' for the occupation shall not be less than the average monthly basic earnings during three normal months prior to 1 January 1969. As toewhat constitute the 'three normal months' shall be settled between the management and the workers, failing which, it shall be competent to the State Government to decide the same.
- (5) Annual increment (a) The workers who are now on time-scale shall be brought on time-scale by being given annual increments from 1 January 1969 at the rate of one per cent of their revised basic wage on 1 January 1969 as determined in clause(b) of recommendation (3), subject to a minimum of Re.l per month in the case of units falling within the category I and 75 paise per month in the case of units falling within the category II. These annual increments shall be given for a period of 10 years from 1 January 1969.
- (b) The workers on piece-rates also shall be given the increments as in clause(a) above in their piece-rate earnings.
- Explanation to Clauses (a) and (b) .- (i) To be eligible forthe above annual increments, a worker should have worked for at least 240 days in a calendar year and the computation of the number of days worked shall be as provided by Section 14 of the Payment of Bonus Act, 1965.
- (ii) The 'categories' referred to are the 'categories' into which the industry was divided by the first Wage Board.
- (c) Where employees are already on a time-scale, they shall have their scales recast as under with effect from 1 January 1969.
- (i) Increase of Real(Rupee one) in the case of employees in units falling within category I and 75 paide in the case of employees in units falling within category II in the rate of annual increments at every stage;
- (ii) merger of the fixed dearness allowance as for Labour with basic pay at the floor and right through to the ceiling; and

(iii) extension of the ceiling by five annual increments, at the last rate of the revised increment under clause (i).

Explanation. - (i) The 'categories' referred to are the 'categories' into which the Industry was divided by the first Wage Board.

(ii) The time-scale in every case shall be revised in the following manner:-

Add the fixed dearness allowance to the floor of the present scale and right through to the ceiling. Then, add the increase under clause (c)(i) to the rate of increment at every stage obtaining in the existing scale. Extend the ceiling by five increments at the last revised of increment. After thus formulating the new scale, add to the basic pay of the employee in the existing time-scale, the fixed dearness allowance due to him and fit him into the new scale. The amount so arrived at shall be his basic pay in the new scale. If such basic pay coicides with any stage in the new scale, his basic pay shall be fixed at that stage as on 1 January 1969 in the new scale; but if it falls between two stages in the new scale, his basic pay shall be fixed at the next higher stage in the new scale.

- (6) Gratuity. (a) The amount of gratuity payable to all classes of employees entitled to the same under the existing scheme and basis shall be increased by 25 per cent on and after 1 January 1969. We recommend that the existing gratuity schemes in the different units shall be suitably altered to give effect to our above recommendation.
- (b) If in any unit, no gratuity scheme is in force, it shall introduce the scheme obtaining in the nearest comparable unit in the Industry.
- (7) Rationalisation. Subject to the following basic conditions:
- (i) there should be no retrenchment or reduction of earnings of the employees found surplus, i.e., the existing complement should be maintained barring natural separation or wastage;
- (ii) there should be an equitable sharing of the gains of rationalisation as between the community, the employer and the worker; and
- (iii) there should be proper assessment of workloads by experts mutually agreed upon, and also suitable improvements in the working conditions.

We recommend that there shall be an expert body set up in each State to whom disputes regarding rationalisation shall be referred and its decisions shall be binding on the parties. The process of rationalisation shall be comprehensive and cover all departments of the industry including the managerial and administrative departments.

- (8) Existing Benefit. We wish to make it clear that nothing in these recommendations shall have the effect of reducing or denying any existing benefits or amenities or emoluments to which workers are entitled.
- (9) Effective date of implementation of the recommendations. Our recommendations shall take effect from 1 January 1969.

(The Gazette of India, Extraordinary, Part I, Sec.1, 20 May 1969, pp. 339-344).

### Minimum Wages for Workers under Central Government Fixed.

The Government has fixed the minimum rates of wages for unskilled, semi-skilled and skilled supervisory and clerical workers. The workers who are grouped in various categories - highly skilled, skilled, semi-skilled and unskilled as also supervisory and clerical will get minimum wages ranging from Rs.2.40 to Rs.9.25 a day.

The wages depend on the area in which they work (the country has been divided into five areas for the purpose) and the degree of skill involved in the job.

For fixing wages in agriculture and construction industries the country has been divided into five areas. The minimum rate of wages for unskilled workers in agriculture is Rs.3.70 per day in area "A" which comprises Bombay, Calcutta, Delhi and Madras and all places within a distance of eight kilometers from their periphery. The minimum rates of wages fixed in area"B-1" which includes Ahmedabad, Bangalore, Hyderabad, Kanpur, Poona and all places within the distance of eight kilometers from the periphery of their corporation is Rs.3.40 per day. The minimum rate of wages for the category of workers in area "B-2" consisting of Agra, Allahabad, Jaipur, Lucknow, Nagpur, Madurai, Varanasi and all places within a distance of eight kilometers from their municipal limits is Rs.3.10 per day. The minimum rate of wages fixed for "C" area which comprises smaller towns and "D" area consisting of rural areas are Rs.2.80 and Rs.2.50 per day respectively.

The minimum rate of wages fixed for unskilled workers in construction industry comes to Rs.3.50 in area "A", Rs.3.20 in Area "B-1", Rs.2.90 in Area "B-2", Rs.2.60 in Area "C" and Rs.2.40 in Area "D". The minimum rate of wages for unskilled workers in Bauxite and gypsum mines is Rs.2.60 per day and in barytes and manganese mines is Rs.2.40 per day throughout the country.

Agriculture labourer, grazier, grass-cutter and weighman have been classified as semi-skilled and their minimum wages range from Rs.3.30 per day in area "A".

More than 600,000 workers in agriculture and construction and miniming industries in the the Central Sphere will be covered by this notification. The new rates came into force from 19 May 1969.

(Patriot, New Delhi, 22-5-1969).

### Punjab Links Wages with Price Index.

The Punjab Government had decided to link minimum wages with the working class cost of living index in all employments covered by the Minimum Wages Act of 1948 including agricultural labour.

The quantum of neutralization would be at the rate of 50 paise per point rise in the index. The adjustment in wages would be made only twice a year on January 1 and July 1. The neutralization would be on the basis of the average rise or fall of the index during the six months preceding the date of reckoning.

The minimum rate of neutralization would, however, not affect the bilateral arrangements between workers and employers and all other existing agreements and settlements would remain undisturbed.

(The Hindustan Times, 5-6-1969)

## Study Group of the National Labour Commission suggests Universal Minimum Wage, Not Feasible in India.

A study group of the National Labour Commission has not found it feasible to recommend fixation of minimum wage for the country's economy as a whole. In view of the widely varying wage levels in different regions and among different industries, most of them below the absolute minimum, the concept of an immediate universal or widely prevailing minimum wage has no appeal in the present context. Different minima for different industries fixed region-wise will have a greater appeal and function.

The group has expressed the view that real wages only increase to the limit permitted by the per capita consumption. The very desirable objective of increasing the real wages of the working class as a whole demands a planning and investment policy which will increase the flow of common consumption goods at a faster rate than population growth. In fixing different minima for different industries on a regional basis, the group has recommended two different considerations to be borne in mind. Rapidly expanding industries where there is difficulty in attracting labour and the requisite skill, strength and discipline, there would be a prima facie case for raising wages more than the norm suggested. It would be the reverse in relatively declining industries.

While emphasizing that the capacity of the industry to pay is regarded as a very crucial criterion for minimum wage fixation the study group has expressed the view that its application, except in a marginal way, has severe limitations in the case of a country like India. The group says that if the economy has to advance, savings has to increase faster than consumption and since the savings emnate from the accumulation of profits, the latter have to increase. In this connection, it has referred to the tendency among some profit—earners to spend their incomes in meretricious consumption and has emphasised the need for a well—articulated fiscal policy which can relate profits accrued to productivity effort and control unnecessary expenditure out of them.

On dearness allowance, the group has suggested full protection against price increases to the lowest income group workers. On wage differentials within an industry, the group is of the view that they are not adequate for the purpose of encouraging the requisite skill formation. It is extremely essential fora developing economy that these differentials are widened. The group has also recommended merger of a large part of the present dearness allowance into basic wages.

Theprices prevailing in 1960 could furnish a fair basis for determining basic wages. In order to take care of future price increases or decreases, a small part of the dearness allowance could be kept variable.

For workers in the Public Sector it has recommended that the same policy should be followed as in the private sector. Any dishonesty in this regard, it has warned, may adversely affect the growth and efficiency of the Public Sector which is assigned a crucial role in Indian Planning.

(The Hindu, 7-7-1969).

# CHAPTER 4. PROBLEMS PECULIPR TO CERTAIN BRANCHES OF THE NATIONAL ECONOMY.

## 44. Merchant Marine and Fisheries. India - May-June-July 1969.

Unemployment Insurance Benefits for Seamen: Tripartite Committee Appointed.

The Sixth Meeting of the National Welfare Board for Seafarers which met under the Chairman-ship of Mr. Raguramiah, Union Minister of State for Shipping and Transport, has appointed a Tripartite Committee to study the introduction of unemployment insurance benefit for Indian seamen. The Board has also decided to recommend suitable amendment to the income tax rules to ensure that income tax be deducted only if the wages of a seaman during voyage exceeded the taxable limit and not at source on the estimated total earnings as was done at present.

The Board also appointed a tripartite committee to examine the existing welfare facilities and ameneties to seamen at Indian and foreign ports and suggest measures for improving them.

(The Hindustan Times, 30-7-1969).

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

### INDIA - MAY-JUNE-JULY 1969.

### 50. General.

## Delhi Shops and Establishments (Amendment) Bill, 1969.

Mr. Jaisukhlal Hathi, Union Minister of Labour, Employment and Rehabilitation, Government of India, introduced in the Rajya Sabha on 28 April 1969 a Bill further to amend the Delhi Shops and Establishments Act, 1954. The Statement of Objects and Reasons of the Bill states that the Delhi Shops and Establishments Act, 1954, which was enacted by thethen Delhi Legislative Assembly, regulates the hours of work, payment of wages, grant of leave and holidays, terms of service and other conditions of work, of persons employed in shops, commercial establishments and establishments for public entertainment. The working of the Act has revealed certain difficulties in the effective enforcement of its provisions. With a view to removing these difficulties, it is now proposed -

- (a) to widen the coverage of the Agt so as to bring within its scope apprentices, piece-rated workers and persons employed on commission basis;
- (b) to provide for a period of thirty days instead of fifteen days in respect of any change to be communicated to the Chief Inspector under section 6;
- (c) to make it obligatory for the employer to fix interval for rest and meals and to intimate it to the Chief Inspector;
- (d) to vest in the Government the power to specify by notification the "close day", locality-wise, trade-wise or uniformly for the whole of the Union Territory of Delhi:

- (e) to provide that claim applications arising out of delayed payment or non-payment of wages can also be filed by any official of a registered trade union if authorised in writing by the employee;
- (f) to increase the time limit for filing claims from six months to twelve months;
- (g) to raise the ceiling for accumulation of privilege leave from two years to three years' entitlement and to permit grant of sickness or casual leave on a proportionate basis; and
- (h) to prohibit employees from contracting out of any of the benefits extended by the Act

The Bill is intended to give effect to these proposals.

(The Gazette of India, Extraordinary, Part II, Sec. 2, 28 April 1969, pp. 423-427).

## Labour Welfare Committee Report Submitted: Minimum Ameneties for Labour Welfare.

The Committee on Labour Welfare headed by former Union-Deputy Labour Minister R.K. Malaviya (vide page 46 of the report of this Office for the month of August 1966) has submitted its report on 31 July 1969.

The Committee has recommended to the Government to lay down a bare minimum of Labour Welfare ameneties to serve as an ideal for all industries. However, the Committee has suggested that industrial units could be exempted for a specific period where economic conditions and nature of the unit are not able to provide such ameneties.

The Committee has recommended that a Central Labour Welfare Board with tripartite contribution be set up in addition to statutory welfare boards in each State to supervise welfare ameneties.

Regarding agricultural and rural labour, it has recommended that a farm employing five or more labourers be made statutorily responsible to provide basic ameneties like drinking water, first aid, rest shelters, and protective equipments, including safety appliances to them. A suitable legislation to this effect should also be enacted urgently. The Committee has recommended a fine of 500 rupees which may go up to 3,000 rupees for repeated infraction or violation of statutory provisions. With a view to ensuring that statutory welfare emeneties are provided from the inception of the factory, it would be desirable to introduce a provision in the statutes that no factory shall start functioning or permitted to be constructed if such necessary provisions are not made in the construction plan for the proposed factory.

Regarding the Employees' State Insurance Scheme, the Committee is of the opinion that its functioning should be streamlined and improved upon and the basic recommendations of the Employees' State Insurance Review Committee be implemented soon. As a matter of encouragement such employers who give better medical ameneties and whose workers are satisfied with those ameneties should be given appropriate release in their contribution to Employees' State Insurance Corporation. As far small units, the Committee suggested that medical facilities be provided on joint basis by a group of employees in scattered areas.

The report said the Centre should take initiative to formulate a scheme forworkers' convalescent homes and sanatoria. For this, assistance and cooperation may be sought from State Governments, public sector undertakings, Central Employers and Workers' organisations and autonomous corporations like ESI and LIC.

The Committee has also suggested complete integration of family planning with maternity and child health programme where it has not been done so far. The Committee has suggested that each State should have an automomous housing board to construct and maintain houses for workers. The Board should earmark a minimum of 20 per cent of its finances for house construction exclusively for industrial workers. The employers should be given exemption from taxes or rebate on them for the amount spent on construction of houses for industrial workers.

The Committee has also recommended that Plantations Labour Act be amended to bring it at par with the definition of the Workmen under the Industrial Disputes Act. The Committee has recommended the setting up of a general miners' welfare Fund to be administered by the Central Government.

(The HindustanTimes, dated 1-7-1969)

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

India - May-June-July 1969.

## Working of the Payment of Wages Act, 1936 in Mines during 1967.

Introduction.— The Payment of Wages Act 1936 seeks to regulate payment of wages and ensures regular and prompt payment of wages without any un-authorised deductions and fines, to the employees covered by the Act. The Act is applicable to all persons employed in Mines and drawing wages below Rs.400/--per month. The Payment of Wages (Mines) Rule 1956, framed by the Central Government, apply to persons employed in mines, either by the owner or by the contractor.

Inspections and Irragularities.— The number of inspections made during the year under report was 5,105 as against 5,062 during the previous year. Total of 20,974 irregularities were detected as against 18,782 in the previous year. The largest number of irregularities detected related to non-maintenance of registers, comprising 26.2 percent of the total in 1967 and 26.9 per cent in 1966.

Rectification of Irregularities.— As many as 20,974, irregularities were detected during the year and 4,920 irregularities were pending rectification at the end of the previous year. Thus a total of 25,894 irregularities required rectification during the year 1967. Out of these 25,894 irregularities 19,132(73.9 per cent) were rectified during the year under review leaving a balance of 6,762 (26.1 per cent) irregularities pending rectification at the end of the year 1967. Of the 19,132 rectified irregularities, 9,839 (51.4 per cent) were rectified within 3 months; 5,255 (27.5 per cent) within 3 to 6 months; 3,556 (18.6 per cent) within 6 to 9 months; and 480 (2.5 per cent) within 9 to 12 months.

Claims.— In all, 543 cases were disposed of during the year, of which, 210 cases were decided in favour of employees; 25 against the employees and 308 cases were withdrawn. The total amount of claims amounted in respect of these claims cases which were decided in favour of employees was Rs.109,039.

Prosecutions. During the year under report 470 cases were fixed and of these 233 cases were disposed of; 194 cases resulted in convictions of the employers with fines amounting to Rs.9,681.

Annual Returns.— Asrequired under the Payment of Wages (Mines) Rules 1956, 2179 mines employing 614,265 workers submitted the return during £967 as against 1873 mines employing 426,661 workers during the previous year. The total wages paid during the year by the employers submitting returns amounted to Rs.878,539,207 as against Rs.494,389,955 paid during the previous year. Deductions of Rs.277.00, Rs.2409.00 and Rs.233.00 were made from wages of workers due to fines, damage or loss and brach of contract respectively. An amount of Rs.360.00 was disbursed from the Fines Fund during the year.

Conclusions.— It will be seen that during the year as compared to the previous year, the number of inspections and the irregularities detected increased from 5062 and 18782 to 5105 and 20974 respectively. The enforcement of the Act and the Rule was quite effective and purposeful during the year under review.

(Indian Labour Journal, July 1969).

## 67. Conciliation and Arbitration. India - May-June-July 1969.

### Suggestions to resolve Labour Disputes.

Inaugurating a Seminar on Employer - Employee Relations in Madras the President, Mr. V.V. Giri said for bringing prosperity to the country and greater returns to all sections of the community it was essential to have happy and harmonious relations between labour and management. The pre-requisite in this task was that labour should be fully conscious of its duties and responsibilities before it agitated for rights and previleges. Employers had also their definite task and should sincerely realise the value of trade unions. The Government should see that the fruits of economic and social progress were shared equitably so that it could act as an incentive for the workers to give of their best.

Mr. Girk came out against referring issues to third party settlement and thought it was far better to settle disputes through joint consultative machinery. If however, they had to resort to outside machinery he suggested an approach to reduce the area of conflict and increase the area of cooperation.

Mr. Giri was of the view that as far as possible disputes should be settled at the plant level itself. The joint standing machinery consisting of representatives of the workers and management must meet at regular intervals, so that they could compose their differences at their earliest opportunity before these assumed serious proportions. The Government should assist in establishing in various industries a panel of-conciliators from among whom both the workers and employers could choose a single conciliator om a board of conciliation.

On matters where facts were disputed, the Government at its discretion, might appoint courts of enquiry, which would be merely of a fact finding nature. As an additional measure to solve the disputes, tripartite and bipartite machinery of the Labour Conference should play its part. Instead of merely being ad hoc bodies as they were now, meeting once or twice a year, there should be permanent machinery at the State as well as all India levels

with adequate staff and technical experts for collecting data. Further this machinery should have under its aegis different panels for each of the key and basic industries, consisting of representatives of employers, workers and technical experts.

Mr. Giri suggested that when a dispute was not solved at the tripartite level, industrial courts presided over by a High Court and Supreme Court judge with assessors sitting on both sides should be constituted. If some points still remained unsettled, the parties should be persuaded to agree to voluntary arbitration, he said. If the arbitrators were unable to agree, conventions must be built up to appoint an umpire experienced in settlement of disputes and comanding the confidence of both the parties. If these processes failed to produce a settlement of the disputes the parties might be left to resort to direct action.

Mr. Giri advocated formation of industry-wise as against craft-wise unions. He also put forward a seven-point formula for labour-management cooperation based on mutual faith and understanding.

(The Hindu, 29-5-1969).

## 69. Co-operation and Participation of Industrial Organisations in the Social and Economic Organisations.

India - May-June-July 1969.

### Report on the Working of Joint Management Councils for the Year 1968.

The scheme of Joint Management Councils was introduced in 1958 as a voluntary basis for promoting increased production for the general benefit of the enterprises and the community, giving the employees a better understanding of their role in the working of industry and of the process of production and satisfying the workers urge for self expression. It was also designed to break down misconceptions and allay suspicions by improving the system of Employer - Employee Communications.

At the end of 1968, the scheme of Joint Management Councils was functioning in 97 units, 36 in public sector and 61 in the private sectors. In most of the enterprises the Joint Management Councils had been formed on the basis of written agreements between the management and the union or unions, concerned, closely following the model agreement suggested by the Sub-Committee of the Indian Labour Conference.

Essential Features of the Scheme.— The main features of the scheme, which distinguishes it from other Joint Consultative Bodies are: 1) they are to be consulted by the management on certain specified matters fegarding day to day administration, ii) they have the right to receive information, discuss and give suggestions on the economic and financial aspects of the undertakings, and iii) they are to be entrusted with administrative responsibility in respect of certain matters.

Meetings.— The Joint Management Councils are ordinarily scheduled to meet once a month. Although a few Joint Management Councils meet several times during the month, in manycases the meetings are not held very regularly. Several Joint Management Councils have set up Sub-Committees to deal with specific subjects such as production, welfare, safety suggestion schemes, canteen etc. Other subjects discussed at Joint Management Councils meetings included family planning, scholarships scheme, staff quarters, publication of magazeines, blood donation, absenteesim, reduction of waste etc.

Administrative Responsibility. - Some of the Joint Management Councils have been entrusted with direct responsibility for the administration of welfare measures, fixing of holidays, celebrating of National and Festival Holidays, sports, canteen, colony welfare, family planning, supervision of safety measures, etc.

(Indian Labour Journal, July 1969).

#### CHAPTER 8. MANPOWER PROBLEMS.

INDIA - MAY-JUNE-JULY 1969.

80. General.

Number of Engineers with Post-Graduate

Degrees: Fourfold Increase during Ten

Year Period Ending In 1967.

According to a data analysis made by the Council of Scientific and Industrial Research, there was a fourfold increase in the out-turn of Engineers with post graduate degrees during the ten year period ending in 1967 when 48 institutions attained a total annual out-turn of 1087 post graduates in Engineering and Technology. This is 40 times the number of students who completed their post-graduate studies in 1947.

Facilities for post-graduate studies and research in Engineering and Technology were non-existent before the outbreak of World War II except at two institutions in the country. The courses then were limited to Chemical Engineering, Electrical Engineering and Chemical Technology. New facilities exist for 90 specialisations in 20 major fields.

By 1967 about 8909 persons had obtained post-graduate degrees in Engineering and Technology. The annual out-turn in 1966 and 1967 together constituted mearly a quarter of the total. Post graduates (2422) in Civil Engineering formed the largest category exceeding 27 per cent of the total. Mechanical Engineering had 1331 and Electrical Engineering 1119, Chemical Engineers and Technologists numbering 1226, constituted about 14 per cent of the total.

Facilities for post-graduate Diploma in Engineering and Technology have developed extensively during the last few years. Post graduate Diploma in Public Health Engineering was started in 1932 and in Architecture and Regional Planning in 1949. By the end of 1967, there were more than 2000 post-graduate diploma holders in Engineering and Technology in the country. Post-graduate diploma holders in Civil Engineering including Public Health Engineering constitute about 67.5 per cent of the total. Sybjects like Metallurgy, Mechanical Engineering, ChemicalTechnology and Agricultural Engineering were introduced at post-graduate diploma level recently.

(The Hindustan Times, 10-7-1969).

# 81. Employment Situation. India - May-June-July 1969.

# Employment Exchanges Working during during May 1969.

According to the Review of the Principal activities of the Directorate-General of Employment and Training during the month of May 1969, the positions of registrations, placements, live-register, vacancies notified and employers using employment exchanges is shown in the following table:

Sl. No.	Item.	Apr i 196		Difference	Remarks
1	2	3	4	5	6
	Registrations. Placements. Live Registrer. Vacancies Notified. Employers who used exchanges.	2,965,074	36,365 3013,361 62,525		

Displaced persons from East Pakistan. Three hundred and fifty four East Pakistan migrants were registered with various employment exchanges during May 1969, bringing the total number so far registered to 46,236. Ninety seven were placed in employment, bringing the total number placed in employment to 3,566. The live Register stood at 10,230.

Repatriates from Burma. Two hundred and eighty six repatriates from Burma were registered at the Employment Exchanges during May 1969, bringing the total number so far registered to 11,220. Forty eight were placed in employment, bringing the total number placed in employment to 2,301. The live Register stood at 2,753.

Repatriates from Ceylon.— Forty seven repatriates from Ceylon were registered with the Employment Exchanges during the month bringing the total number so far registered to 796. Thirteen were placed in employment, raising the total number placed in employment to 118. The live Register stood at 218.

Apprentices Act, 1961.— The number of apprentices undergoing training under the Apprentices Act was 36,417 at the end of March 1969 of which 34,947 were full term apprentices and 1470 short-term apprentices. These apprentices were engaged in 2,947 establishments.

(Review on the Principal Activities of the Directorate-General of Employment and Training for the Month of May 1969; Ministry of Labour and Employment, New Delhi).

# Survey to ascertain the Employment Status of Craftsmen trained under the Craftsmen Training Scheme.

The Directorate General of Employment and Training has been engaged in the training of craftsmen at the Industrial Training Institutes over the past several years. For the first time a survey is made at the all-India level to obtain employment particulars of passed out trainees of Industrial Training Institutes.

Training of skilled craftsmen assumed great importance in the context of rapid industrialization envisaged during the Five Year Plans. There has. accordingly been considerable expansion in the training facilities for craftsmen in the Industrial Training Institutes (I.T.Is.) under the Director-General of Employment and Training, particularly after the First Plan. There were only 59 Industrial Training Institutes with a seating capacity of about 10,000 at the end of the First Plan period as against 356 Industrial Training Institutes with a seating capacity of 147,000 in February 1969. In these Institutes training is imparted in 30 Engineering and 22 non-Engineering trades and nearly 50,000 trainees are passing out every year in engineering trades.

Gaining from the experience of a pilot survey about the trainees, a follow-up of the post-training careers of the trainees from all Industrial Training Institutes in the country was con ducted recently. A questionnaire through which the data were collected from the selected ex-trainees contained particulars regarding the employment status, trade in which employed, average monthly emoluments and if unemployed whether employed earlier, how long looking for work, whether registered with the employment exchanges, etc.

Employed and Unemployed Ex-Trainees.— The particulars collected from the ex-trainees revealed that out of the 2748 ex-trainees who supplied the information, 1674 or 60.9 per cent were employed at the time of the enquiry and 1074 ex-trainees or 39.1 per cent had reported themselves to be unemployed. However, all the ex-trainees who reported themselves as unemployed were not without a job continuously since completion of their training. As many as 379 of the unemployed ex-trainees were employed earlier, but were currently unemployed. About 25.3 per cent. of the ex-trainees reported themselves to be without a job continuously since completion of their training.

On completion of training at the Industrial Training Institute, the trainees are required to undergo six months of inplant or on the job training in order to get necessary practical experience. Among ex-trainees who reported themselves as unemployed, it was observed that while enearly 70 per cent of them had completed their apprenticeship training the remaining 30 per cent had not undergone any apprenticeship till the time of the survey. The distribution of employed and unemployed ex-trainees by grades in which they received training has revealed that in trades of Draughtsmen (Mechanical), Electrician, Electoplator, Machinist (Grinder), Mechanic (Radio), Watch and Clock-maker, Mechanic (Diesel), Mechanic (Refrigeration) and Wireless Operators, more than 70 per cent of the passed out trainees were found to be employed during the reference period.

Trades in which Employed. The bulk (83 per cent) of the employed ex-trainees were found to be engaged in the trade in which they received training or an allied trade. Only about 17 per cent of the employed ex-trainees were engaged in a trade other than the one in which they were trained and could therefore be regarded as "improperly employed".

Employment Status. Most of the ex-trainees were working as employees at the time of the survey. Out of the total number of employed ex-trainees 84.2 per cent were working as employees, 6.8 per cent were self-employed, 4.4 per cent were apprentices and 3.5 per cent were working as unpaid family helpers. Only one per cent of the ex-trainees were working in the capacity of an employer.

A study of the trade-wise distribution of the self employed ex-trainees has revealed that 18 of them were thorse who received training in the trade of Electrician, 17 as Fitters, 13 as Carpenters, 10 each as Welders and Wiremen and others in the trade of Motor Mechanic, Turner, Radio Mechanic, Machinist, etc.

Time lag between completion of training and The period for which a person First Employment.remained unemployed after completing the training is an important index of the Employment Market. No doubt some werkin waiting period is inescapable in any occupation before getting some employment. It is interesting to note that more than 80 percent of the currently employed ex-trainees secured a job with in one year after completion of their training. Nearly half the ex-trainees currently employed secured their first employment within a period of three months. Only 4 per cent had to wait more than two years before securing a job. In the case of those who were currently unemployed but were employed earlier, nearly 35 percent got employed within 3 months 45 per cent within a period of three months to one year and another 22 per cent after one year.

While the present survey being confined to certain specific batches of the ex-trainees of Industrial Training Institutes cannot evidently throw light on the employment sktuation among the total stock of Industrial Training Institute passed out trainees in the country; it has brought out certain factural information which provides a broad indication of the employment situation previously prevailing among the category of technical personnel. The existence of unemployment among the ex-trainees of Industrial Training Institutes as revealed by the present survey is possibly due to the impact of the recent industrial recession which affected the growth of the Engineering intensive sector substantially. present economic climate of the country which has led to unemployment even among highly qualified personnel such as Engineering graduates, some measure of unemployment among the Industrial Training Institute trained craftsmen could perhaps be expected.

> (Survey to Ascertain the Employment Status of Craftsmen trained under the Craftsmen Training Scheme, published by the Directorate-General of Employment and Training, Ministry of Labour, Employment and Rehabilitation, Department of Labour and Employment, New Delhi).

# Job-Seekers on the Increase: Views of Different Study Groups.

According to a study conducted by the Indian Statistical Institute in collaboration with a team of Experts from London School of Economics, the present number of educated work-seekers would increase from 1 million to 1.6 million in 1975-76.

The Institute of Applied Manpower Research, basing its estimate on a lower rate of growth has forecast the number of educated unemployed in 1975-76 as 6 millions.

According to the Study Group on Employment and Training of the National Commission on Labour, the number of educated job-seekers, including matriculates and of higher qualifications increased from 0.805 million at the end of 1964 to 1.087 million by the end of 1967.

An interesting feature revealed by the Study Group is that while there were 6,000 Engineering graduates and another 28,000 diploma holders in engineering registered with employment exchanges, there were shortage of skilled hands Experienced electrical and in some parts. me chanical engineers, electricians, fitters, moulders, turners, physicians, surgeons, University teachers and trained teachers for higher secondary scholls in mathematics and science subjects have been reported unemployed from a number of States. The Study Group felt that these imbalanceswere due to lack of mobility and unattractive terms and conditions of segis service offered by employers.

Though the statistics of unemployment relating to the rural sector are more scanty, the Study Group estimated the number of under-employed in rural areas at about 16 millions. Besides there was a considerable problem of unemployment among rural youth having a modicum of education but not enough skill or training.

The Employment Review for 1967-68 brought out by the Directorate-General of Employment and Training said that the Employment Market in the organised sector in future was likely to attain a better balance in relation to other economic factors such as productivity and labour costs, a rising demand for goods and services and pressing need for fuller utilisation of manpower resources. The review which covered the entire organised sector of the economy - all establishments in the public sector and nonagricultural establishments employing less or more workers in the private sector - stated that higher agricultural production in recent years, was likely to have a favourable impact on the employment situation in the unorganised sector of the economy also.

The review revealed that the employment growth in the organised sector dwindled further during 1967-68 despite economic regival in the later half of the year. The growth rate in the public sector during the year was 1.7 per cent as against 2.7 per cent in the previous year. It was stated that the reduced employment growth in the public sector was due to continued restrictions on fresh recruitment, rigorous enforcement of economy measures and actual curtailment of staff in some cases.

The total number of job-seekers registered with the Employment Exchanges in 1967-68 increased by 5.6 per cent - the highest rate recorded during the last few years - brings the total to 2.69 millions. On the otherhand, the number of vacancies notified with the Employment Exchanges during the year decreased by 13.6 per cent asagainst 6.8 per cent in the previous year.

(The Patriot, New Delhi, 12-5-1969).

#### 92. Legislation.

India - May-June-July 1969.

Orissa: Draft Amendment to Schedule II of the Workmens' Compensation Act, 1923.

The Government of Orissa published on 9 May 1969 the draft of an emendment proposed to be made to Schedule II of the Workmens' Compensation Act, 1923, in exercise of the powers conferred under the Act. The draft amendment adds the following item to Schedule II -

"(xxiii) Employed otherwise than in a clerical capacity in the conduct of surveys in river valleys including collection data relating to the river"

The draft amendment will be taken into consideration by the Government after 10 August 1969.

(Notification No.6208-VS-e-3/69 LEH, dated 7 May 1969, the Orissa Gazette, Part III, 9 May 1969, page 478).

## J 2-

#### Mounting Arrears of Employers Contribution to Provident Fund: Government to take Remedial Measures.

The Employees Provident Fund Organisation is seriously concerned over the mounting arrears from employers to the Fund. The arrears amounted to 118.6 million rupees on December 31, 1968 and the major defaulters were the textile and engineering industries. It is understood that the Government is considering the possibility of incorporating provisions in the E.P.F. Act analogous to those in Section 15 of the Payment of Wages Act directing payment of the defaulted contributions by the employers within a stipulated period.

The arrears from the textile industry amounted to 76.9 million rupees and those from the engineering industries to 12.3 million rupees on 31 December 1968. A Committee of the Central Board of Trustees of the E.P.F. went into these matters recently. It considered the present penal provisions not sufficiently deterrent and recommended more stringent measures. Among other things it recommended that Provident Fund arrears dues should be treated on a par with income—tax dues in cases of insolvency, liquidation, etc. of the defaulting establishments.

Safeguards. If a State Government allowed a scheme of payment of arrear dues in instalments or did not sanction prosecution, the Committee recommended that the State Government should ensure that there were adequate safeguards for realising the arrears. It also recommended that there should be provision for compulsory imprisonment when there was default in remitting provident fund amounts deducted from the wages on the lines of Section 21 of the Finance Act 1968.

In the regions where the Provident Fund arrears were large, appropriate administrative machinery should be set up to deal exclusively with the recoveries on a priority basis. The question of reimbursing the State Governments to the extent of the cost of the special staff employed could be considered by the board of the E.P.F. although it was not an obligatory expenditure and charge on the E.P.F.

The Committee also recommended that where establishments could not meet provident fund liabilities because of serious financial difficulties, there should be a provision for exempting them from the operation of the E.P.F. Act for a specified period. It would be necessary to lay down a set of criteria and appropriate procedures so as to ensure that the proposed provision for exemption was not abused.

(The Hindu, dated 11-6-1969 ).

#### LIST OF ARTICLES.

#### INDIA - MAY-JUNE-JULY 1969.

### Chapter 2. International and National Organisations.

- a) Trade Unions in India and abroad by Justice P.B. Mukerjee: Amrita Bazar Patrika 1-5-1969.
- b) The Problem of Trade Union Recognition in India by Om P. Bhatia Indian Labour Journal, April 1969.
- c) Role of Trade Unions in Industrial Peace by Surendra Singh Labour Bulletin of U.P., June 1969.

#### Chapter 3. Economic Questions.

- a) Why automation is inevitable by Virendra Agarwala. Amrita Bazar Patrika, 7 May 1969.
- b) Communication in Industry by H. Sambamurthi. Indian Labour Journal, May 1969.
- c) A Strategy for Rural Development by S.N. RANADE. Kurukshetra May 1969.
- d) Dearness Allowance: Linkage of Rising Prices with Wages by Ajit Thakur. Janatha, May Day Issue.
- e) Family Budgets of Casual Farm Labourers by K.S. KARAYALAR. A.I.C.C. Economic Review, 15 June 1969.

## Chapter 5. Working Conditions and Living Standards.

Education of Child Labour in the Rural Sector in India, by A. Saraswathi. A.I.C.C. Economic Review, 1 May 1969.

## Chapter 6. General Rights of Workers.

- a) Industrial Relations and Public Undertakings, by M.M. Khullar. A.I.C.C. Economic Review, June 1969.
- b) Workers Participation in Trade Union Activity, by N.R. Shethi. Labour Bulletin, U.P., May 1969.
- c) Role of Consultancy in the Indian Economy, by N.K. Somani. Journal of Indian Merchants Chamber, May 1969.
- d) Trends in Management Consultancy Practice in India, by T.A.A. Latiff. The Hindu, 28 July 1969.

#### Chapter 8. Manpower Problems.

a) Psycho-Social Consequences of Unemployment, by Dr. J.P. Saxena. Indian Worker, 2 June 1969.

b) A Review of the Official Estimates of Unemployment 1951-71 and Certain Suggestions for Obtaining More Realistic Data, by P.C. Mathew. Indian Labour Journal, July 1969.

c) Employment Problem and Investment, by J.N. Mahalahobis.

Amrita Bazar Patrika, 29 July 1969.