Sectt. II-27—10,000—[illegible]-10.

Supdt

C

Edn (1950) Department.

Ms SERIES.

4

[illegible]

G.O. NO. 2980 Edn

Dated 4-11-50

30

[Despatch Abstract.]

Govt. Press Payment of overtime wage workers, Taking into account the D.A and H.R.A for calculation of overtime wages Orders passed

Back Papers.

G.O.	No.	Department.	Date.	G.O.			Date.

Further Papers.

G.O.	No.	Department.	Date.	G.O.			

From
R. Siddique, Esq.,
Superintendent,
Government Press, Madras.

To
The Secretary to Government,
Education & P.H. Department,
Fort St. George, Madras.

(2)

No. 88 [illegible]/0.7. Dated:- 1-6-1949.

42611

A

Sir,

Sub:- Dearness Allowance and House Rent Allowance to be taken into consideration for the calculation of overtime - Requested.

Ref:- Letter No.30 dated 27-5-1949 from the Secretary, Madras Government Press Workers' Union.

I have received [illegible] representation (vide copy enclosed) from the Secretary, Government Press Workers' Union regarding the emoluments to be taken into account while claiming overtime. At present in the calculation of overtime fees payable to Government Press employees, the rate is calculated taking into account, the pay alone, Dearness Allowance and House Rent Allowance being excluded. After claiming overtime in a particular month, the Dearness Allowance is further calculated in accordance with pay plus overtime drawn, thereby the difference of Dearness Allowance claimed supplementally. In section 59 (3) of the Factories Act (No.63 of 1948) which comes into force with effect from the 1st April 1949, it is laid down that ordinary rate of wages means the basic wages plus such allowances, including the cash equivalent of the advantage accruing through the concessional rate to workers, of food grains and other articles as the worker is for the time being entitled to, but does not include a bonus. Employees of the Government Press are paid Dearness Allowance and House Rent with reference to Orders of Government in force but no concessional allowances of food grains, etc. is given to them. It is for consideration whether with reference to the definition in the modified Act, Dearness allowance and House Rent allowance should be taken into account and classed as wages for the purpose of calculating overtime fees. I therefore request that Government while issuing orders may also consider whether it may be given effect to from the date of issue of the orders or from the date on which the Act came into force in which event whether further claim of difference of Dearness Allowance stated above may be stopped

R Siddique
1-6-49.
Superintendent.

L.S. Encl.

[illegible] 1/6.

Copy of letter No.30 dated 27th May 1949 from the Secretary, Madras Government Press Workers' Union, Madras to the Superintendent, Government Press, Madras.

The Union brings to your kind notice that at present the overtime allowances are given only on the calculation of the pay. The allowances are not taken into consideration for calculating overtime. So the Union begs to draw your kind attention to the Rule 59 (3) of the revised Factories Act (Act No.63 of 1948) and requests you to kindly claim the arrears with retrospective effect.

1/6.

4

[illegible]

[illegible] the calculation of the [illegible] with retrospective effect.

Draft II

(4)

5

E.P.H (

Sub: Govt. Press - Taking into account dea
and house rent allowance for calculating overtime fees.

Ref: From the S.G.P. No. 88 Mis/O.T D/ 1.6.4

—

Memo. No. 42611 C2/49-4 ~~E~~ dated 25/7/4

The S.G.P. is requested to send urgently a statement showing the addl. expenditu involved both immediate and ultimate, if the proposal to take into account the dearness and house rent allowance for calculating the overtime fees, is approved ~~and~~ and given effect to from 1.4.49. He is also requested to state whether the expenditure in 1949-50 can be met from the budget allotment for the Govt. Press

21.7.49

21/7

22/7/49

L.S. .P.

6

(3) . 2

E C
C2

KK/

VVP/8/9

p5 cf

Sub: Govt. Press - Taking into account dearness and house rent allowance for calculatin overtime fees.

Ref: Govt. memo No. 42611 C2/49-4 Edn dated 25.7.49.

Memo. No. 42611 C2/49-5 Edn 8 7.9.4

The attention of the S.G.P. is invited to the Govt. memo. cited and he is requested expedite his reply to ~~the~~ it.

5/9/49 JD/5/9/49

MM/6/9/49

To
The Supdt/ Govt. Press
Mint Buildings

8

(6) 9

No.P.B.C.209.

Office of the
Superintendent, Government Press
Madras, 6th October 1949

C2

From

R. Siddique, Esq.,
Superintendent,
Government Press, Madras.

To

The Secretary to Government,
Education & Public Health Department,
Fort St. George, Madras.

SECRETARY TO GOVT.
7 OCT 1949

Sir,

77242

Sub: Government Press - Taking into account Dearness Allowance, House Allowance for calculating Overtime fees.

p.54
p74

Ref: Government Memo.No.42611 C2-49-4 Edn., dated 25-7-49 and reminder thereon dated 7-9-1949.

A statement showing the additional expenditure that would be involved under the various heads for the months of April to June 1949, if the calculation of overtime fees on the basis of wages and allowances is made, is appended below.

56 Stationery & Printing - II Printing - Government Presses.	April 1949.	May 1949	June 1949.
	Rs.As.Ps.	Rs.As.Ps.	Rs.As.Ps.
A. General Overhead charges 5 Other charges - Allowances & Honoraria.	144 11 0	95 8 0	97 12 0
B. Productive Branches - 3 Other charges - Honoraria and Miscellaneous charges - Establishments.	3[illegible] 0	5103 9 0	5043 4 0
C. Mechanical Branches - Other charges - Allowances - Establishments Other compensatory and overtime allowances.	139 15 0	132 14 0	154 3 0
D. Type Foundry - 2 Other charges	205 9 0	182 3 0	135 12 0
F. Other Expenditure - 6 Other charges - Other petty charges etc.	26 14 0	57 6 0	57.14 0
	7,351 3 0	5,571 8 0	5,488 13 0

7381
5571
5484
3)18406
6135

Thus it will be seen that the average additional monthly expenditure works out to Rs.6,130 nearly and the immediate expenditure involved for the current year is Rs.73,560/-.

The recurring expenditure will be Rs.73,500/- per year on the basis of expenditure for the months of April to June 1949 if the proposal is given effect to from 1-4-1949. It may be added that overtime is a fluctuating item of expenditure as it depends upon the pressure of work received from time to time. If there is not much pressure of work, the additional cost is likely to be less and so no definite information can be furnished as to the exact amount required for every year.

The

The allotment for the current year under the sub-heads mentioned above will not be sufficient to meet the extra cost.

If the proposal is given effect to, there will be a clamour for demand of payment of arrears of overtime consequent on the revision and it would be necessary to employ additional temporary staff to prepare the arrears claim.

I presume that any modification in the calculation of overtime allowances approved by Government will be given effect to from the month in which orders are issued as otherwise, claim for arrears arising thereby will cause considerable strain on the accounts work of this office involving additional proposals for temporary establishments.

6/10.

R Siddique
6.10.49.
Superintendent.

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(7)

EPH
C2

175/7-11

Sub: Overtime fees - Taking into account Dearness Allowance and House rent allowance for calculation of Overtime fees.

Memo. No. 42611-7 C2/49/Edn. d 4.11.49

The
1 Superintendent, P.W. workshops
2 Director of Industries & Commerce
3 Chief Inspector of Factories

is requested to give full details of how the Overtime fees is calculated and paid to the employees in the

1 Public works workshop
2 Industrial Engineering workshop and the Central Polytechnic
3 Private presses and Factories

and how Rule 59 (3) of the Revised Factories Act (63 of 1948) is interpreted and worked in the payment of the Overtime fees.

4/11/49

To ~~the~~
The Supdt. ~~Industrial~~ Public W. workshop
The D.I. & C
Chief Inspector of Factories.

31/10/49.

31/10/49

11/11

13

(9)

OFFICE OF THE CHIEF INSPECTOR OF FACTORIES, CHEPAUK, MADRAS.

:::

From
The Commissioner of Labour &
Chief Inspector of Factories,
Chepauk, Madras--5.

To
The Secretary to Government,
Education and Public Health
Department, Fort St.George,
Madras.

****

No.B.1.3563/49 dated 16-11-1949.

22 NOV 1949

Sir,

Sub: Factories Act,1948--Section 59--Calculation of
Overtime wages--
Ref: Government (Education and Public Health) Memo
No.42611 C2/49-7 Edn. dated 4th November 1949.

91172
P11 ante

:::

For purposes of Section 59(3) of the Factories Act, ordinary rate of wages includes basic wages plus dearness allowance plus the monetary value of the food grain concession if any, allowed to the workers. House Rent Allowance is not included under wages as it is the value of house accommodation which has been specifically excluded from the definition of 'wages' in the Payment of Wages Act. The monetary value of the food grain concession is the difference between the market value of the food grain supplied to the workers at any time and their corresponding value, at pre-war rates. This difference in value divided by the total number of ~~workers~~ hours worked during the month will give the average value of the food concession per working hour. (This is added to the average wages per hour actuall earned by the workers, when calculating the double overtime wages per hour required by Section 59(1).)

EPH
C2
Replies from the Supdt. Public Works Workshops & the D.I.C. may be awaited

23.11.49

24/11

1/2

21/11

~~for~~ Commissioner of Labour &
Chief Inspector of Factories.

16/11

SGS/16-11.

Sub: Factories Act 1948 - Section 59 - Calculation of overtime wages.

P11CF

Ref: Govt. memo. No. 42611 C2/49-7 Edn dt 4.11.49

Memo. No. 42611 C2/49-9 Edn d 13.12.49.

The attention of the Supdt. P.W. Works
D.I.C.
is invited to the reference cited and he is requested to expedite his reply to it.

13/12

10.12.49

12/12/49

To
The Supdt. P/W. Workshops
Director of Industries & Commerce.

15/12

16

Special

Cr

1

From Sri. K. SUBRAMANIAM B.A.B.E.
General Superintendent,
PUBLIC WORKS WORKSHOPS AND STORES
MADRAS.

TO THE SECRETARY TO GOVERNMENT
EDUCATION AND PUBLIC HEALTH DEPT
MADRAS.

4561.M.
24.12.49.

10

25 DEC

Sir, Subject. ;- OVERTIME FEES. taking into account. Dearness allowance & House rent allowance for calculating the

ref. YOUR NO. 42611/49/7 d 4/11/49

p. 11 ante

As III

10/12/49

With reference to the above I have to state that the workers of the P.W. Workshops and Stores, Madras, are paid a daily rate of wages plus fixed monthly Dearness allowance and House rent allowance as per G.O. No. 78 d 6/2/1947. As the Dearness and House allowance are fixed monthly amounts which cannot exceed ~~and~~ the overtime is hence calculated on their basic daily rates only. The payment of twice the ordinary rate of wages or single ordinary rate of wages is according to rule 59 of the Factory Act.

EPH
C2

The reply from D.I.F.C.
may be awaited till 15.1.50.
4/1/50

5/1/50

K. Subramanian 24/12/49
GENERAL SUPT. P.W. WORKSHOPS.

C2

(11) 19

INDUSTRIES & COMMERCE DEPARTMENT.

From
Sri P. Govinda Menon,
Joint Director of Industries
and Commerce, MADRAS 6.

To
The Secretary to Government,
Education and Public Health Department,
Fort St. George, MADRAS.

-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v

ASST. SECRETARY TO GOVERNMENT
10 JAN 1950
EDUCATION AND PUBLIC HEALTH DEPT.

No. Supdt.,14315-Eng/49 dated the 5th January,'50

Sir,

Sub:-- Overtime Fees--Taking into account Dearness allowance and House Rent allowance for calculation of Overtime fees.

p 11 ante

Ref:-- Government Memorandum No. 42611-C2/49-7 Education dated 4-11-49.

2440

The overtime wages are calculated as per Appendix II to the Standing Orders prescribed for the Industrial Engineering Workshops which runs as follows:--

"All Overtime work upto 9 hours in any day or upto 48 hours in a week will be paid at 1-1/3 the ordinary rate of wages, and beyond 9 hours in any day or beyond 48 hours in any week at double the ordinary rate of wages". The calculation is based upon the actual pay excluding dearness allowance and house rent allowance as the dearness allowance and house rent allowance are based on the total emoluments drawn by the workmen during the month, for which purpose, his pay, overtime wages, Saturday bonus etc., are all taken into account. The workmen are not entitled for any concessional sale of food grains etc., as stated in Rule 59(3) of the Factories Act, 1948.

Since the services of the workmen of the Workshops have been provincialised and they have been brought under graded scales of ~~pa~~ pay, the question whether they continue to be eligible for overtime wages is under consideration. Pending a decision in the matter, the workmen continue to be paid overtime fees as above, calculating their daily rate by dividing the monthly pay by the actual number of calendar days in the month.

A Information in regard to the working out of the Overtime fees in the Central Polytechnic, Madras, will be submitted shortly.

S. Gopalan
for Joint Director of Industries and commerce.

EPH/C2

A above may be awaited till 1.2.50.

19-1-50

18/1/50

18/1/50

7/1

C2

Industries and commerce Department.

From
The Joint Director of Industries
& commerce, Madras 6.

To
The Secretary to Government,
Education and Public Health Deptt.
Fort St. George, Madras.

ASST. SECRETARY TO GOVERNMENT
4 - FEB 1950
EDUCATION AND PUBLIC HEALTH DEPT.

-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v-v--

No. 984-C1/50 dated the 1st February, 1950.

Sir,

84B

Sub:-- Overtime fees--Taking into account Dearness allowance and house rent allowance for Calculation of overtime fees.

Ref:-- My letter No. Supdt. 14315-Eng/49 dated 5th January, 1950, p. 19 ante

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In continuation of my letter cited, I submit that the workmen employed in the workshop attached to the Central Polytechnic, Madras are on duty for 8 hours on all week days except on Saturdays when they work only for six hours. Whenever they work beyond these hours, they are paid overtime wages at twice the ordinary rates of wages.

The Dearness allowance and house rent allowance are calculated on the total earnings for the month including the overtime wages.

V. Venkatanayudu
3.2.50

for Joint Director of Industries and commerce.

bvs/3-2

TM

23/E&P 11/c

(12)

Urgent

100/14

From

The Asst Secy to Govt
E & P 11 Dept

To

The S. G. P.

Issued
14/2

Govt. Press. Calculation of overtime fees. Refer your letter No P.B.C. 209 of 6.10.49

1-9 cf

Please furnish urgently a copy of ~~order~~ instructions regulating overtime work & wages in the Press corrected up to date. Kindly refer to paras. 17 & 18 of the Govt Press Office Manual corrected up to 1-6-39 which are

P.C.
16/2/50

2

~~presumably~~

presumably not up to date (up to date)

JD
11/2/5

13/2/50

P.C. by.

Dft. Replies to our refce. to manual on p. 11 cf. at the instance of the Press been received; ~~but~~ but an up to date copy of O.T. rules seems necy. Draft above is for approval.

JD
11/2/5

S.B.C 17018

13

ASST. SECRETARY TO GOVERNMENT
17 FEB 1950
EDUCATION AND P.H. DEPT.

POST COPY OF TELEPHONIC MESSAGE.

From:- The Superintendent, Government Press, Madras.
To:- The Asst. Secretary to Government, Education and Public Health Department, Fort St. George, Madras.
Dated:- 16th February 1950.

12405 p 23 ane

Sub: Government Press - Calculation of Overtime pay.
Ref: Your telephonic message dated 14-2-1950.

The instructions contained in paras 17 and 18 of the Government Press Office Manual corrected upto 1-6-1939 are not up to date and your presumption is correct.

The following are the regulations regarding the Overtime work and the wages on this date:-

Work done upto 9 hours a day or 48 hours in any week.	Calculated at 1¼ times the ordinary rate of pay.
Work done beyond 9 hours a day or for more than 48 hours in any week.	Calculated at twice the ordinary rate of pay.

The above revised rates have been incorporated in the new Factories Act of 1948 (Section 59(i) of the Factories Act 1948).

OVERTIME WORKED ON SUNDAYS AND HOLIDAYS.

Grant of 100 per cent extra overtime allowance to workers on Sundays and holidays provided no compensation holiday is given. - (vide - para 2 of G.O.No. ~~5151~~ 1551 Edn., dated 12th August 1946).

Not put up

EPH/C2

G.O. 1551 Edn

Superintendent.

Edn.Deptt.(E) 27

Memo No. 42611 E/49-12 Edn. d/ 13.5.50 14

Govt. Press - Calculation of overtime - Inclusion of D.A. and H.R.A.

..

9/15/5 p 1 CF.

Legal notes on p. 11 NF.

(H)

p 9 cf.

Dept note on pp 13-14 NF

Dept note on p 14 NF

A Copy of letter No. 88 Mis of dated 1-6-1949 from the S.G.P. is forwarded to the Special Officer. With regard to the question raised by the Superintendent ~~withx ont~~ in that letter, the Govt. are advised that, in view of the express definition of the term " ordinary rate of wages" in Sec.59(3) of the Factories Act, all allowances including house rent allowance must be taken into account in calculating extra wages for overtime. If this interpretation is given effect to, the extra cost involved in the Govt.Press is about Rs.73,560 in 1949-50, ~~Inxorder~~ and Rs.73,500, recurring. In order to avoid this large expenditure it has been suggested that the frequent exemptions of Govt.Press from the factory Act, to permit ~~certain~~ overtime work, should be ~~scrupulosly~~ avoided.

2. Apart from the question of cost, it has been suggested that with the possibility of securing overtime wages, the workers in the Press may not show much enthusiasm in their normal work.

3 The Special Officer is requested to examine the question of avoiding the need for overtime work in the Press and to submit a report making suggestions in that regard.

Desp 13/5

To
The Spl.Officer
~~of~~ for reorganization
of Govt.Press.
(with encl)

Copy of p1 cf placed below

T.D.
11-5-50.

13.5.50

13.5.50

3/7/50

From
Sri V.V.Subramanian, I.C.S.,
Special Officer for the re-
organisation of Govt. Press,
Madras.

To
The Secretary to Government,
Education Department,
Fort St.George,
Madras.

C.No.43/50-S.O. dated 1st July,1950.

Sir,

Sub:- Government Press - Calculation of overtime - Inclusion of Dearness Allowances and House Rent Allowances - Report - submitted.

Ref:- Government Memorandum No.42611 E/49-12 Edn., dated 13-5-1950.

P.27 ante

The Government Press Enquiry Committee has already commented upon the irregular way in which overtime is being granted. Overtime should be given only when there is really an urgent and unforeseen work. Work of this kind does crop up now and then, e.g., the printing of Invitation cards for some function which has been arranged at short notice, the printing of an extra-ordinary issue of the Fort St.George Gazette, etc., etc. In actual practice, however, the Press has gradually developed the habit of working overtime even for routine items of work. Overtime wages seem to be looked upon more as a mamool perquisite, and the workers have got into the mentality of grumbling if adequate overtime is not given. They have come to look upon it as a regular allowance, like Dearness Allowance, which it is a hardship to withhold from them. For instance, till recently the High Court Section was working overtime, ~~In~~ in spite of the fact that the High Court is on vacation now and enough matter had already been printed for giving work to the High Court for a few months after the reopening. Similarly, overtime was being given in the Standardised Forms Section, though there is nothing very urgent about the printing and despatch of these Standardised Forms and in any case, they have already been delayed for over one year in several cases. I have given repeated instructions to the Superintendent, Government Press, to reduce overtime to the ~~barest~~ barest minimum. He has already stopped overtime in the High Court Section and ~~the~~ also in the

(p.t.o.)

--2--

Standardised Forms Section. Normally, it can be taken as a rule that overtime should, under no circumstances, be given, in cases which can wait for more than one week. The Superintendent, Government Press, may be asked to observe this principle strictly. He may also be asked to submit a quarterly statement of the total expenditure incurred on overtime and he may be asked to explain if this part of the expenditure exceeds a reasonable limit, ~~say~~ which may be put at a figure equal to 1/3rd of the average quarterly expenditure now. It is far more profitable from the Government's point of view to employ extra hands to get through arrears of work than to allow overtime, because double the payment has to be made ~~over~~ for the same quantity of work, during overtime ~~and~~, the output during overtime is always less than during normal hours, and the temptation of overtime always makes the workers to be slack during normal hours. I have asked the Superintendent, Government Press, to investigate the question of giving the High Court Work to private Presses as a permanent arrangement, and the remarks of the High Court on this point are being awaited. If the High Court work is given to private Presses as a permanent measure, Compositors and material and equipment that will be released, can be used for attending to arrears in the Sections and it should be possible to eliminate overtime almost completely.

V. V. Subramanian
1.7.50
Special Officer.

18149
3 JUL 1950
EDUCATION DEPARTMENT

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(16)

Education Dept. (E).

Sub:- Govt. Press - Payment of over-time ~~allowance~~ wages for workers - Taking into account the Dearness Allowance and House Rent Allowance for calculation of over-time wages ~~allowance~~ - Orders passed.

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p1 cf

Read:- From the Superintendent, Government Press, No.88/Mis./O.T. dated 1-6-49.

pp9-10 cf

From the S.G.P., No. P.B.C.209 dated 6-10-49.

Order/Ms. No. 2980 Edn. dated 4.11.50.

(H)

16
6/11

p1 cf

N on p25 NF

Under section 59 of the Factories Act 1948, which came into force on 1-4-49, the D.A. and House Rent Allowance will also count for the purpose of overtime wages. The S.G.P., on the representation of the Govt. Press Workers' Union, has requested ~~for~~ the orders of Govt. as whether D.A. and H.R.A. should be taken into account and classed as wages in respect of his workers for the purpose of calculation of over-time wages, and as to the date from which ~~it~~ this calculation may be given effect to.

2. The Govt. have considered the matter carefully and direct that the D.A. and H.R.A. ~~may~~ be taken into account for the purpose of over-time wages with effect from 1-4-49, ~~x~~ the date on which the new Factories Act came into force.

3. The S.G.P. is requested to give effect to these orders immediately and pay the arrears to the workers after ~~on~~ a correct calculation of their dues on this basis.

4. The A.G. is authorised to admit the payment in audit pending provision of funds.

5. The S.G.P. is requested to apply for additional funds in due course.

J. D.
26.10.50

27.10.50

2980

To
The S.G.P.
" A.G. tho' Finance.
Copy to Govt Press workers union.
2 S/cs.
(One for 57)

desd
11.11.50

(17)

E. P. H. (C₂)

C No 42611 C₂/49 / 1

p. 14

Sub: Dearness allowance and House rent allowance to be taken into account for calculation of overtime ~~etc~~..

Ref: From the Superintendent Govt. Press No. 88 Mis/O.T. d 1·6·49.

Extracts at (H)

In section 59 (3) of the Factories Act (No. 63 of 1948) which comes into force from 1·4·49. it is laid down that ordinary rate of wages means the ~~we~~ basic wages plus such allowances including the cash equivalent to the advantage accruing through the concessional ~~rate~~ sale to workers, of food grains and other articles as the worker is for the time being entitled to, but does not include a bonus. In view of this clause, the Madras Govt. Press Workers union has requested the Superintendent Govt. Press that overtime may be calculated taking into account the dearness allowance and houserent also along with the basic pay. and the arrears paid.

2. At present while calculating the overtime, only the basic pay is taken into account, The dearness allowance is further calculated on the pay and overtime drawn and the difference of dearness allowance is claimed supplementally. The Superintendent, Govt. Press now requests whether in view of the definition as laid down in the modified Act, the dearness allowance and houserent allowance may be ~~taken~~ classed as wages for the purpose of calculating the overtime. He also requests whether if this new procedure is accepted, it may be given effect to from 1·4·49 the date from which the modified Act comes into force..

3. Development and Finance may see for remarks.

[illegible] 4·6·49.

[illegible] 7/6/49

[illegible] 8/6/49

Dev Finance

E. P. H. U.O. 42611 C₂/49 / 8·6·49

[illegible]

60927

SIXTH ASSISTANT SECRETARY TO GOVERNMENT
10 JUN 194
DEVELOPMENT DEPARTMENT

X

In view of the definition of 'ordinary rate of wages' in Sec 59(3) of the Factories Act, 1948 dearness allowance and house rent allowance will have to be taken into account in ~~date~~ determining the rate of overtime wages. The Act came into force on 1st April '49 and workers will be entitled to overtime wages at the above rate with effect from that date.

The file may be passed on to Finance.

2
12.6.49

11/6/49

WR.
13/6

Fin

Secw. 60927 PL/49-1
14.6.49

ASSISTANT SECRETARY TO GOVERNMENT
14 JUN 1949
39143 EI
FINANCE DEPARTMENT

Finance (E.I.) Dept.

Please see the notes above.

2. The S.G.P. has pointed out that at present in the calculation of overtime wages payable to Govt. Press employees, the rate is calculated taking into account the pay alone, dearness and house rent allowance being excluded. He however, apprehends that according to Section 59(3) of Act No.63 of 1948 ordinary rate of wages means the basic wage plus allowances (including the cash equivalent to the advantage accruing through the concessional rate to workers of foodgrains and other articles as the worker is for the time being entitled to (but does not include bonus).

SGP/CF.

Extracts at (H)

The implications of the above provisions are not quite clear. As the existing provision is in vogue for a long time, it does not seem that any change in these calculations need be effected immediately. E.&.P.H. may be requested to consult also Legal, and if the matter is to be pursued, they may be requested to obtain detailed financial effect of the proposal, ~~when~~ on receipt of which the necessary financial procedure to be followed ~~may~~ will be indicated by this Department.

M

A on p1CF

Not a sufficient argument for continuing the status quo, especially if legal requirements are otherwise

46902

17/6/49

ASST. SECRETARY TO GOVERNMENT
EDUCATION AND PUBLIC HEALTH DEPT.

A

17/6/49

16/6/49
16.6.49

19/6/49

E&PH

Fin 39143 EI-1

E&P.H

EI (20)

E.P.H (C2)

Please see the note of Finance on p 2 ante. With reference to M on p.2 ante, ~~the~~ Legal may be requested to offer their remarks.

24.6.49

29/6/49

Legal

JD
27.6.49

Extracts at (H)

E.P.H. U.O. 4261 C2/49-2
30.6.49

ASSISTANT SECRETARY
8276
30 JUN 1949
LEGAL DEPARTMENT

LEGAL DEPARTMENT

M on page 2 ante:- S.59(3) of the Factories Act refers to 'such allowances..........as the worker is for the time being entitled to' and will, therefore, include the dearness allowance and house rent allowance to which the workers are entitled.

11.7.49

E&PH
~~Deptt~~

Legal U.O 8276/49-1
11.7.49

E.P.H(C2)

Please see the note of ~~Leg~~ Finance and Legal on pp 2-3 ante. With reference to A on p.2 ante, a draft memo. to the S.G.P. is subd. for approval. Finance may see

14.7.49

JD
14.7.49

15/7/49

Finance (EI)

Last noted on p 2 above. —

The remarks of Legal deptt above and the draft memo below may be perused ~~and the Govt. returned to E.P.H.~~

2. The financial effect of the proposal is not clear. This may be ascertained and the financial procedure indicated in Fin u.o. 41910 BG.2 dated 30.6.49 may be followed by E&P.H. before the issue of draft memo below.

17.7.49

ASSISTANT SECRETARY TO GOVERNMENT
53272
19 JUL 1949
EDUCATION AND PUBLIC HEALTH DEPARTMENT

17.7.49

E.P.H. U.O 42611 C2/49-1
15.7.49

ASSISTANT SECRETARY TO GOVERNMENT
46799
18 JUL 1949
FINANCE DEPARTMENT

ASSISTANT SECRETARY TO GOVERNMENT
55600
20 JUL 1949
EDUCATION AND PUBLIC HEALTH DEPARTMENT

18/7/49

E&P.H

Fin UO 46799 EI/49-1
18.7.49

4

EP

E.P.H(C2)

Please see the note of Finance at the bottom of p. 3. ante. Finance state that the financial effect of the proposal may be ascertained ~~first~~ and financial procedure indicated in Fin. U.O. 41910 BG-2 d 30.6.49 may be followed before the issue of the draft memo.⊗

A draft memo.§ on the lines indicated by Fin is subd. for approval. After approval Draft II may issue first.

Issue draft II only

Ⓜ

⊗ Draft I

§ Draft II

21.7.49

DM
22/7/49

SD
21.9.49

(Issued as memo. No. 42611C2/49 Edn d 25/7/49)
(From the S.G.P. No PBC 209 d 6.10.49)

~~p5 cf~~
p 9 cf

Please see Fin. note on p. 4 ante and the reply of the S.G.P. on p. 9 cf. The estimated immediate expenditure involved in the cl. year is Rs 73,560 and the recurring expenditure will be Rs 73,500. ~~In view of the prohibitive expenditure involved, it is for consideration whether the proposal to include dearness allowance for the purpose of calculation of overtime allowance will be accepted.~~ Finance may see for remarks.

A

p 9 cf

SD
1.210.49

DM
13/10/49

S / 14 / Fin

EPH No. 42611C2/49
14.10.49

6822
10 OCT 1949

p 9 cf

Finance (E.I)

With reference to this Department's enquiry on page 3 above, E & P.H. have ascertained that the extra cost involved is about Rs. 73,500/- per annum

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and that additional provision should be made Rs. 73,560 during 1949-50 - vide details on page 9 C.F. In view of the large cost involved the proposal may be treated as on "new service", and E & P.H. may be requested to follow the procedure indicated in Finance U.O.Note No. 41910 B.G.2 dated 30-6-49.

19

Ⓜ

p 10 cf

Book No 34

2 The S.G.P. presumes that any modification ~~within~~ in the calculation of overtime allowances will be given effect to from the month in which the orders are issued. Normally financial sanctions take effect from the date of the order - C.F. Article 49 M.F.C. Volume I. In the circumstances and in view of the necessity to cut down Public expenditure to the minimum this Department may suggest that the sanction may take effect from the date of the order.

RR
19.10.49

#

3 The practice now in force at the Government Press viz. to first calculate over-time fees, taking into account, the basic pay alone and then to calculate dearness allowance on both pay plus over-time fees drawn, does not seem to be contrary to the provision in ~~rule~~ sec 59(3) of the revised Factories Act (63 of 1948). The rule merely seems to contemplate that the overtime fee should not be linked only to basic pay but also to allowances. In as much as D.A. is now calculated at the Govt. Press both on pay plus over-time fees, it cannot be said that allowances drawn have not entered into the calculation of overtime fees. In this view no revision seems necessary.

4 However, to have the position clarified, E.&.P.H. may kindly make a reference to the Superintendent, Public Works Workshops, Industrial Engineering Workshops and Central Polytechnic where also the system of payment of overtime fees is, I understand, in force, and ascertain how the rule is interpreted and worked by them. They may also

consult the Chief Inspector of Factories as to how the rate is worked in private presses and Factories.

5 If it is found that the procedure suggested by the Superintendent, Govt. Press is in vogue in all the above institutions, E.&.P.H. may kindly send the case again to this Department for further examination.

M

C&K
22-10-49

E P H

Fin 68226 Fi-1
24 OCT 1949
82196

EPH
C2

Please see the note of Fin. from p. 4 ante.
With reference to para 4 of the note a draft memo. is subd. for approval.

2 After issue the file may perhaps be sent to Legal for remarks with reference to X on p. 5 ante.

p11 cf

⊗ Issued as memo. 42611C2/49
4.11.49.

4/11/49

Legal (ai)

31/10/49

31/10/49

EPH U.O. 42611C2/49-8
12.11.49

LEGAL DEPARTMENT.

ASSISTANT SECRETARY
14757
12NOV1949
LEGAL DEPARTMENT

The effect ofsub-sections (1) & (3) of section 59 ~~xx that~~ of the Factories Act, 1948 is that~~x~~ extra wages for overtime should be paid at the rate of twice the basic wages plus the allowances. That section requires that the basic wages should first be added to the allowances and the aggregate sum obtained by such addition should be multiplied by two and paid as extra wages. According to the practice referred to at X on p5 ante, it would appear that the basic wage alone without the addition of the allowances is first multiplied by two. This is not in accordance with the terms of the section,

Legal U.O. 14757/49-1
16/11/49.

E.P.H.

16/11/49

E+PH

89994
17 NOV 1949

EPH/C2

The reply to the memo. may be awaited
~~Finance may see again with reference to their notes on pp 5-6 ante and further remarks of Legal above~~

22/11/49

Education Department.

p13 cf From the Commr.of Labour No.B1.3563/49 d-16-11-49.
p17 cf From the General Supdt.P.W.D.Workshop No.4561 M d-20-12-49.
p19 cf From the Director of Industries & Commerce No.Supdt No.14315-ei/49 dated 5-1-50.
p21 cf -Do- dated 1-2-50.
p25 cf From the S.G.P. S.B.C. 17018 - d/ 16-2-1950.

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Please see the Finance Note at 'M' on p.6 ante. Information required by Finance was called for from the Director of Industries, General Superintenden P.W.D. Workshop and the Commissioner of Labour. p11 cf

2. In the P.W.D. Workshops and Stores,Madras the overtime is calculated on their basic daily rates only. The payment of twice the ordinary rate of wages or single ordinary rate of wages is according to Sec. 53 of the Factories Act. p.17 cf

3. In the Industrial Engineering Workshops, the calculation of overtime is based upon the actual pay excluding dearness allowance and house rent allowance, as the D.A. & H.R.A. are based on the total emoluments drawn by the workmen during the month, for which purpose, his pay, overtime wages, Saturday bonus etc., are all taken into account. p.19 cf

4. As for the Central ~~Pl~~ Poly-technic,Madras, the workers are paid overtime at twice the ordinary rates of wages. The D.A. and the H.R.A. are calculated ~~calculat ed~~ on the total earnings for the month including the overtime wages. p21 cf

5. Thus the practice prevailing in Govt. Factories does not seem to be uniform and in accordance with section 59(3) of the Factories Act.

The file may be sent to Finance thro' Development for remarks.

Edn U.O. 42611 E/49-10
4.3.50

T.D.
1.3.50

4/3/50

Dev/Fin

19312.

To AS

DW
PIV

(Previous notes of this dept. are in pp1-2 above).

The requirements of ~~Sec~~ Sec 59 of the Factories Act, 1948 in regard to calculation of overtime wages are explained in the note of the Legal dept on p 6 above. It is clear that the present practice in the Govt. Press of excluding dearness allowance in calculating overtime wages is irregular and must therefore be ~~corrected~~ set right urgently.

p1 cf

2 ~~He~~ In the Govt. Press, house rent allowance is also excluded, in calculating rates of overtime wages. The position in regard to house rent allowance seems to be somewhat different from that of dearness allowance. ~~Sec 59(3)~~. The Commr. of Labour has pointed out that house rent allowance is not included under wages as it is the value of house accommodation which has been specifically excluded from the definition of 'wages' in the Payment of Wages Act. Sec 59 (3) of the Factories Act defines 'ordinary rate of wages' as "basic wages plus such allowances, ..., as the worker is for the time being entitled to, but does not include a bonus." House rent allowance is not specifically excluded. But in view of the definition of wages in the Payment of Wages Act, it would appear that house rent allowance need not be taken into account in determining rates of overtime wages. E.P.H. may be requested to consult Legal on this point.

p1 cf

p13 cf

p118 of Fact. Manual [illegible]

A

3 The enquiry of E.P.H. has elicited the information that the provisions of the Factories Act in regard to calculation of overtime wages are not being observed in the P.W.D. Workshops and Stores, in the Industrial Engineering Workshops or in the Central Polytechnic, Madras. When issuing instructions to the S.G.P.. E.P.H. may be requested to send copies of the order with relevant extracts

pp17-21 cf

E.I

(21)

of the notes to the departments concerned with these institutions for necessary actions.

With these remarks the file may be passed on to Finance.

9.3.50

13.3.50

15.3.50

ASSISTANT SECRETARY TO GOVERNMENT
14 MAR 1950
18723
FINANCE DEPARTMENT

Finance

Demi: 19312 B/50
16.3.50

Finance (E.I).

Previous Finance note on pages 4-6 above, and the Education note on page 7 above and the further remarks of Development may be perused.

2/. With reference to X on page 5 above, Legal are of opinion that the procedure followdd at ~~at~~ the Government Press is not in accordance with sub section 3 of section 59 of the Factories Act, 1948. Further from paragraphs 2-4 on page 7 above it may be seen that the procedure followed in other cases is also not uniform.

3/. Development have raised a point whether House Rent Allowance can be included in the term ~~basic~~ wages as defined in Sectibon 59(3) of the Act viz:-

(H) A

> " "ordinary rate of wages"means the basic wages plus such allowances, including the cash equivalent of the advantage accruing through the concessional sale to workers of food-grains and other articles, as the worker is for the time being entitled to, but does not include a bonus."

Though house rent allowance is not specifically excluded from this, as pointed by the Commissioner of Labour, house rent is the ~~Nature~~ value of housing accommodation and this does not seem to come under "Cash equivalant of the advantages accruing through the concessional sale to the workers of food grains and other articles. Dearness allowance and house rent allowance ~~is~~are temporary factors and may be withdrawn when the situation demands. As the definition does not make specific mention of these factors governed by definite rules on the subject, it does not seem quite essential to include them for this purpose. Legal Department will no doubt elucidate on this point.

4/. With the above remarks the case may be returned to Education through Legal.

RB 20/3/50 20.3.50

The case of D.A. is different from that of H.R.A. For the reasons previously [illegible], the latter may be excluded for purposes of calculation of over-time wages, but not the former. Legal may advise

21/3/50

Legal.

Ds
Legal

Fin 18723 Edn.-1
22/8/50

Legal Department

ASSISTANT SECRETARY
4578
23 MAR 1950
LEGAL DEPARTMENT

The legal position under section 59 (3) of the Factories Act, 1948, has already been explained in this Department's note on pages 3 and 6 *ante*.

2. Section 59 (3) as it was originally drafted ran as follows:-

> "(3) For the purposes of this section, ordinary rate of pay includes basic pay and such allowances as the worker is for the time being entitled to, but does not include a bonus."

The Select Committee to which the Bill was referred amplified that section so as to include within the meaning of the expression "ordinary rate of wages" all payments and concessions made to a worker, whether in cash or in kind, except bonuses. The existing section is in accordance with the draft suggested by the Select Committee - Please see pages 165 and 951 of Part III-A of the Fort St. George Gazette of 1948. Section 59 (3) includes within the scope of "wages" such allowances as the worker is for the time being entitled to. If, therefore, a worker is for the time being entitled to a house rent allowance, it will have to be included for the purpose of calculation of extra wages under that section. The section does not make any difference between one kind of allowance and another. The definition of "wages" in section 2 (vi) of the Payment of Wages Act, 1936, will be applicable only to the interpretation of the word "wages" occurring in that Act, and not to the interpretation of that word occurring in other enactments. Section 59 (3) of the Factories Act expressly defines the term "ordinary rate of wages" for the purposes of that section and it is that definition alone which can be taken into account. Consequently, in calculating extra wages for overtime, all allowances including house rent allowance must be taken into account.

E

X

1-4-50

R

I entirely agree. The definition specifically includes "such allowances . . . . . as the worker is for the time being entitled to, but does not include a bonus". A house rent allowance is certainly an allowance to which the worker is for the time being entitled. The interposition of the words "including the cash equivalent of the advantage accruing through the concessional sale to workers of food-grains and other articles" between the words "such allowances" and the words "as the worker is for the time being entitled to" tend to obscure the meaning a little, but the intention is quite plain. The interposed words do not limit in any way the effect and scope of the words "such allowances . . . . as the worker is for the time being entitled to"; on the contrary, they are intended to bring other advantages which are not within the ordinary scope of the word "allowances" within the purview of the definition.

1/4/50. Edn

Legal No: 4578/50-1
1/4/50.

Edn. Dept.

ASSISTANT SECRETARY
5907
4 APL 1950
EDUCATION DEPARTMENT

12

Edn.(E) Dept.

This dept. last noted on p. 7 ante.

The file relates to the calculation of overtime allowance paid to the Govt. Press workers. The Madras Govt. Press workers' Union has requested that overtime allowance may be calculated taking into account D.A.& H.R.A. along with the Basic wages. At present in the Govt. Press, while calculating the overtime, only the basic pay is taken into account and the D.A. is further calculated on the pay and overtime drawn and the difference of D.A. is claimed supplementally.

p1 cf

2 In section 59(3) of the Factories Act, (Act LXIII of 1948) it is laid down that 'ordinary rate of wages' means the basic wages plus such allowances including ~~xx~~ the cash equivalent of the advantage accruing through ~~the~~ concessional sale to workers of the food grains and other articles, as the worker is for the time being entitled to, but does not include a bonus.

Extracts at (1)

3 Before deciding on the question, the ~~C.I.~~ Chief Inspector of Factories, the D.I.&C. the General Supdt. P.W.D. Workshop were consulted as to how the overtime fees were calculated and paid to the employees in other private presses and factories, industrial engg. workshop, the Central Polytechnic and the P.W.workshops and how sect. 59(3) of the Factories Act was ~~xxxxxx~~ interpreted and worked in the payment of the over-time fees.

p. 11 cf

A

4 This enquiry has elicited, that the practice prevailing in the several factories in the calculation of over-time wages is not uniform and in accordance with sec. 59(3) of the Factories Act. Dev. state that the present practice in the Govt. Press of excluding D.A. in calculating the over-time wages is irregular but they are inclined to ~~do~~ the view that H.R.A. need not be taken into account in

1-7 ante

p 8 ante

13

23

determining the rate of over-time wages. They however ag that the system of calculating over-time wages in respect of the institutions at A on p.12 ante, is not also in accordance with the Factories Act. Fin. agree with the view of ~~the~~ Devt.

p8 ante

pp 9-10 ante

5 Legal have expressed the view that for the reasons stated in their notes on pp 10-11 ante, ~~that~~ the H.R.A. should also be included for the purpose of calculation of overtime wages. Thus the effect of subsections (1) to ~~and~~ (3) of the Factories Act 1948 is that the extra wages for over-tim should be paid at the rate of twice the basic wages plus D.A. and H.R.A. There seems to be no option in the ~~case~~ matter of opinion of the Legal Dept.

M

[illegible] to accept the A

20-4-50

B

6 It is for consideration whether orders may be passed on the lines of the note of Legal. ~~Retrospective effect need not be given for the orders.~~

B

7 The extra expre. involved in the payment of overtime to Govt. Press workers, retrospective will be considerable-vide-A on p.4 ante.

The file may be sent to Devt. and Fin. for perusal of Legal Note before circulation.

20-4-50

Dev. / Fin.

FOURTH ASSISTANT SECRETARY TO GOVERNMENT
24 APR 1950
DEVELOPMENT DEPARTMENT

17-4-50

35597

Edn. No. 42611E/49-11
21.4.50

To A.S.

Devt. P IV

(The previous notes of this deptt. are on pp 8-9 above)

The typed notes on pp 12-13 above (which explains the proposal) may be perused and the case passed on to Finance deptt.

With ref. to 'B' above, this department has been repeatedly pressing for devising methods whereby the frequent exemptions from the factory act for the Govt. Press to permit overtime work could be avoided. The best way to avoid the extra-

Extract of the legal notes have been taken for our ref.

17/4/50

25/4/50

E I

E

expenditure is to avoid the need for overtime. This question should be examined with special care. The staff or the officers in the Press may not show any enthusiasm, as they stand to get more by overtime work. It may be even worthwhile to have the question examined by a special officer.

/A

CPG
26.4.50

Fin

Dev. u.o. 35597 P.W./50
27.4.50.

Finance (E.I).

(Previous Fin.note on pages 9-10 above)

The summarising note of Edn. on pp.12-13 above and the further remarks of Devt.may be perused.

2 With reference to this deptt.'s suggestion that house rent allowance may be excluded in determining rates of overtime wages as proposed by Devt., Legal (who have been consulted) are of opinion that all allowances including house rent allowance must be taken into account - page 11 above.

3 The extra cost involved is rather large. (about Rs 73,600 p.a.) This Deptt. may agree with the above note of Devt. and suggest that the question be examined further in consultation with the Special Officer (Govt.Press).

4. With the above remarks, the case may be passed on to Edn. u.o.

29.4.50

1/5/50

Edn

p10 ante

X on p11 ante

A on p14 ante

A above
1/5/50

Fin. no 30345 E I/50
1.5.50

ASSISTANT SECRETARY TO GOVERNMENT
27 APR 1950
30349

ASSISTANT SECRETARY
2 MAY 1950
9829

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(24)

Edn (E)

Please see this Deptt's note on pp 12-13 ante.

2. Devt. deprecate request exemption from the Factories Act for the Govt. Press to permit overtime work. They suggest that this ~~exemption~~ question may be examined by ~~the~~ Special Officer. Finance agree with Devt. and suggest that the question be examined further in consultation with the Special Officer. A draft memo. is submitted.

p 13 ante

p 14 ante

11.5.50

13.5.50

23.5.50

p27 c.f.

(Issued as memo. 42611 E/49-12 Edn. 13.5.50)

p 19.20 c.f.

(from the S.O. c.No. 43/50 S.O. dated 1-7.50)

Edn.(E)

X X X

The file relates to the calculation of over-time wages paid to the Govt.Press Workers.

2 Under Sec.59(3) of the Factories Act (Central Act LXIII of 1948), it is laid down that ordinary rate of wages means the basic wages plus such allowances includ ing the cash equivalent to the advantage accruing through the concessional sale to workers of food grain and other articles as the worker is for the time being entitled to but does not include a bonus. The S.G.P. has pointed that at present in the calculation of overtime wages payable to Govt. ~~Work~~ Press Employees the rate is calculated taking into account the pay alone, dearness and house rent allowances being excluded. Development state that the present

Extracts at (H)

p. 1 c.f.

practice in the Govt.Press of excluding D.A. in calculating the over-time wages is irregular but they are inclined to the view that H.R.A. need not be taken into account in determining the rate of over-time wages. Legal are of opinion that the H.R.A. should also be included for the purpose of calculation of overtime wages. Thus the effect of subsections (1) to (3) of the Factories Act 1948, is that the extra wages for over-time should be paid at the rate of twice the basic wages plus D.A.and H.R.A. ~~Thexextraxexpen-~~

p.8 ante

pp10-11 ante

3 The extra expenditure involved in the payment of overtime wages is about 73,560 per annum.

p9 cf

4 Before passing final orders on the question, the Spl.Officer for re-organization was requested to examine the need for avoiding overtime in the Press and submit a report making suggestions in that regard. The Spl.Officer (Sri V.V.Subramanian, I.C.S.,) states that it is far more profitable from the Govt.'s point of view to employ extra hands to get through arrears of work than to allow overtime, because double the payment has to be made for the same quantity of work, during overtime, the output during overtime is always less than during normal hours, and the temptation of overtime always makes the workers to be slack during normal hours. ~~They~~ He also reports, that he has asked the Supdt.Govt.Press, to investigate the question of giving the High Court work to private Presses as a permanent arrangement and the remarks of the High Court on this point are being awaited. The S.O.thinks that if the High Court work is given to private Presses as a permanent measure, Compositors and material and equipment that will be released, can be used for attending to arrears in the Sections and it should be possible to eliminate overtime almost completely.

p.20 cf

p.20 cf

5 It is submitted, that till a decision is arrived on this point viz., permanent, transfer of High Court work to Private Presses it seems that overtime work of some kind or other will have to be conceded, and the payment of overtime fees follows as a logical ~~collorary~~ corollary.

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6 In the circumstances, it is for consideration and notwithstanding a decision that may be arrived at on the question of abolition of ~~xx~~ overtime work altogether the fact remains that Legally under the Factories Act 1948, the payment of over-time wages will have to be regulated under Sec. 59~~(3)~~ of the Factories Act and orders on this point will have to be issued. The question for consideration is whether the calculation of over-time fees under the Factories Act will have to be given effect to retrospectively or from the date of order. We may perhaps suggest that the over-time fees under the new Act may be given effect to from the date of order only. On this point Legal will have to be consulted.

Extracts at (H)

not in file.

See before. W 18.7.50 X

cf. Z in proof

The file may be sent to ~~Finance~~ Legal and Fi

J.D.
15/7/50

If the legal position in regard to the calculation of overtime wages is as stated by Legal in their note on page 10 & 11 ante, payment with retrospective effect cannot b avoided. The expenditure fo the ~~current year~~ last year on the basis of the actuals for April, May & June 1949 was estimated at Rs 73560.

A

p9 cf

2. With regard to the question of preventin heavy overtime work for a & sundry kinds of work, we ma

may agree with the S.O that overtime should be reduced to the barest minimum and that normally overtime should in no circumstances be allowed for cases which can wait for more than a week – For this purpose, the S.G.P may be asked to specify the items of work which cannot ordinarily be made to wait for a week & after obtaining this information he may be informed that overtime should not be allowed for any other than the specified items except with the special sanction of the Govt. – A report may be called for from the S.G.P before orders on these lines are issued –

28-30

M

Dev. & Fin. may see

18.7.50

19

X Legal may also See wt. X on p17

Dev

19.7.50

Regal

Dev

Fin

ASSISTANT SECRETARY
11033
20 JUL 1950
LEGAL DEPARTMENT

Edn UO. 42611 E

ET

LEGAL DEPARTMENT.

Under s59(1) of the Factories Act,1948 a worker will be entitled to extra wages for overtime from the 1st April 1949, the date when the Act came into force. This department, therefore, agrees with Education that the extra wages should be given to the workers with retrospective effect from the 1st April 1949.

1.8

1/8

8

N

Legal No. 11033/50-1
1.8.50.

ADDITIONAL ASSISTANT SECRETARY TO GOVERNMENT
2 AUG 1950
DEVELOPMENT DEPARTMENT

75436
2.8.

Devt. Dept.

p II

To As.

(This Dept. last saw on ~~pp~~ pp 13-14 above)

The ~~typed~~ notes from p 15 above, which explains the proposal may be perused and the case passed on to Fin. Dept.

3/8/50

Fin.

3.8.50

3.8.50

Devt 75436 P.11/50-1
3.8.50

Finance (E.II.)

Previous Finance note on p.14 above.

Legal Dept. are of opinion that under S.59(1) of the Factories Act 1948, a worker will be entitled to overtime wages at the rate~~s~~ specified in S.59(3) of the above Act from 1-4-49 i.e. the date on which the Act came into force.

The extra expenditure involved is Rs 73,500 p.a. As has been pointed out in this Department's note on pp.4-5 above, the proposal should be treated as a ~~an~~ 'New Service'. The Education Dept. may be requested to place the proposal before the S.F.C. and the Cabinet and obtain the approval of the Legislature for a supplementary statement of expenditure in due course.

Extract at (H)

ASSISTANT SECRETARY TO GOVERNMENT
69507
FINANCE DEPARTMENT

p 9

RR
5.8.50.

7.8.50

81167

8/8/50

Devt

Fin 69507 E-1
8/8/50.

20

20 AS.

F

Deals

Messenger. Edn. etc.

E 108/50 MN 10.8.50

W 11/8/50 Edn.

Dew u 81167 P11/50-1
11/8/50.

ASSISTANT SECRETARY
EDUCATION DEPARTMENT
12 AUG 1950
23619

Edn (E)

The file relates to the calculation of overtime wages to the Govt. Press workers. ~~At~~ For a summarising note, attention is invited to this dept's note beginning from xxx p 15 ante. Legal dept is of opinion that under section 59(1) of the Factories Act, 1948, a worker will be entitled ~~to~~ overtime wages at the rate specified in section 59(3) of the above Act from 1-4-49 i.e. the date on which the Act came into force.

2. The extra expenditure involved is Rs ~~75,560~~ 73,560. Finance state that the proposal should be treated as a 'New Service'; it has to be placed before the Standing Finance Committee & the Cabinet, before of obtaining the approval of the Legislature for a supplementary statement of expenditure.

p. 9. f.

See below
21.8.50.

(PTO)

21

27

Ex The matter has been pending from June 1949. Workers belonging to a Union & working under conditions governed by the Factories Act are involved & they clamour for more and more concessions. In a case of this kind where the legal opinion is that they should be paid these overtime wages with retrospective effect from 1.4.49, it seems to be necessary that the matter should be treated as urgent and orders for the payment issued very urgently. It is therefore suggested that the emergent procedure may be followed in this case and orders taken by circulating the case to HM (Edn), HM (Fin) & HCM. If ordered, the Contingency Fund to be constituted may be drawn upon & the expenditure debited to 56. Stationery & Printing in the usual course.

Fin. may see again.

21.8.50

p 19 ante

22.8.50

22.8.50

SENIOR ASSISTANT SECRETARY, FINANCE DEPARTMENT
23 AUG 1950
73990
GOVERNMENT OF MADRAS

Edn. W. 42611 E/49-14
22.8.50.

~~[illegible]~~

Fin

Finance (Ex)

Previous Fin. note on p 19 above

and the further note of Education dept may be perused. In the circumstances explained on p 21 above, this dept need not object to Education dept following the emergent procedure in this case.

Fr
30/8/50

R
25/8/50

A supply grant may be obtained from the Legislature later in the year, as it is now too late to include this item in the Supply estimate to be presented in September. The expre may be met initially from the Contingency fund.

H 25.8.50
29

(Circulation to H.M.(E&L) H.M.(Fin) and H.C.M. [illegible] summarising note marked [illegible] should be circulated to all other ministers who have not seen the case)

Thro B.G.

29.8.50

Though previously, this dept noted that the proposal should be treated as a 'new service', yet it does not seem really essential to do so. What is proposed to do is only to observe the correct interpretation of the Act. This is not in the nature of a general change in policy or a ~~new~~ scheme of new expre or revision of scales of pay. If the A.G. raises the question of 'new service', the matter may be considered then.

X

For the present, orders may issue after circulation to H.M.(Edn, Law), H.M. Fin & H.C.M. (The S.G.P. will apply for additional funds in due course. No supplementary grant need be obtained on the score of 'new service'.

N

R
29.8.50

In this dept. note of April 1949 - pages 4-5 ante, it was suggested that the proposal should be treated as a "New Service" on the ground that the amount of extra expenditure involved was large. This view was based on the criteria for "New Service" then in force. The criteria have since been revised, and the monetary limits have been fairly increased in respect of all the classes of cases concerned. In view of this and of the considerations mentioned at 'X' above, the proposal need not be treated as a "New Service" under the revised criteria. Fr 30/8/50

(Ruling which taken)

Ju 40
7394/04/22
20/8/50

ASSISTANT/SECRETARY
6 SEP 1950
26788
EDUCATION DEPARTMENT

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(28)

Edn.Deptt:(E)

Payment of over-time wages-Govt.Press Workers.

Copy on p.3 CF

The case arose from a representation from the Govt:Press Workers' Union that overtime allowance may be calculated taking into account Dearness allowance and House rent allowance along with the basic wages. At present in the Govt.Press while calculating the overtime only the basic pay is taken into account and the Dearness allowance is further calculated on the pay and overtime drawn and the difference in Dearness allowance is claimed supplementally.

A on p.1 CF

Extract at (H)

2.Under section 59(3) of the Factories Act, 'ordinary rate of wages' means the basic wages plus such allowance, including the cash equivalent of the advantage accruing through the concessional sale to workers of food grains and other articles, as the worker is for the time being, entitled to, but does not include a bonus.

Note on p8 ante

3.While Devt.consider that the present practice in the Govt.Press of excluding dearness allowance in calculating the over-time wages is irregular. ~~but~~ they ~~are~~ were inclined to the view that House rent allowance need not be taken into account in determining the rate of over time wages. Legal are of opinion however that the House rent allowance should also be ~~included~~ taken into account for the purpose of calculating over-time wages. Thus the effect of the sub_sections(1) to (3) of sec 59 of the Factories Act, 1948, is that the extra wages for over-time should be paid at the rate of twice the basic wages plus dearness allowance and house rent allowance.

p11 ante

Extracts at (H)

X

4.If this calculation is accepted, the extra cost involved in the payment of overtime wages is about Rs.73,560 per annum. Legal are of opinion that the extra wages should be given to the workers with retrospective effect from 1-4-49. As the matter has been pending from June 1949 and workers belonging to a Union and working under condition, governed by the Factories Act are involved

p9 CF

p 19 ante

C.No. 42611E/50

it is considered that the matter should be treated as urgent and orders for the payment issued very urgently.

5. Finance consider that as the present proposal is not in the nature of a general change in policy or a scheme of new expenditure or revision of scales of pay, orders may issue after circulation to H.M.(Education), H.M.(Finance) and H.C.M.

p 22 ante

6. Orders are requested ~~for~~ on the proposal to ~~give~~ authorize the payment of the ~~retrospective effect to the calculation~~ of overtime wages ~~for~~ to the Workers in the Govt.Press ~~under the Factories Act,~~ ~~as at 'X' on page 23 ante,~~ with effect from 1-4-1949.

18/9

7. The file may be circulated to H.M.(E.& L.), H.M. (Finance) and H.C.M.

14 9 50

17.9.50

HM Edn
HM Fin
HCM

18 9

HM (E.L.)
HM (Fin)
HCM

may await
HM's
return

To await
return.

Let it be from 1.4.50.

24/9

B.G.1
27.9

25.9

SECRETARY
3 OCT 1950
EDUCATION DEPARTMENT

The proposal relates to the payment of arrears due to the workers in the Press, consequent upon a wrong calculation of overtime wages due to them, omitting from the calculation the dearness and house rent allowances. Under section 59 of the Factories Act 1948, which came into force on the 1st April 1949, these allowances will also count for the purpose of overtime wages. Hence, on a correct calculation of these wages the arrears have to be paid to the workers. Legal have held that the payment has to be made as

p 1 g

|| X p 19 ante

PTO

29

C.No. 42611E/49

p 19 ante

from 1-4-49, the date from which the Factories Act came into force.

2. Apparently, H.M.(Finance's) order is based upon the orders which are applicable to Government servants generally, to the effect that no arrears should ordinarily be paid to them. In this case those orders will not apply and compliance with the statutory provisions is necessary. The approximate amount to be thus paid from 1949-50 will be Rs 73,560 and the recurring expenditure will roughly work out to Rs 73,500/-

p 9 g

3. In view of the Legal Department's opinion referred to above it is respectfully submitted that the payment cannot be avoided as from 1-4-49. The workers are likely to create trouble if they come to know that something due to them under the Statute has been denied to them.

Y

4. It is for orders whether in the circumstances ~~whether~~ the payment may be as from 1-4-1949 as already proposed.

5. The case may again be circulated to H.M.(E.&L.), H.M.(Fin) and H.C.M.

3.10.50

HM Edn
HM Fin
HCM

In view of the legal department's view at 'x' on p 24 ante there appears to be no discretion in the matter, even apart from the trouble anticipated from the workers (please see Y above)

SECRETARY
17 OCT 1950
EDUCATION DEPARTMENT

4/10

Legally payment cannot be avoided & HM (Fin) ~~may~~ not treat this as usual increment being sanctioned. There is the Factories Act to reckon with.

HM (E.L.)
HM (Fin)

B.G.1
15.X

6/10

HCM

17/10

Please see the orders in circulation. A draft order is submitted. Finance may see

D
26.10.50

Leb
27.10.50

Edu

Fin 90170 R1

30 OCT 1950

Edn. No 42611 B/49-15
28/10/50.

Finance (E.I).

Previous Fin. note on pp 21-22 above, the orders in circulation on pp 24-25 above and the draft order below may be perused and the case returned to Edn. No.

1.11.50

DR
1.11.50

~~D.S.~~ J
2.11.
Edn.

There are no savings under the draft.

Thro' B.G.

1.11.50

AS3
DS
Fin. No.
90170 E.1/50-1
2.11.50.

Leb
3.11.50

ASSISTANT SECRETARY
3 NOV 1950
34568
EDUCATION DEPARTMENT